

30 September 2024

**DIGITAL 9 INFRASTRUCTURE PLC**  
(“D9” or the “Company” or, together with its subsidiaries, the “Group”)  
**RESULTS FOR THE HALF YEAR ENDED 30 JUNE 2024**

.....

**CHAIR’S STATEMENT**

The Company faced significant challenges over the period and in recent years. Following the constitution of a new Board of Directors over the last few months, our focus is to reset the Company’s priorities in delivering an orderly wind-down of the D9’s portfolio of assets.

To oversee this process, I was appointed Chair on 30 May 2024, and since 12 August 2024, following the appointment of three additional new non-executive directors, the D9 Board has operated on a near-full time basis, with almost daily meetings.

During this time, the new Board has overseen the completion of the interim portfolio valuation, progressed the ongoing sale processes for the Company’s wholly-owned assets, and sought to honour the existing commitments made to shareholders; including the Investment Management Review.

The Board fully understands shareholders’ frustration regarding the persistent discount at which the Company’s share price is trading relative to its NAV, the cessation of the Company’s dividend, and the NAV reduction to 30 June 2024.

We recognise that delivering on the Board’s stated commitments is critical for good governance and ultimately to realise the mandate shareholders voted for in March 2024, being the implementation of the Managed Wind-Down and taking every action possible to realise shareholder value over time.

To do so, the Board’s decision-making is characterised by four factors:

1. The Board will seek to realise all of the Company’s investments in a manner that achieves a balance between maximising the net value from these assets and making timely capital returns to shareholders.
2. The Board will seek to repay the remaining RCF, which amounted to £53 million as of 30 June 2024. The RCF remains subject to refinancing in March 2025, when the facility matures. The Company maintains an ongoing constructive dialogue with RCF lenders as the Managed Wind-Down progresses.
3. The Board will seek to ensure the Company preserves value by actively managing all costs associated with both its obligations as a listed company and those necessary to implement the Managed Wind-Down.
4. The Board will seek to regularly engage with its shareholders through timely market communication. We trust that the Company’s shareholders acknowledge it will often be in the Company’s interest to limit sensitive disclosure to protect its commercial position during live sale processes.

**Portfolio Valuation**

For the period ended 30 June 2024, the portfolio NAV declined to £403 million at 30 June 2024 (31 Dec 2023: £686 million). The Board determined that it is in shareholders’ best interests to publish an aggregate NAV to protect the Company’s commercial position during live sale processes of portfolio companies. At the point when the Company’s commercial position changes, the Board will provide the customary transparency on asset valuations.

In considering the valuation of the larger portfolio positions (Arqiva, Aqua Comms, Elio Networks and the Verne Global earn out) as at 30 June 2024, for each position the Board has concluded that the low-end of an acceptable value range was appropriate; and in arriving at their fair value conclusions for each of these positions, the Board has obtained an independent valuation. The Board’s adoption of the low-end of an acceptable value range is the same basis adopted by the previous Board as at 31 December 2023.

The valuation ranges were primarily based on a discounted cash flow model from revenue forecasted over a 8-10 year period followed by a terminal value based on a long term growth rate. Revenue projections were derived from the portfolio company business plans.

In the preparation of the portfolio business plans for the 30 June 2024 valuation, there was a re-assessment of the assumptions relating to the availability of finance for underlying portfolio companies, and timing thereof, and the consequential impact on the growth expectations of the portfolio companies.

The Board is cognisant that had certain of the assumptions adopted in the 30 June 2024 valuation been adopted at 31 December 2023, the valuation at that date would have been materially lower.

## **Sale Processes**

The Board remains committed to maximising shareholder value from the sale of the Company's wholly-owned assets at the earliest possible opportunity.

Sale preparations of Aqua Comms, EMIC-1, SeaEdge UK1 and Elio Networks, were initiated following shareholder approval of the Company's Managed Wind-Down. The Board will provide material updates on each sale process, as necessary.

The Board continues to believe that the launch of a sale process for D9's stake in Arqiva requires more consideration due to the complexity of the business and the co-shareholding structure. The Board continues to explore various options for Arqiva in consultation with a collaborative shareholder group. Further detail is set out in the Company's circular dated 28 February 2024.

As part of the Verne Transaction, the Company can benefit from a potential earn-out payment of up to \$135 million (approximately £107 million), subject to Verne Global achieving run-rate EBITDA targets for 2026 which were outlined to all prospective bidders at the time of the Verne Global sale. The Company also has customary protections to ensure Verne Global continues operating and reporting substantially in line with prior practices, including quarterly updates on its EBITDA to the Investment Manager and the D9 Board. The growth trajectory of the business to date is in line with expectations based on information received to date.

During the Managed Wind-Down, the Company intends to maintain its investment trust status and listing with due consideration for the regulatory requirements and costs of doing so following the sale of the Company's wholly owned assets.

## **Investment Management Arrangements Review**

As announced on 30 April 2024, the Company provided notice to the Investment Manager, Triple Point Investment Management LLP ("**Triple Point**"), to terminate the Investment Management Agreement ("**IMA**") on the earliest date permissible under the IMA being 31 March 2025. On 29 January 2024, the previous Board disclosed its intention to actively explore whether Triple Point might agree revised commercial terms that would be in the best interests of the Company and its shareholders. In light of the material downward revaluation of the portfolio's NAV as at June 2024, announced by the Company on 6 September 2024, the Board is continuing this review and intends to update shareholders at the earliest opportunity. As announced on 6 September 2024, the Board has made significant progress in its independent review of the Company's investment management arrangements and a further announcement is expected in the near future.

## **Capital Allocation**

Ultimately, following the full repayment and cancellation of the RCF, the Board intends to use proceeds to prioritise returns of capital to shareholders over the Group's longer-term obligations.

As previously disclosed, any cash distributions to shareholders will likely take the form of returns of capital but with final allocation amounts to be determined at the time by the Board in conjunction with the Investment Manager and taking into consideration the Company's liquidity.

No further dividend distributions are planned or foreseen. The Company will also cease to make any new investments except where there may be a legal or contractual imperative to do so, or if new investments may facilitate a sale process and in turn deliver superior shareholder value.

I would like to thank shareholders for their continued engagement with the Company and the new Board through what was a challenging period.

**Eric Sanderson**

Chair

30 September 2024

## KEY PERFORMANCE INDICATORS

In order to track the Company and/or Group's progress, the key performance indicators ("KPIs") monitored are set out below.

Sustainability KPIs are reported on a yearly basis, and the KPIs for the year ended 31 December 2023 can be found in the Company's separate Sustainability Report which is available here: <https://www.d9infrastructure.com/digital-9-infrastructure-plc-sustainability-report-2023/>.

KPI AND DEFINITION	RELEVANCE TO STRATEGY	PERFORMANCE	COMMENT
<b>1. Total return (%)<sup>1</sup></b>			
The change in NAV in the period and dividends paid per share in the period.	The total return highlights the underlying performance of the portfolio's investment valuations, including dividends paid.	(35.9)% for the six-month period to 30 June 2024 (June 2023: (5.6)%).	The negative total return is primarily due to the decrease in the fair value of the Company's Investment Portfolio, additional expenses incurred in relation to the Verne Global transaction and RCF and VLN interest expenses.
<b>2. Total shareholder return (%)<sup>*</sup></b>			
The change in share price and dividends paid per share.	The total shareholder return highlights the share price movements, including re-investment of dividends.	(24.9)% for the six-month period to 30 June 2024 (June 2023: (26.1)%).	The decrease was primarily driven by a significant fall in the share price. During the period, no dividends were declared, which also contributed to the share price decline.
<b>3. Earnings per share (pence)</b>			
The post-tax earnings attributable to shareholders divided by weighted average number of shares in issue over the period.	The EPS reflects the Company's ability to generate earnings from its investments, including valuation increases.	(32.73) pence per share for the six-month period to 30 June 2024 (see Note 13) (June 2023: (6.63) pence per share).	The main driver in the loss per share for the six-month period was the movement in fair value of the Company's Investment Portfolio, and costs incurred during the period. Other key drivers were financing costs incurred for the Group's RCF and VLN.

#### 4. NAV per share (pence)

NAV divided by number of shares outstanding as at the period end.	The NAV per share reflects our ability to grow the portfolio and to add value to it throughout the life cycle of our assets.	46.59 pence per share (30 June 2023: 100.13 pence per share; 31 December 2023: 79.33 pence per share) (see Note 14).	The NAV per share fell as a result of the negative fair valuation movement in the period and costs incurred including financing costs incurred for the Group's RCF and VLN. The negative fair value adjustment equates to 29.72 pence per share drop in NAV.
---	--	--	--

#### 5. Ongoing Charges Ratio\*

Annualised ongoing charges are the Company's management fee and all other operating expenses (i.e. excluding acquisition costs and other non-recurring items) expressed as a percentage of the average published undiluted NAV in the period, calculated in accordance with Association of Investment Companies guidelines.	Ongoing charges show the drag on performance caused by the operational expenses incurred by the Company.	1.63% annualised for the six-month period to 30 June 2024 (six-month period ended June 2023, annualised: 1.20%).	<p>A key measure of Operational performance.</p> <p>The Ongoing charges ratio has increased in line with the decrease in NAV. Total expenses for the period have decreased compared to the prior year, but the ratio as a percentage of the lower NAV increased.</p> <p>The calculation does not include costs associated with the sale of investments nor with the Strategic Review.</p>
---	--	--	---

\* Alternative Performance Measure ("APM"). Further information on APMs can be found in the Annual Report.

# INVESTMENT MANAGER'S REPORT

## Company and Portfolio Performance

The Company reported a pre-tax loss of £283 million for the six months to 30 June 2024 (six months to 30 June 2023: £57 million pre-tax loss), equal to a 32.73 pence loss per share (six months to 30 June 2023: 6.63 pence loss per share), under IFRS 10 investment entity accounting. This was the net result of income received from investments and revaluation losses arising on the investments held at fair value as at 30 June 2024. During the six-month period, the Company's NAV decreased from £686 million (79.33 pence per share) as at 31 December 2023 to £403 million as at 30 June 2024 (46.59 pence per share). Further details regarding the decline in NAV are provided in the Financial Review section.

For the first six months of 2024, aggregate Investee Company revenue declined by 1% year-on-year, whilst EBITDA fell 7% in the same period due to continued margin pressure at Arqiva and Aqua Comms. Further details are provided in the following sections.

Portfolio company debt as at 30 June 2024 consisted of £737 million at Arqiva (31 December 2023: £744 million), presented pro rata based on D9's 51.76% economic interest.

## Managed Wind-Down

In line with the new investment objective and investment policy approved by the Shareholders in the General Meeting held on 25 March 2024, non-binding offers for certain assets have been received and a selected number of preferred bidders have been admitted to a second phase of the sales processes, which will include detailed due diligence. Sales processes are also ongoing for various assets in the portfolio, excluding Arqiva. There can be no guarantee that the sales will proceed, and the sale processes will only be progressed if the Board is satisfied that the values achieved are acceptable. A further update on the sales processes will be made as matters progress.

## Financial Review

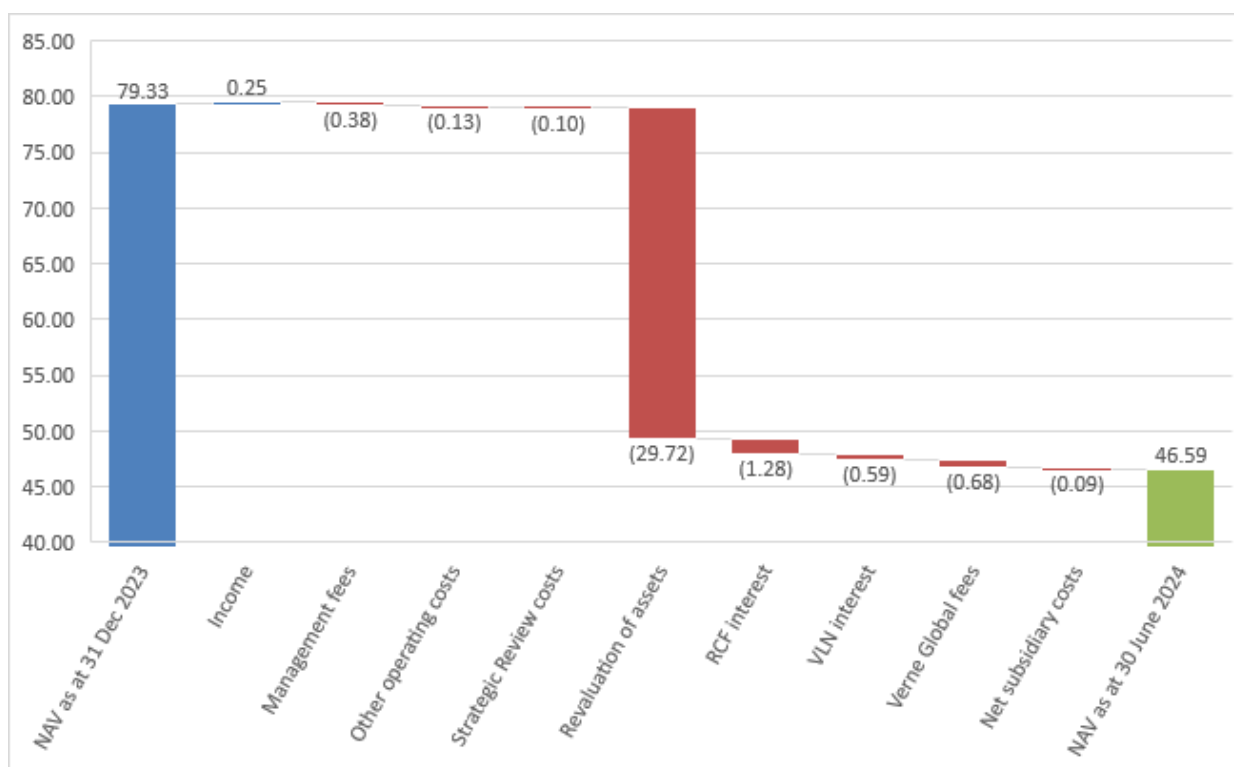
### Net Asset Value

The following chart shows the movement in the Company's NAV on a pence per share basis, for the six-month period from 31 December 2023 to 30 June 2024.

In the six months to 30 June 2024, the portfolio's fair value reduced by £257 million or 29.72 pence per share.

The total fall in NAV of the Company of £283 million or 32.74 pence per share was driven by portfolio fair value movement of £257 million, RCF and VLN interests of £16 million, Verne Global disposal fees of £6 million and net other costs of £4 million.

NAV per share movement – six months to 30 June 2024  
(pence per share)

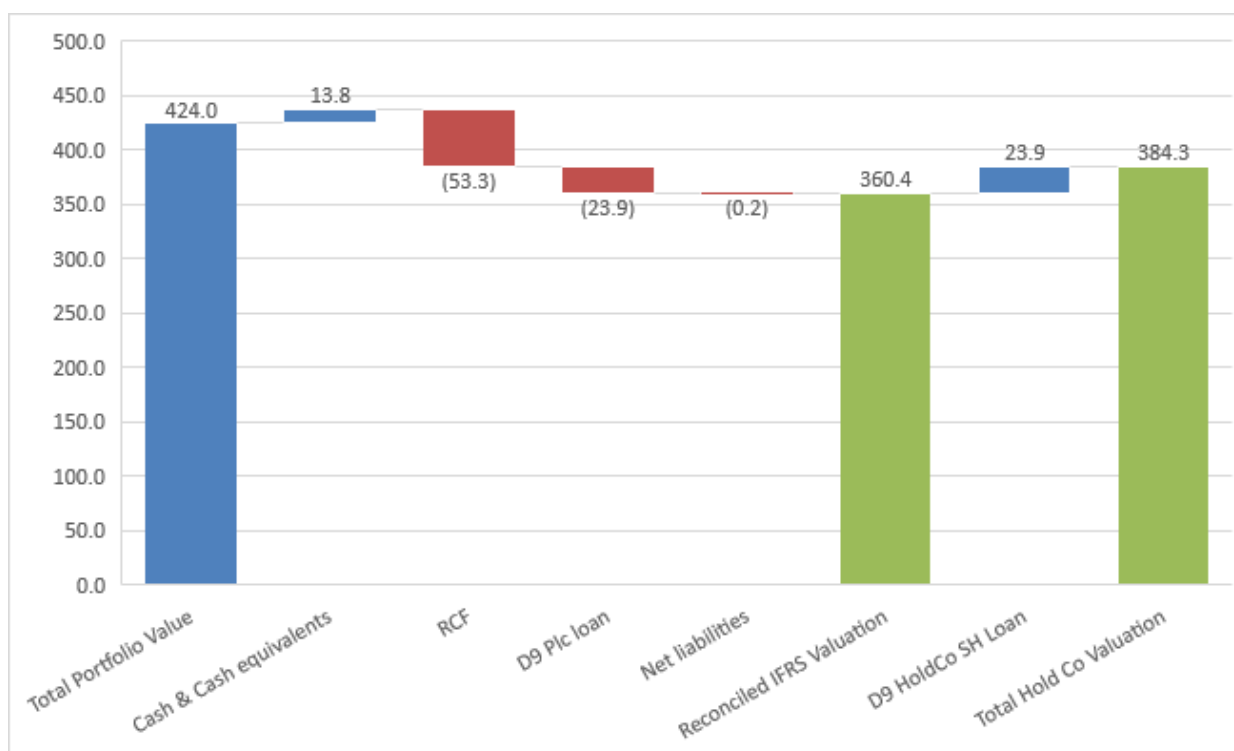


#### Reconciliation to IFRS Valuation

The below chart shows the build-up of the IFRS Investment Valuation held on the Balance Sheet of the Company, which amounts to a total of £384 million. This includes a £360 million valuation for the Company's wholly-owned subsidiary Digital 9 HoldCo Limited, which holds the investments in the underlying Investee Companies. A £24 million shareholder loan the Company has made to Digital 9 HoldCo Limited is shown separately.

In the chart below, Total Portfolio Value (£424 million) is net of all VLN deductions, being VLN principal (£163 million), as well as additional VLN notes issued in June 2023 (£7 million) and in June 2024 (£10 million) in respect of interest for prior periods (please see below the section entitled 'Capital structure at Arqiva and at HoldCo level' for further detail). Deductions are also made for the RCF which, for the avoidance of doubt, does not sit on the Company's Balance Sheet but as it is held in Digital 9 HoldCo Limited, an unconsolidated subsidiary of the Company.

#### Digital 9 HoldCo Limited valuation reconciliation as of 30 June 2024 (£ million)



### Valuations

The valuation follows an independent valuation process for Aqua Comms, Arqiva and Elio Networks as at 30 June 2024. The total portfolio valuation is £424 million. This is net of the total VLN balance as of June 2024, which includes additional PIK notes issued in June 2023 and June 2024.

As of 30 June 2024, Company NAV per share is 46.59 pence per share, a 41% reduction from 79.33 pence per share as of 30 December 2023. A major part of the NAV reduction is attributable to a re-assessment of the assumptions relating to the availability of finance for underlying portfolio companies and its impact on portfolio companies' growth outcomes in the valuation models, as compared to those inputs used in arriving at the NAV as at 31 December 2023.

### **Summary of Portfolio Valuation methodology**

The cash flows used in the valuations are based on plans signed off by Investee Company boards. These models are used to evaluate Investee Company performance and assess the performance of Investee Company management.

### Valuation

Investment valuations are calculated at the financial half-year (30 June) and the financial year-end (31 December) periods. For the current period ended 30 June 2024, in arriving at their fair value conclusions, the Board obtained an independent valuation of Aqua Comms, Elio Networks, Arqiva Group and the Verne Earn-Out. EMIC-1 and SeaEdge UK1 were valued by TriplePoint. The Verne Global Earn-Out was valued utilising a Monte Carlo Simulation.

### **Discount rates**

As described in Note 7, investments are typically valued on a discounted cash flow ("DCF") basis. The discounted cash flow from revenue is forecast over an 8-to-10-year period followed by a terminal value based on a long-term growth rate. Discount rates are arrived at via a bottom-up analysis of the weighted average cost of capital, using both observable and unobservable inputs, and calculation of the appropriate beta based on comparable listed companies. Where appropriate, a sense-check to the DCF analysis is done by comparison to market multiples. The weighted average discount rate used in these valuations was 13.80% (31 December 2023: 13.62%).



## Liquidity

The chart below shows the unrestricted cash movements for the Group in the six-month period to 30 June 2024. For the avoidance of doubt, this chart includes all unrestricted cash across the D9 subsidiaries to 30 June 2024.

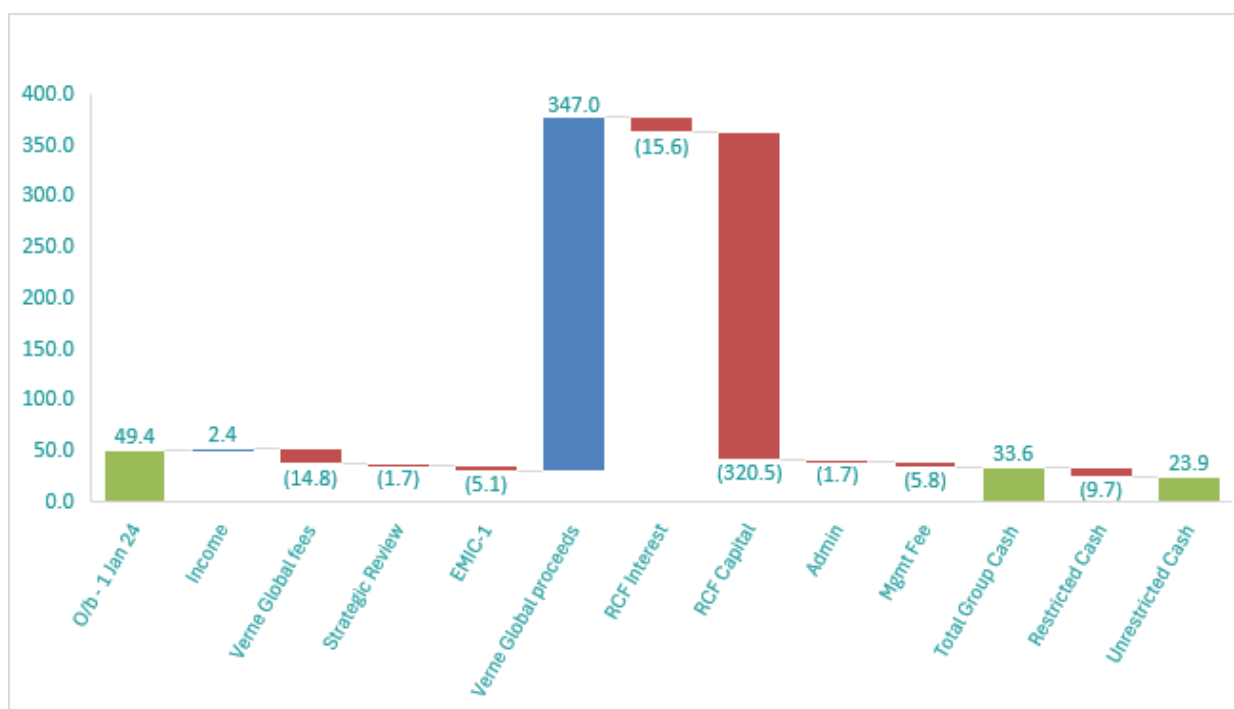
At 30 June 2024, the Group held total cash of £33.6 million\*. Of this, unrestricted cash available for use was £23.9 million. Unrestricted cash includes £19.8m held at the Company level, with the £4.1 million balances being held in unconsolidated subsidiaries.

As at 30 June 2024, the Group had cash of £5.1 million in a restricted interest reserve account, under the terms of its RCF. In agreement with its RCF lenders, the Company negotiated and agreed that from 1 January 2024 the cash reserves in the RCF's interest reserve account can be used for interest payments which enables the Company to pay interest for the residual RCF without using any unrestricted cash until the RCF's maturity in March 2025. The Group also had £4.6 million restricted cash held in an escrow account in relation to the EMIC-1 project.

All Letters of Credit relating to Verne Global Iceland were cancelled in Q1 2024.

\* Alternative Performance Measure ("APM"). Further information on APMs can be found in the 2023 Annual Report.

### Unaudited Unrestricted Cash Group Waterfall – 1 January 2024 to 30 June 2024 (£ million)



## Inflation

In the period, inflation has started to stabilise following the highs of last year, which has had a strong positive cash flow impact for Arqiva. Last year, 13.5% RPI in March 2023 resulted in Arqiva paying £147 million in accretion on its inflation-linked swaps. This year, RPI declined to 4.3% in March 2024, corresponding to a £53 million accretion payment by Arqiva (equating to c.£28 million prorated for D9's 51.76% economic interest in Arqiva). High inflation last year had two main impacts on Arqiva. The first was the immediate but short negative cash flow impact of the large 2023 accretion payment. The second is positive, increasing EBITDA in the long term due to the compounding effect of Arqiva's long-term inflation-linked contracts.

## Debt financing

Excluding Investee Companies, D9 had gross debt of £233 million as of 30 June 2024, corresponding to 51% of Adjusted GAV. This comprised the Company's RCF, which was fully drawn at £53 million, as well as the

outstanding VLN balance of £180 million. Interest on the VLN can be paid either in cash or by issuance of additional notes, and the latter option was exercised in respect of the 12 months to 30 June 2024, increasing the outstanding balance by £10 million. The current balance consists of £163 million principal and £17 million of additional notes.

#### Investee company leverage

As of 30 June 2024, Arqiva was the only Investee Company with external debt, with a balance of £1,423 million (including project debt), of which D9's share was £737 million (31 December 2023: £744 million).

#### Debt metrics

The below table shows the Group's leverage position as at 30 June 2024.

	30 June 2024	31 December 2023	30 June 2023
	<i>£'million</i>	<i>£'million</i>	<i>£'million</i>
<b>Total Portfolio Value</b>	424.0	1,028.8	1,153.5
Subsidiary Cash & Equivalents	13.8	34.6	48.9
RCF	(53.3)	(373.8)	(355.0)
Net Subsidiary Other Liabilities	(24.1)	(49.8)	(37.1)
PLC inter-company loan	23.9	36.2	29.1
<b>Reconciled IFRS Valuation</b>	384.3	676.1	839.4
PLC Other Current Assets	1.7	1.5	0.8
PLC Receivables & Cash	19.8	14.8	29.5
<b>Total Assets</b>	405.8	692.3	869.7
RCF	53.3	375.0	375.0
<b>Adjusted GAV</b>	459.1	1,067.3	1,244.7
	<i>£'million</i>	<i>£'million</i>	<i>£'million</i>
RCF	53.3	375.0	356.2
VLN (including £17 million additional notes issued in respect of interest)	180.0	169.8	169.8
<b>Total Group Leverage</b>	233.3	544.8	526.0
<b>Leverage / Adjusted GAV</b>	50.8%	51.0%	42.3%

As of 30 June 2024, the Company's net debt / EBITDA position has decreased since 31 December 2023, mainly as a result of the significant partial repayment and cancellation of the Company's RCF following the sale of Verne Global.

	At 30 June 2024 <i>(£'million)</i>	At 31 December 2023 <i>(£'million)</i>	At 30 June 2023 <i>(£'million)</i>
<b>Net Debt / EBITDA</b>			
Drawn RCF	53	375	355

VLN*	180	170	170
Group Cash & Equivalents (inc. restricted cash)	(34)	(49)	(78)
<b>Net Debt</b>	199	496	447
Annualised Portfolio EBITDA	180	198	209
<b>Net Debt / EBITDA</b>	1.1x	2.5x	2.1x
Arqiva debt (prorated for D9 ownership)**	737	744	769
Verne Global debt	-	78	78
<b>Adjusted Net Debt</b>	936	1,318	1,294
<b>Adjusted Net Debt / EBITDA</b>	5.2x	6.7x	6.2x

\*Includes £6.8 million additional notes issued in June 2023 and £10.2 million additional notes issued in June 2024 in respect of interest for the periods prior.

\*\*This is D9's share of Arqiva gross debt. It is not an Arqiva net debt figure and as a result does not include cash held by Arqiva; it is a more conservative approach and is in line with previously reported figures.

Please see below the 'Provision in respect of potential VLN adjustment' section for further details relating to the potential change to the VLN relating to the Bilsdale matter.

## Review of Portfolio as of 30 June 2024

Aggregate revenues for the Investee Companies during the period amounted to £194.7 million, 1% lower than the same six-month period to 30 June 2023. The decrease was largely attributable to small customer losses at Arqiva, mitigated by Aqua Comms' higher-than-expected O&M sales and Elio Networks' continued drive to grow their higher bandwidth Elio Enterprise product. In line with business plans, margins have remained under pressure for some of the businesses, particularly Arqiva and Aqua Comms, resulting in a 7% year-on-year drop in EBITDA for the period. In the six months to 30 June 2024, the portfolio's fair value reduced by £257 million or 29.72 pence per share. Further details on the portfolio revaluation are provided in the Financial Review section above.

### Portfolio Financial Performance

	Six months to 30 June 2024	Six months to 30 June 2023	12 months to December 2023	12 months to December 2022
<b>Revenue</b>	£194.7 million	£197.5 million	£396.0 million	£363.8 million
<b>Year-on-year growth (%)</b>	(1%)	10%	9%	0%
<b>EBITDA</b>	£89.9 million	£96.9 million	£180.6 million	£193.2 million
<b>Year-on-year growth (%)</b>	(7%)	0%	(7%)	(0%)
<b>% margin</b>	46%	49%	46%	53%

### Aqua Comms (excluding EMIC-1)

Aqua Comms is a leading carrier-neutral owner and operator of subsea fibre cable systems with a strategic opportunity to expand, connecting the world's largest traffic hubs. It is a transatlantic leader, with its AEC-1, AEC-2, AEC-3, CC-1, CC-2 and North-sea Connect cables, and is expanding around the globe. Through its niche product suite and carefully considered partner network, Aqua Comms delivers high speed solutions for carriers who desire best-in-class connectivity, without the complexity.

<b>Sector</b>	Subsea	<b>Initial investment</b>	£170 million
<b>Currency</b>	USD	<b>Total capex funded to date</b>	£17 million

<b>Date invested</b>	April 2021	<b>Total investment to date</b>	£187 million
<b>Ownership</b>	100%	<b>Revenue (six months to 30 June 2024)</b>	£16.0 million
<b>SDG9 alignment</b>	Connectivity	<b>EBITDA (six months to 30 June 2024)</b>	£3.6 million

Compared to the six months to 30 June 2023, revenue increased by 16% in the six months to 30 June 2024 mainly driven by increased sales in Aqua Comms' existing systems and on AEC-3, which became operational in the third quarter of last year. EBITDA decreased by 12% mainly because of the planned addition of headcount to support sales, operations and expansion into new geographies such as Asian markets, in line with the business' long-term strategy, along with additional and temporary overlapping costs to internalise its previously outsourced Network Operations Centre (with the transition on track to finalise at the end of this year).

Aqua Comms has had a strong start to the year and continues its success in the transatlantic market with large, announced sales such as a 25% fibre pair sale on its transatlantic system to Energy Sciences Network (ESnet).

As planned, Aqua Comms has now lit the second fibre pair it owns on AEC-1, as customer demand has driven the need to supply further capacity on this system.

	<b>Six months to 30 June 2024</b>	<b>Six months to 30 June 2023</b>	<b>2023</b>	<b>2022</b>
<b>Revenue</b>	£16.0 million	£13.8 million	£28.3 million	£27.2 million
<b>% growth</b>	16%	3%	4%	5%
<b>EBITDA</b>	£3.6 million	£4.1 million	£8.6 million	£12.7 million
<b>% growth</b>	(12%)	(36%)	(32%)	(5%)
<b>% margin</b>	23%	30%	30%	47%

## EMIC-1

Aqua Comms is also managing the EMIC-1 system with its development continuing through 2024 before earliest expected launch in 2025. EMIC-1 has the potential to be delayed further based on the geopolitical situation in the Red Sea and Middle East, which is impacting the ability of new cable systems to be deployed in the region. Despite the geopolitical situation and potential for further delay, the Aqua Comms team achieved a large pre-sale on EMIC-1 in Q4 of last year. The leader of the investor consortium building out the cable system continues to explore alternative plans to connect the Red Sea and Indian leg of the system, to allow service to start even if the original wet route is not fully completed.

<b>Sector</b>	Subsea	<b>Initial investment</b>	-
<b>Currency</b>	USD	<b>Total capex funded to date</b>	£39 million
<b>Date invested</b>	August 2021	<b>Ownership</b>	100%

## SeaEdge UK1

*SeaEdge UK1 is a data centre asset and subsea fibre landing station, located on the UK's largest data centre campus in Newcastle. D9 owns the underlying real estate of SeaEdge UK1 and leases the facility to data centre operator Stellium Data Centres Ltd, via a 25-year occupational lease. SeaEdge UK1 offers unique positioning as a premier data centre provider in the UK with unparalleled connectivity to North America, the Nordics, and the UK via exclusive subsea Cable Landing Station's and proprietary local network.*

<b>Sector</b>	Data centre	<b>Initial investment</b>	£16 million
<b>Currency</b>	GBP	<b>Total capex funded to date</b>	-

<b>Date invested</b>	December 2021	<b>Total investment to date</b>	£16 million
<b>Ownership</b>	100%	<b>Revenue (six months to 30 June 2024)</b>	£0.5 million
<b>SDG9 alignment</b>	Connectivity & Decarbonisation	<b>EBITDA (six months to 30 June 2024)</b>	£0.5 million

SeaEdge UK1 is the UK's only landing station for the North Sea Connect subsea cable, which improves connectivity in northern England and forms part of the North Atlantic Loop subsea network, which includes Aqua Comms' AEC-1 and AEC-2 cables.

In the six months to 30 June 2024, revenue grew by 6% and EBITDA by 7% compared with the same period in the previous year. This was due to continued positive revenue indexation and reduced expenses. The Company has agreed to defer the rent due as part of the sale process of SeaEdge.

The asset is leased on fully repairing and insuring terms to the tenant and operator, Stellium Data Centres Ltd, via a 25-year occupational lease with over 21 years remaining.

	<b>Six months to 30 June 2024</b>	<b>Six months to 30 June 2023</b>	<b>2023</b>	<b>2022</b>
<b>Revenue</b>	£0.5 million	£0.5 million	£1.0 million	£0.9 million
<b>% growth</b>	6%	-	11%	n/a
<b>EBITDA</b>	£0.5 million	£0.5 million	£1.0 million	£0.9 million
<b>% growth</b>	7%	7%	13%	n/a
<b>% margin</b>	95%	94%	94%	93%

## Elio Networks

*Elio Networks is a leading provider of resilient and high performance B2B connectivity, operating the highest-capacity Fixed Wireless Access (FWA) network in Ireland, with dedicated up to 10 Gbps (Gigabits per second) lines due to a dense base station coverage.*

<b>Sector</b>	Wireless	<b>Initial investment</b>	£51 million
<b>Currency</b>	EUR	<b>Total capex funded to date</b>	-
<b>Date invested</b>	April 2022	<b>Total investment to date</b>	£51 million
<b>Ownership</b>	100%	<b>Revenue (six months to 30 June 2024)</b>	£4.1 million
<b>SDG9 alignment</b>	Connectivity	<b>EBITDA (six months to 30 June 2024)</b>	£2.2 million

Elio Networks continued growing its high-quality wireless connectivity operations in 2024, with revenue of £4.1 million achieved in the six months to 30 June 2024, a 3% increase compared to the six months to 30 June 2023. Elio Networks has seen strong growth momentum in Cork city since launching in 2023, reaffirming its position as the leading wireless fixed connectivity player in Ireland.

Elio Networks has a diverse client base, including larger multinationals, government bodies, global technology companies, small professional service firms, retail and hospitality companies. Elio Networks was launched to address the growing requirement for affordable high-speed broadband in the greater Dublin area. Since then, it has grown to become the largest wireless internet service provider ("ISP") in the greater Dublin region, with the 2023 expansion into Cork city reaffirming its position as a leading connectivity player in Ireland.

	Six months to 30 June 2024	Six months to 30 June 2023	2023	2022
<b>Revenue</b>	£4.1 million	£4.0 million	£8.0 million	£7.6 million
<b>% growth</b>	3%	6%	5%	6%
<b>EBITDA</b>	£2.2 million	£2.2 million	£4.1 million	£4.0 million
<b>% growth</b>	-	11%	2%	(14%)
<b>% margin</b>	54%	55%	51%	53%

## Arqiva

Arqiva is the UK's pre-eminent national provider of television and radio broadcast infrastructure and provides end-to-end connectivity solutions in the media and utility industries. It has been an early and leading participant in the development of smart utility infrastructure in the UK through its smart water and energy metering services. It is also a leading provider of satellite uplink infrastructure and distribution services in the UK.

<b>Sector</b>	Wireless	<b>Initial investment</b>	£300 million
<b>Currency</b>	GBP	<b>Total capex funded to date</b>	-
<b>Date invested</b>	October 2022	<b>Total investment to date</b>	£300 million
<b>Ownership</b>	48.02%	<b>Revenue (six months to 30 June 2024)</b>	£174.0 million
<b>SDG9 alignment</b>	Connectivity	<b>EBITDA (six months to 30 June 2024)</b>	£83.7 million

Note: Figures presented are prorated based on D9's 51.76% economic interest in Arqiva.

Arqiva is a large, robust business with c.1,300 employees and predictable earnings underpinned by long-term contracts with blue-chip customers, including the BBC, ITV, Channel 4, Sky, Discovery, the DCC and Thames Water. Arqiva's utilities business continues to represent a growth opportunity grounded in a quality product offering and enabling clear cost savings and environmental benefits.

Arqiva achieved revenue of £174m in the six months to 30 June 2024, down 3% year-on-year. Positive revenue indexation through Arqiva's inflation-linked contracts was offset by reduced DTT channel sales, lower pricing on contract renewals and customer losses. EBITDA declined year-on-year, with margins impacted by rising power costs and increased headcount expenses, reflecting macroeconomic wage pressures and strategic investments in new media markets.

In May 2024, Ofcom published a report on the future of TV distribution, which outlined how the market could evolve over the next 10-15 years. Arqiva is in close dialogue with relevant stakeholders including the regulator and relevant government departments as this area of policy debate progresses.

In the utilities sector, the UK's water industry regulator, Ofwat, published its draft determinations for the 2025-2030 period, which signal the largest investment programme since privatisation. This includes an ambitious rollout of over 10 million smart water meters, presenting Arqiva with a significant growth opportunity to leverage its smart metering expertise and support the sector's strategic agenda in water and waste monitoring.

### Capital structure at Arqiva and at HoldCo level

In October 2022, D9 acquired a 51.76% economic interest (48.02% equity stake) in Arqiva for £463 million, which consisted of £300 million paid in cash and £163 million owed to the vendor in the form of a vendor loan note (VLN).

As of 30 June 2024, D9 owes the £163 million VLN principal to the vendor along with £17 million of PIK interest (additional notes issued on 30 June 2023 and 30 June 2024). Arqiva also holds a large balance of shareholder loans owed to its own shareholders. For the avoidance of doubt, these do not represent an external debt obligation and should be excluded when examining Arqiva's leverage. Arqiva's total external debt as of 30 June

2024 was £1,423 million, which corresponds to £737 million attributable to D9 pro rata based on its 51.76% economic interest.

Provision in respect of potential VLN adjustment

Arqiva's Bilsdale site returned to full operation in January 2024 following the 2021 fire and subsequent restoration. We expect net costs associated with the incident to be lower than anticipated at acquisition. Per the terms agreed with the vendor at the time of the acquisition by D9, this cash flow upside for Arqiva is expected to be offset by an increase to the VLN. The Group holds a provision in respect of this potential adjustment to the VLN and any such adjustment to the VLN will be made when it crystallises. The provision has not been stated explicitly due to its commercially sensitive nature, but it has been accounted for at D9 HoldCo level such that the impact is reflected within the fair value of the investments in D9 HoldCo for the period.

Inflation-linked swaps

The six months to 30 June 2024 have seen inflation stabilising, following the highs of last year, with a strong positive cash flow impact for Arqiva. Last year, 13.5% RPI in March 2023 resulted in Arqiva paying £147 million in accretion on its inflation-linked swaps. In stark contrast this year, RPI was down to 4.3% in March, resulting in a £53 million accretion payment (equating to c.£28 million prorated for D9's 51.76% economic interest in Arqiva). For the avoidance of doubt, accretion is paid out of Arqiva's own cash flows and not by D9. Please see above the 'Provision in respect of potential VLN adjustment' section for further details relating to the potential change to the VLN relating to the Bilsdale matter.

As disclosed in June 2023, Arqiva implemented a collar on its inflation-linked swaps, which applies a cap and floor to future accretion payments, limiting downside cash flow exposure for the business. Given that March 2024 RPI fell within the collar's range (2.5% to 6.0%), there were no collar cash flows relating to Arqiva's 2024 accretion payment.

Vendor loan note interest

D9's 2022 acquisition of a 48.02% equity stake in Arqiva consisted of £300 million paid in cash and a £163 million vendor loan note issued by the vendor. Please see above the 'Provision in respect of potential VLN adjustment' section for further details relating to the potential change to the VLN relating to the Bilsdale matter. The VLN, which matures in 2029, is non-recourse to the Company. In the event of a default, recourse is limited to the Company's shares in Arqiva Group Limited, and this charge is registered at Companies House against D9 Wireless Midco 1 Limited, a subsidiary of the Company.

The VLN is due to mature on 18 October 2029 and has the following stepped interest rate profile:

- 6% per annum up to and including 30 June 2025;
- 7% per annum from 1 July 2025 up to 30 June 2026;
- 8% per annum from 1 July 2026 up to 30 June 2027; and
- 9% per annum from 1 July 2027 to maturity.

Interest on the VLN is due annually in arrears on 30 June and can be paid either in cash or by issuance of additional payment-in-kind ("PIK") notes. This PIK option was exercised in respect of the 12 months to 30 June 2024, increasing the outstanding balance from £169.8 million as of 30 June 2023 to £180 million as of June 2024. This consists of £163 million principal and £17 million of additional notes. PIK interest is capitalised into the balance of the VLN annually in June each year, and all interest on the Arqiva VLN was PIK as of 30 June 2024. No interest on the VLN has been settled in cash.

Accrued interest must be repaid in full before distributions can be made to the Group. After the fourth anniversary of the VLN (18 October 2026), the Group can only receive distributions if the entirety of the VLN principal and any rolled up interest have been repaid in full.

	Six months to 30 June 2024	Six months to 30 June 2023	2023	2022
<b>Revenue</b>	£174.0 million	£179.3 million	£358.6 million	£328.1 million
<b>% growth</b>	(3%)	11%	9%	-
<b>EBITDA</b>	£83.7 million	£90.1 million	£166.9 million	£175.7 million
<b>% growth</b>	(7%)	3%	(5%)	1%

<b>% margin</b>	48%	50%	47%	54%
-----------------	-----	-----	-----	-----

Note: Figures presented are pro-rated based on D9's 51.76% economic interest in Arqiva.

**Verne Global Earn-Out**

As previously announced, the Company completed the Verne Transaction which consisted of a potential earn-out payment of up to approximately £107 million (US\$135million) (the "Earn-Out") payable subject to Verne Global achieving run-rate EBITDA targets for the year ending on 31 December 2026.

We continue to receive information relating to Verne Global's EBITDA under the terms of the Sale and Purchase Agreement in order to inform the valuation of the Earn-Out.

**Diego Massidda**

Head of Digital Infrastructure

Triple Point Investment Management LLP

30 September 2024

**PRINCIPAL RISKS AND UNCERTAINTIES**

The table below sets out what the Board believes to be the principal risks and uncertainties facing the Group. The table does not cover all of the risks that the Group may face. The Board defines the Group's risk appetite, enabling the Group to judge the level of risk it is prepared to take in achieving its overall objectives. Additional risks and uncertainties not presently known to management or deemed to be less material at the date of this report may also have an adverse effect on the Group.

		<b>Risk Impact</b>	<b>Risk Mitigation</b>	<b>Impact, Likelihood and Change in Period</b>
<b>1.</b>	<b>Persistent, Negative Market Sentiment. Leading to increased activism</b>	<p>The fund has suffered as a result of a lengthy period where share price has traded at a discount to NAV. There are a number of legacy drivers behind the market sentiment, which include: wider macroeconomic and market conditions, Group's leverage position, Investment Manager and Board personnel changes.</p> <p>Combined, these have led to a reduced level of shareholder confidence which has manifested in a continued level of complaints and increased Board engagements.</p> <p>Specifically, the Board have experienced multiple changes of membership. This has in part caused disruption to the ongoing governance and oversight of the fund and is seen as a contributor to the increased level of activism.</p>	<p>The Board has continued to maintain an open dialogue with shareholders and provided market updates on the execution of its strategy, which has included a formal consultation with shareholders to determine the forward-looking strategy, which sought to address shareholder concerns re the performance and management of the fund.</p> <p>Ongoing, the Board and Investment Manager have sought appropriate corporate and legal advice to ensure the fund conducts itself appropriately and informed decisions and actions have been taken to deliver the best possible outcome to shareholders.</p> <p>There has recently been appointment of new members to the Board including the appointment of a new Chair – all of which will add depth, capacity and</p>	<p><u>Impact:</u> High</p> <p><u>Likelihood:</u> High</p> <p><u>Change in period:</u> Stable</p>



			ensure all Committees can operate appropriately and enable the Board to fulfil its oversight obligations.	
2.	<b>Liquidity and Solvency Risk</b>	The company made a significant repayment to the RCF debt liability, following the successful sale of Verne. The residual balance requires active management given the proximity to the repayment date (March 25), and that the group is in breach of one of its financial covenants.	<p>The Company has several management actions in place to manage its debt obligations and is in regular dialogue with its funding partners. In addition it is working with the Lenders to explore options for a waiver of its breach whilst it continues the orderly realization with a view to sales or repayment of the RCF as soon as practicable.</p> <p>General liquidity is managed via regular cashflow monitoring, supplier negotiations, and regular visibility at Board level through ongoing reporting.</p>	<p><u>Impact:</u> High</p> <p><u>Likelihood:</u> High</p> <p><u>Change in period:</u> Increased</p>
3.	<b>Transaction / Execution Risk</b>	The execution of the wind-down strategy will be completed in an appropriate and timely manner and one that achieves best outcomes for investors. The underlying quality and performance of the Investee Companies are considered robust both financially and operationally; notwithstanding that access to capital for further investment would enhance value in certain instances. Where appropriate and available, this will still be explored, subject to there being no detriment to overarching achievement of strategy. The closure of transactions may prove materially more complex than anticipated given the geography and regulatory bias of the Investee Companies.	Each transaction will be supported by a carefully selected team of advisers, which together with the experience of the Investment Management team are best placed to navigate the inherent risks in selecting the most appropriate deal and respectively concluding; with the priority of delivering best investor outcomes.	<p><u>Impact:</u> Moderate to High</p> <p><u>Likelihood:</u> Moderate</p> <p><u>Change in period:</u> Stable</p>

4.	<b>Future Portfolio Funding</b>	<p>A number of the portfolio companies required access to funding to fulfill capex requirement, for which projects are dependent upon.</p> <p>Limitations on or access to funding may impact performance and valuations.</p>	<p>Portfolio Companies are actively managing funding options to support fulfillment of their project plans.</p> <p>Where necessary management actions are in place to monitor the impact in delays in accessing the required capital.</p>	<p><u>Impact:</u> Moderate <u>Likelihood:</u> Moderate to High</p> <p><u>Change in period:</u> Increased</p>
5.	<b>Interruptions to operations including infrastructure and technology</b>	<p>D9's Investee Companies rely on infrastructure and technology to provide their customers with a highly reliable service. There may be a failure to deliver this level of service because of numerous factors. This could result in the breach of performance conditions in customer contracts, resulting in financial or regulatory implications.</p>	<p>The Digital Infrastructure Investments in which the Group invests use proven technologies, typically backed by manufacturer warranties, when installing applicable machinery and equipment. Investee Companies hire experts with the technical knowledge and seek third-party advice where required. Where appropriate, there are insurances in place to cover issues such as accidental damage and power issues.</p>	<p><u>Impact:</u> Moderate to High</p> <p><u>Likelihood:</u> Moderate</p> <p><u>Change in period:</u> Stable</p>
6	<b>Dependency on Investment Manager</b>	<p>The Company is heavily reliant on the full range of an Investment Manager's services, their expertise and specific knowledge pursuant to the strategic direction of the fund.</p> <p>Successful execution of the strategy to manage a winddown of the fund, maximising shareholder value, is dependent upon the appointment of an Investment Manager who has knowledge and experience of the individual dynamics of each individual Investee Companies and the markets that they operate in, which can be leveraged to develop an approach which achieves the maximum for shareholders.</p>	<p>The selection of a new and/or continuation of engagement with the Investment Manager, forms part of the Strategic Review, which the Board is continuing to manage with the support of independent advisers.</p> <p>The decision will be based upon who can achieve the best outcome for investors.</p> <p>Post 31 December 2023, the Board served notice to the existing Investment Manager, whose current obligations are set to end on 31 March 2025, in line with the expiry of the lock-in period,</p> <p>Any changes to the Investment Manager will see new fee arrangements entered into and the Board will ensure that return and reward are aligned with delivery of strategy.</p>	<p><u>Impact:</u> Moderate to High</p> <p><u>Likelihood:</u> Moderate <u>Change in period:</u> Stable</p>

7.	<b>Regulatory Risk</b>	There are several regulatory stakeholders involved both at a Fund but also individual Portfolio Company level. The Board operates in an open and transparent manner and have external advisers appointed to support and ensure obligations are met. Breach of obligation and/or failure to maintain adequate engagement can lead to increased scrutiny, resulting in financial and/or reputational impacts.	Compliance with regulatory expectations is a key focus of the Board. Relationships with FCA and JFSC are supported through engagement with the Investment Manager Triple Point Investment Management LLP and corporate service providers such as Ocorian Fund Services (Jersey) Ltd and INDOS Financial Limited. Individual Investee Companies have direct engagement with their regulators and recruit staff that have experience and deep understanding of the obligations in which they operate under.	<u>Impact:</u> Moderate  <u>Likelihood:</u> Moderate  <u>Change in period:</u> Stable
----	------------------------	---	---	--

## Emerging Risks

*Introduction of, or amendment to laws, regulations, or technology (especially in relation to climate change)*

The global ambition for a more sustainable future has never been greater, particularly in light of various climate-related events across the globe. There is increasing pressure for governments and authorities to enforce green-related legislation. This could materially affect organisations which are not set up to deal with such changes in the form of financial penalties, operational and capital expenditure to restructure operations and infrastructure, or even ceasing of certain activities.

The Investment Manager will continue to actively monitor changes and to actively engage with portfolio companies to improve their alignment with current and future legislation, regulations and best practices in this field.

*Changes to power supply and prices / Supply chain disruption*

As demonstrated by the Russia's invasion of Ukraine, global conflicts can have significant disruption to both power supply and supply chains. The changing political landscape across the world and increased tensions are monitored by the Investment Manager. Scenario planning tool are used to understand the impacts and possible mitigation actions.

*Development of disruptive technology*

The digital infrastructure sector is constantly evolving. As a result, there is a risk that disruptive technology emerges which results in current digital infrastructure assets becoming obsolete. The Investment Manager constantly monitors the emerging technology trends with digital infrastructure to ensure Investee Companies evolve their business models where required and new investment opportunities are accurately assessed.

## Other information

### Going Concern

The Directors have concluded that it is appropriate for the condensed financial statements to be prepared on a going concern basis. As included within the Going Concern section in the Financial Statements (Note: 2), the Company continues to disclose a material uncertainty, which may cast significant doubt over the Company's ability to continue as a going concern. Full details are set out in Note 2 of the attached financial statements.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

The Directors confirm that to the best of their knowledge this condensed set of financial statements has been prepared in accordance with IAS 34 as adopted by the European Union and that the operating and financial review includes a fair review of the information required by DTR 4.2.7 and DTR 4.2.8 of the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority namely:

- an indication of important events that have occurred during the period and their impact on the condensed financial statements and a description of the principal risks and uncertainties for the remaining six months of the financial year; and
- material related party transactions in the period as disclosed in Note 10.

A list of the Directors is shown in Note 10.

Shareholder information is as disclosed on the Digital 9 Infrastructure plc website.

### Approval

This Directors' responsibilities statement was approved by the Board of Directors and signed on its behalf by:

**Eric Sanderson**

Chair

30 September 2024

# Independent review report to Digital 9 Infrastructure plc

## Report on the condensed interim financial statements

### Our conclusion

We have reviewed Digital 9 Infrastructure plc's condensed interim financial statements (the "interim financial statements") in the Interim Report of Digital 9 Infrastructure plc for the 6 month period ended 30 June 2024 (the "period").

Based on our review, nothing has come to our attention that causes us to believe that the interim financial statements are not prepared, in all material respects, in accordance with International Accounting Standard 34, 'Interim Financial Reporting' as adopted by the European Union and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

The interim financial statements comprise:

- the Condensed Statement of Financial Position as at 30 June 2024;
- the Condensed Statement of Comprehensive Income for the period then ended;
- the Condensed Statement of Cash Flows for the period then ended;
- the Condensed Statement of Changes in Shareholders' Equity for the period then ended; and
- the explanatory notes to the interim financial statements.

The interim financial statements included in the Interim Report of Digital 9 Infrastructure plc have been prepared in accordance with International Accounting Standard 34, 'Interim Financial Reporting' as adopted by the European Union and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

### Basis for conclusion

We conducted our review in accordance with International Standard on Review Engagements (UK) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Financial Reporting Council for use in the United Kingdom. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We have read the other information contained in the Interim Report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the interim financial statements.

### Material uncertainty related to going concern

In forming our conclusion on the interim financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1 (b) to the interim financial statements concerning the company's ability to continue as a going concern. The company's going concern assessment is dependent on the wider Digital 9 Group (the "Group") either completing the sale of assets to fund the repayment of the remaining balance of the Group's Revolving Credit Facility ('RCF') due by March 2025 or alternatively refinancing this debt. In addition, the Directors have also considered the fact that Company's wholly owned subsidiary D9 Holdco has not met one of its covenants under the terms of the RCF (related to its global LTV), as reported to the board by Triple Point on 25 September 2024, and as notified to the RCF lenders that same day. The Lenders have indicated that they will work collaboratively with the Company over the coming weeks to explore the option of providing a waiver of this breach, but in the meantime they are reserving their rights in that regard. These conditions, along with the other matters explained in note 1 (b) to the interim financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. The interim financial statements do not include the adjustments that would result if the company were unable to continue as a going concern. Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for conclusion section of this report, nothing has come to our attention to suggest that the directors have inappropriately applied the going concern basis of accounting in the preparation of the interim financial statements.

## Responsibilities for the interim financial statements and the review

### Our responsibilities and those of the directors

The Interim Report, including the interim financial statements, is the responsibility of, and has been approved by the directors. The directors are responsible for preparing the Interim Report in accordance with the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority. In preparing the Interim Report, including the interim financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Our responsibility is to express a conclusion on the interim financial statements in the Interim Report based on our review. Our conclusion is based on procedures that are less extensive than audit procedures, as described in the Basis for conclusion paragraph of this report. This report, including the conclusion, has been prepared for and only for the company for the purpose of complying with the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority and for no other purpose. We do not, in giving this conclusion, 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.

PricewaterhouseCoopers LLP  
Chartered Accountants  
London  
30 September 2024

## UNAUDITED INTERIM FINANCIAL STATEMENTS

For the six months ended 30 June 2024

### CONDENSED STATEMENT OF COMPREHENSIVE INCOME

For the six-month period ended 30 June 2024

	Note	Half-year 2024 (unaudited)			Half-year 2023 (unaudited)		
		Revenue	Capital	Total	Revenue	Capital	Total
		£'000	£'000	£'000	£'000	£'000	£'000
<b>Income</b>							
Income from investments held at fair value		-	-	-	27,972	-	27,972
Loss on investments held at fair value	7	-	(279,463)	(279,463)	-	(81,520)	(81,520)
Interest income		1,352	-	1,352	1,211	-	1,211
Other income		190	-	190	433	-	433
<b>Total income</b>		<b>1,542</b>	<b>(279,463)</b>	<b>(277,921)</b>	<b>29,616</b>	<b>(81,520)</b>	<b>(51,904)</b>
<b>Expenses</b>							
Investment management fees	5	(2,497)	(832)	(3,329)	(3,365)	(1,121)	(4,486)
Other operating expenses		(2,022)	-	(2,022)	(977)	-	(977)
<b>Total operating expenses</b>		<b>(4,519)</b>	<b>(832)</b>	<b>(5,351)</b>	<b>(4,342)</b>	<b>(1,121)</b>	<b>(5,463)</b>
<b>(Loss)/profit on ordinary activities before taxation</b>		<b>(2,977)</b>	<b>(280,295)</b>	<b>(283,272)</b>	<b>25,274</b>	<b>(82,641)</b>	<b>(57,367)</b>
Taxation	6	-	-	-	-	-	-
<b>(Loss)/profit and total comprehensive (expense)/income attributable to shareholders</b>		<b>(2,977)</b>	<b>(280,295)</b>	<b>(283,272)</b>	<b>25,274</b>	<b>(82,641)</b>	<b>(57,367)</b>
<b>(Loss)/earnings per ordinary share – basic and diluted (pence)</b>	13	<b>(0.34p)</b>	<b>(32.39p)</b>	<b>(32.73p)</b>	<b>2.92p</b>	<b>(9.55p)</b>	<b>(6.63p)</b>

The total column of this statement is the Condensed Statement of Comprehensive Income of Digital 9 Infrastructure Plc (“the Company”) prepared in accordance with International Accounting Standard 34 ‘Interim Financial Reporting’, as adopted by the European Union (“EU”). The supplementary revenue return and capital columns have been prepared in accordance with the Association of Investment Companies Statement of Recommended Practice (AIC SORP).

All revenue and capital items in the above statement derive from continuing operations. The Company does not have any other income or expenses that are not included in the net profit for the year. The net profit for the year disclosed above represents the Company’s total comprehensive income.

This Condensed Statement of Comprehensive Income includes all recognised gains and losses.

The accompanying Notes below are an integral part of these Condensed Interim Financial Statements.



## CONDENSED STATEMENT OF FINANCIAL POSITION

As at 30 June 2024

	Note	30 June 2024 (unaudited) £'000	31 December 2023 (audited) £'000
<b>Non-current assets</b>			
Investments at fair value through profit or loss	7	384,300	676,060
<b>Total non-current assets</b>		<b>384,300</b>	<b>676,060</b>
<b>Current assets</b>			
Trade and other receivables		1,699	1,471
Cash and cash equivalents		19,763	14,809
<b>Total current assets</b>		<b>21,461</b>	<b>16,280</b>
<b>Total assets</b>		<b>405,761</b>	<b>692,340</b>
<b>Current liabilities</b>			
Trade and other payables		(2,702)	(6,009)
<b>Total current liabilities</b>		<b>(2,702)</b>	<b>(6,009)</b>
<b>Total net assets</b>		<b>403,059</b>	<b>686,331</b>
<b>Equity attributable to equity holders</b>			
Stated capital	8	793,286	793,286
Capital reserve		(404,060)	(123,765)
Revenue reserve		13,833	16,810
<b>Total Equity</b>		<b>403,059</b>	<b>686,331</b>
<b>Net asset value per ordinary share – basic and diluted</b>	14	<b>46.59p</b>	<b>79.33p</b>

The Condensed Interim Financial Statements were approved and authorised for issue by the Board on 30 September 2024 and signed on its behalf by:

Eric Sanderson  
**Chairman**  
30 September 2024

The accompanying Notes are an integral part of these Condensed Interim Financial Statements.

## CONDENSED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

For the six-month period ended 30 June 2024

	<b>Stated capital £'000</b>	<b>Capital reserve £'000</b>	<b>Revenue reserve £'000</b>	<b>Total equity £'000</b>
<b>Balance as at 1 January 2023</b>	819,242	133,894	(3,516)	<b>949,620</b>
<b>Transactions with owners</b>				
Dividends paid	(25,956)	-	-	<b>(25,956)</b>
Profit /(loss) and total comprehensive income/(expense) for the period	-	(82,641)	25,274	<b>(57,367)</b>
<b>Balance as at 30 June 2023</b>	<b>793,286</b>	<b>51,253</b>	<b>21,758</b>	<b>866,297</b>

	<b>Stated capital £'000</b>	<b>Capital reserve £'000</b>	<b>Revenue reserve £'000</b>	<b>Total equity £'000</b>
<b>Balance as at 1 January 2024</b>	793,286	(123,765)	16,810	<b>686,331</b>
<b>Transactions with owners</b>				
Loss and total comprehensive expense for the period	-	(280,295)	(2,977)	<b>(283,272)</b>
<b>Balance as at 30 June 2024</b>	<b>793,286</b>	<b>(404,060)</b>	<b>13,833</b>	<b>403,059</b>

The accompanying Notes are an integral part of these Condensed Interim Financial Statements.

## CONDENSED STATEMENT OF CASH FLOWS

For the six-month period ended 30 June 2024

	Note	Half-year 2024 £'000	Half-year 2023 £'000
<b>Cash flows from operating activities</b>			
(Loss) on ordinary activities before taxation		(283,272)	(57,367)
<b>Adjustments for:</b>			
Losses on investments held at fair value	7	279,463	81,520
<b>Cash flow used in operations</b>		<b>(3,809)</b>	<b>24,153</b>
(Increase)/decrease in trade and other receivables		(228)	616
(Decrease)/increase in trade and other payables		(3,306)	674
<b>Net cash (outflow)/inflow from operating activities</b>		<b>(7,343)</b>	<b>25,443</b>
<b>Cash flows from investing activities</b>			
Loan investment additions	7	(1,300)	-
Loan investment repayment	7	13,597	-
<b>Net cash inflow generated in investing activities</b>		<b>12,297</b>	<b>-</b>
<b>Cash flows from financing activities</b>			
Dividends paid		-	(25,955)
<b>Net cash flow generated from financing activities</b>		<b>-</b>	<b>(25,955)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>4,954</b>	<b>(512)</b>
<b>Reconciliation of net cash flow to movements in cash and cash equivalents</b>			
Cash and cash equivalents at the beginning of the half-year		14,809	30,001
Net (decrease)/increase in cash and cash equivalents		4,954	(512)
<b>Cash and cash equivalents at end of the half-year</b>		<b>19,763</b>	<b>29,489</b>

---

The accompanying Notes are an integral part of these Condensed Interim Financial Statements.

## **Notes to the Interim Financial Statements**

### **CORPORATE INFORMATION**

Digital 9 Infrastructure plc (the "Company" or "D9") is a Jersey registered alternative investment fund, and it is regulated by the Jersey Financial Services Commission as a 'listed fund' under the Collective Investment Funds (Jersey) Law 1988 (the "Funds Law") and the Jersey Listed Fund Guide published by the Jersey Financial Services Commission. The Company is registered with number 133380 under the Companies (Jersey) Law 1991.

The Company is domiciled in Jersey and the address of its registered office, which is also its principal place of business, is 26 New Street, St Helier, Jersey, JE2 3RA.

The Company was incorporated on 8 January 2021 and is a Public Company. The Company's Ordinary Shares were admitted to trading on the Specialist Fund Segment of the Main Market of the London Stock Exchange under the ticker DGI9 on 31 March 2021.

The Company's principal activity was investing in a diversified portfolio of critical digital infrastructure assets which contribute to improving global digital communications whilst targeting sustainable income and capital growth for investors. In line with the new investment objective and investment policy approved by the Shareholders in the General Meeting held on 25 March 2024, the Company will not make any new investments save that investments may be made in existing Investee Companies when considered appropriate to maximise value for shareholders.

These condensed interim financial statements comprise only the results of the Company, as its investment in Digital 9 Holdco Limited ("D9 Holdco") is measured at fair value through profit or loss.

#### **1. BASIS OF PREPARATION OF HALF-YEAR REPORT**

These condensed interim financial statements for the half-year reporting period ended 30 June 2024 have been prepared in accordance with European Union adopted International Accounting Standard 34, 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

The interim report does not include all the notes of the type normally included in the annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 31 December 2023 and any public announcements made by the Company during the interim reporting period.

Where presentational guidance set out in the Association of Investment Companies Statement of Recommended Practice (the "AIC SORP") is consistent with the requirements of IAS 34 Interim Financial Reporting and International Financial Reporting Standards ("IFRS") the Directors have sought to prepare the financial statements on a basis compliant with the recommendations of the AIC SORP. In particular, supplementary information which analyses the Condensed Statement of Comprehensive Income between items of a revenue and capital nature has been presented alongside the total Condensed Statement of Comprehensive Income.

Following the recent shareholder vote at the General Meeting, the Company is now in a Managed Wind-Down and as a result the objective of the Company is no longer to acquire digital infrastructure projects, it is to ensure an orderly wind down and return proceeds to Shareholders. The Company, via D9 Holdco has begun the process to start selling select Investee Companies and whilst this process is on-going, the Directors deem the operations of the Company to be continuing.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

#### **(a) Investment entities**

The Directors have concluded that in accordance with IFRS 10, the Company meets the definition of an investment entity, having evaluated against the criteria presented below that needs to be met. Under IFRS 10, investment entities are required to hold financial investments at fair value through profit or loss rather than consolidate them on a line-by-line basis. There are three key conditions to be met by the Company for it to meet the definition of an investment entity.

For each reporting period, the Directors will continue to assess whether the Company continues to meet these conditions:

- It obtains funds from one or more investors for the purpose of providing these investors with professional investment management services;
- It commits to its investors that its business purpose is to invest its funds solely for returns (including having an exit strategy for investments) from capital appreciation, investment income or both; and
- It measures and evaluates the performance of substantially all its investments on a fair value basis.

The Company satisfies the first criteria as it has multiple investors and has obtained funds from a diverse group of shareholders for the purpose of providing them with investment opportunities to invest in a large pool of digital infrastructure assets.

In satisfying the second criteria, the notion of an investment timeframe is critical. An investment entity should not hold its investments indefinitely but should have an exit strategy for their realisation. The intention of the Company is to seek equity interests in digital infrastructure projects that have an indefinite life; the underlying assets that it invests in will have a medium to long term expected life. The exit strategy for each asset will depend on the characteristics of the assets, transaction structure, exit price potentially achievable, suitability and availability of alternative investments, balance of the portfolio and lot size of the assets as compared to the value of the portfolio. Whilst the Company is in a Managed Wind-Down process, the Company may dispose of the investments should an appropriate opportunity arise where, in the Investment Manager's opinion, the value that could be realised from such disposal would represent a satisfactory return on the investment and enhance the value of the Company as a whole.

During the period, the Company sold 100% of its ownership in the Verne Global Group of Companies, reinforcing the exit strategy point described above. As the Company enters into its wind-down phase, it will continue to realise its exit strategy across its portfolio.

The Company satisfies the third criteria as it measures and evaluates the performance of all of its investments on a fair value basis which is the most relevant for investors in the Company. Management use fair value information as a primary measurement to evaluate the performance of all the investments and in decision making.

In assessing whether it meets the definition, the Company shall also consider whether it has the following typical characteristics of an investment entity:

- a) it has more than one investment
- b) it has more than one investor
- c) it has investors that are not related parties of the entity
- d) it has ownership interests in the form of equity or similar interests.

As per IFRS 10 a parent investment entity is required to consolidate subsidiaries that are not themselves investment entities and whose main purpose is to provide services relating to the entity's investment activities.

The Directors have assessed whether D9 Holdco satisfies those conditions set above by considering the characteristics of the whole group structure, rather than individual entities. The Directors have concluded that the Company and D9 Holdco are formed in connection with each other for business structure purposes. When considered together, both entities display the typical characteristics of an investment entity.

The Company entering into a Managed Wind-Down, a decision which was made and voted on by shareholders during the period, and the changes in the group structure following the sale of Verne Global have not impacted the management's judgement and conclusion over the IFRS 10 investment entity application and the Company has applied the same accounting policies described.

The Directors are therefore of the opinion that the Company meets the criteria and characteristics of an investment entity and therefore, subsidiaries are measured at fair value through profit or loss, in accordance with IFRS 13 “Fair Value Measurement”, IFRS 10 “Consolidated Financial Statements” and IFRS 9 “Financial Instruments”.

## (b) Going concern

### Material Uncertainty

Following the recent shareholder vote at the General Meeting, the Company is now in a Managed Wind-Down. The Directors however believe that the Company and its subsidiaries (together the “Group”) have adequate resources to continue in operational existence until the conclusion of a period of at least 12 months. The unaudited condensed interim financial statements for the half-year ended 30 June 2024 therefore continue to be prepared on a going concern basis.

In adopting the appropriateness of the Going Concern basis of preparation the Board considered the fact that the Company is in Managed Wind-Down. In doing so various options for realising the stake in Arqiva were considered by the Board and after careful consideration of Arqiva’s plans and current market conditions, the Board believes that the maximisation of the value of the Company’s stake in Arqiva is likely to take longer to realise than the other investments held by the Company. This process may take up to 3 years.

Additionally following the recent sale of Verne Global, the Company may receive a potential Earn-Out payment of up to \$135 million, which is subject to Verne Global achieving run-rate EBITDA targets for the financial year ending December 2026. As both the sale of Arqiva and the receipt of any Earn-Out payment are expected to take a number of years, the Board still believes that the Going Concern basis of preparation of the financial statements remains appropriate.

However, the Company’s going concern assessment is dependent on the Group either completing the sale of assets to fund the repayment of the remaining balance of the Group’s Revolving Credit Facility due by March 2025 or alternatively refinancing this debt.

In addition, the Directors have also considered the fact that the Company’s wholly owned subsidiary D9 Holdco has not met one of its covenants under the terms of the RCF (related to its Global LTV), as reported to the board by Triple Point on 25 September 2024, and as notified to the RCF Lenders that same day. The RCF Lenders have indicated that, at present, they intend to work collaboratively with the Company, where possible, over the coming weeks to explore the option of providing a waiver, or alternative action if more appropriate at the time, of this breach, but in the meantime they are reserving their rights in that regard.

In relation to the remaining term of the RCF, the RCF Lenders have indicated that they intend to work collaboratively, where possible, with Digital 9 Holdco Limited (the “**Borrower**”) with a view to finding a solution to the covenant breach for the remaining term of the loan, which could include a repayment through an asset sale or from a refinancing, as noted above.

The Directors have made this assessment of going concern, taking into account a wide range of information relating to present and future conditions, current performance and outlook, including the Company’s cash and liquidity position, and finding a solution for the subsidiary’s covenant breach noted above.

In particular the board have considered the position of the Company, and the following matters:

- The fact that shareholders have already approved the orderly wind down of the Company and the realisation of the underlying assets, which are actively being worked on.
- The understanding that the breach was inadvertent (i.e. resulting from the revaluation of the groups assets) and that all other covenants are being met, and are forecast to be met for the remainder of the duration of the facility.
- The understanding that the group is continuing to service the debt and that all interest payments have been made, and are forecast to continue to be made on time.
- That the current fair value of the groups investments together with available cash are around 8 times of the outstanding amount of the RCF.

The Directors believe that the Company and the Group have adequate resources to continue in operational existence for a period of at least 12 months since the reporting date. As at 30 June 2024, the Company had a cash balance of £33.6 million. However, given that a degree of uncertainty exists in the timing of ongoing strategic initiatives which includes management’s ability to refinance or repay the Group’s existing RCF (of which c.£53 million remains at 26 September 2024) due in the next 12 months (March 2025), and finding a solution

for the subsidiary's covenant breach as noted above, there exists a material uncertainty which may cast significant doubt over the Company's ability to continue as a going concern.

Accordingly, no provision has been made for the costs of winding up the Company as these will be charged to the Income Statement on an accruals basis as they are incurred or as the Company become obligated to make such payments in the future.

### **(c) New and amended standards adopted by the Company**

A number of amended standards became applicable for the current reporting period. The group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these amended standards. Management do not expect the new or amended standards will have a material impact on the Company's interim financial statements. The most significant of these standards are set out below:

*(a) Classification of Liabilities as Current or Non-current and Non-current liabilities with covenants – Amendments to IAS 1*

*(b) Lease liability in sale and leaseback – Amendments to IFRS 16*

*(c) Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7*

### **FORTHCOMING REQUIREMENTS**

The following standards and interpretations had been issued but were not mandatory for annual reporting periods ending on 31 December 2024.

*(a) Amendments to IAS 21 - Lack of Exchangeability (effective date 1 January 2025)*

### **3. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS**

In the application of the Company's accounting policies, the Directors are required to make judgements, estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses. It is possible that actual results may differ from these estimates.

#### **(a) Significant accounting judgements**

##### **(i) Investment entity**

As discussed above in Note 2(a), the Company meets the definition of an investment entity as defined in IFRS 10 and therefore its subsidiary entities have not been consolidated in these financial statements.

##### **(b) Key sources of estimation uncertainty**

The estimates and underlying assumptions underpinning our investments are reviewed on an ongoing basis by both the Board and the Investment Manager. Revisions to any 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.

##### **(i) Fair value measurement of investments at fair value through profit or loss**

The Company owns 100% of D9 Holdco which through its wholly owned subsidiaries invest in digital infrastructure projects. The fair value of the underlying investments in digital infrastructure projects is calculated by discounting at an appropriate discount rate future cash flows expected to be generated by the trading subsidiary companies and received by D9 Holdco, through dividend income, equity redemptions and Shareholder loan repayments or restructurings and adjusted in accordance with the IPEV (International Private Equity and Venture Capital) valuation guidelines, where appropriate, to comply with IFRS 13 and IFRS 9. The fair value of the underlying investments in turn impacts the fair value of the Company's investment in D9 Holdco.



During the period, an Independent Valuer was appointed to carry out the fair valuation of four of the financial assets for financial reporting purposes, including level 3 fair valuations. The remaining two assets were valued by the Investment Manager and indicative sale price.

Estimates such as the forecasted cash flows from investments form the basis of making judgements about the fair value of assets, which is not readily available from other sources. The discounted cash flows from earnings are forecasted over an 8-to-10-year period followed by a terminal value based on a long-term growth rate or exit multiple. Discount rates are arrived at via a bottom-up analysis of the weighted average cost of capital, using both observable and unobservable inputs, and calculation of the appropriate beta based on comparable listed companies where appropriate, a sense-check to the DCF analysis is compared to market multiples.

The discounted cash flow from earning is forecasted over an 8-to-10-year period followed by a terminal value based on a long-term growth rate or exit multiples. The discounted cash flow comprises a bottom-up analysis of the weighted average cost of capital over time, using unobservable inputs; and calculation of the appropriate beta based on comparable listed companies. Where appropriate, a sense-check to the DCF analysis is compared to market multiples.

The valuation for SeaEdge and EMIC is based on valuations carried out by the Investment Manager.

A broad range of assumptions are used in the Company's valuation models, which are arrived at by reviewing and challenging the business plans of the Investee Companies with their management. The Investment Manager exercises its judgement and uses its experience in assessing the expected future cash flows from each investment and long-term growth rates. The impact of changes in the key drivers of the valuation are set out below.

The following significant unobservable inputs were used in the model, cash flows, terminal value and discount rates. The key area where estimates are significant to the financial statements and have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year is in the valuation of the investment portfolio. The portfolio is diversified by sector, geography and underlying risk exposures. The majority of assets in the investment portfolio are typically valued on a discounted cash flow basis which requires assumptions to be made regarding future cash flows, terminal value and the discount rate to be applied to these cash flows. The Earn-Out valuation methodology is described in more detail below.

The discount rate applied to the cash flows in each investment portfolio company is a key source of estimation uncertainty. The acquisition discount rate is adjusted to reflect changes in company-specific risks to the deliverability of future cash flows and is calibrated against secondary market information and other available data points, including comparable transactions. The weighted average discount rate used in these valuations was 13.80% derived from the Free Cash Flow to Equity ("FCFE") discounted cashflow approach.

The cash flows on which the discounted cash flow valuations are based are derived from detailed financial models. These incorporate a number of assumptions with respect to individual portfolio companies, including: forecast new business wins or new orders; cost-cutting initiatives; liquidity and timing of debtor payments; timing of non-committed capital expenditure and construction activity; the terms of future debt refinancing; and macroeconomic assumptions such as inflation and energy prices.

The terminal value attributes a residual value to the portfolio company at the end of the projected discrete cash flow period based on market comparables. The valuation of each asset has significant estimation in relation to asset-specific items but there is also consideration given to the impact of wider megatrends such as the transition to a lower-carbon economy and climate change. The effects of climate change, including extreme weather patterns or rising sea levels in the longer term, could impact the valuation of the assets in the portfolio in different ways. The weighted average long-term growth rate used in the valuation was 0.18%.

The fair value of the Earn-Out, attributable to the Verne Global transaction was computed by way of a Monte Carlo analysis. In this approach a random value is selected for each of the simulations, based on a range of estimates. The model is calculated based on this random value. The result of the model is recorded, and the process is repeated. A typical Monte Carlo simulation calculates the model hundreds or thousands of times, each time using different randomly selected values. The results are used to describe the likelihood, or probability, of reaching various results in the model.

#### **4. SIGNIFICANT CHANGES IN THE CURRENT REPORTING PERIOD**

The Company has reviewed its exposure to climate related and other emerging business risks, but has not identified any risks that could impact the financial performance or position of the Company and its subsidiaries as at 30 June 2024.

The financial position and performance of the Company was particularly affected by the following events and transactions during the six months to 30 June 2024:

### Completion of Verne disposal

On 14 March 2024, the Company completed the sale of its entire stake through its 100% owned subsidiary in the Verne Global group of companies to funds managed or advised by Ardian France SA for an equity purchase price of up to US\$575 million (approximately £450 million). Following the Verne Transaction's completion the Company received US\$415 million (£325.8 million). The completion follows receipt of all applicable regulatory approvals and the satisfaction of all conditions in line with the previously communicated timetable.

### Managed Wind-Down

The Board published a circular to shareholders on 28 February 2024 to convene a general meeting and seek approval from shareholders to amend the Company's Investment Objective and Policy. The appropriate resolution was subsequently approved on 25 March 2024 with 99.9% of the votes cast in favour.

The Company will not make any new investments save that investments may be made in existing Investee Companies when considered appropriate to maximise value for shareholders. A financial advisor has been engaged to support the proposed wind-down process and to provide the Board with an independent review of the investment management arrangements. It will include evaluating the options of the Company (i) continuing to be managed by Triple Point on different fee arrangements; (ii) managed by a new investment manager, or (iii) becoming a self-managed alternative investment fund. The Board served the Investment Manager notice with a termination to take effect in March 2025. Shareholders should note that during the Managed Wind-Down, the Company intends to maintain its investment trust status and listing.

### RCF Repayment

The Company, through D9 Holdco Limited made total repayment and partial cancellation of the Group's RCF of c.£321 million. The repayment which included funds that were released from the Interest Reserve as a consequence of the repayment itself reducing the drawn RCF amount to c.£53 million.

For a detailed discussion about the Company's performance and financial position please refer to the Chair's Statement.

## 5. INVESTMENT MANAGEMENT FEES

	Half-year 2024 (unaudited)			Half-year 2023 (unaudited)		
	Revenue	Capital	Total	Revenue	Capital	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Management fees	2,497	832	3,329	3,365	1,121	4,486
<b>Total management fees</b>	<b>2,497</b>	<b>832</b>	<b>3,329</b>	<b>3,365</b>	<b>1,121</b>	<b>4,486</b>

The Company served notice of termination to the Investment Manager before 31 March 2024 following the completion of the Verne Global sale, with the Investment Management Agreement to terminate on 31 March 2025.

The Company and the Investment Manager entered into an Investment Management Agreement on 8 March 2021 and a Side Letter dated 17 March 2021.

The Company and Triple Point Investment Management LLP (the "Investment Manager") have entered into the Investment Management Agreement pursuant to which the Investment Manager has been given responsibility, subject to the overall supervision of the Board, for active discretionary investment management of the Company's Portfolio in accordance with the Company's Investment Objective and Policy.

The Investment Manager is appointed to be responsible for risk management and portfolio management and is the Company's AIFM. The Investment Manager has full discretion under the Investment Management Agreement to make investments in accordance with the Company's Investment Policy from time to time.

This discretion is, however, subject to: (i) the Board's ability to give instructions to the Investment Manager from time to time; and (ii) the requirement of the Board to approve certain investments where the Investment Manager has a conflict of interest in accordance with the terms of the Investment Management Agreement.

With effect from 31 March 2021, the date of admission of the Ordinary Shares to trading on the Specialist Fund Segment of the Main Market of the London Stock Exchange, the Company shall pay the Investment Manager a management fee (the "Annual Management Fee") calculated, invoiced and payable quarterly in arrears based on the Adjusted Net Asset Value which is based on funds deployed and committed at the relevant quarter date.

The total amount accrued and due to Triple Point at the period end was £1.6 million.

The management fee is calculated at the rates set out below:

<i>Adjusted Net Asset Value</i>	<i>Annual Management Fee (percentage of Adjusted Net Asset Value)</i>
Up to and including £500 million	1.0%
Above £500 million up to and including £1 billion	0.9%
Exceeding £1 billion	0.8%

For the period from 1 July 2021, in the event that less than 75 percent of the net proceeds from the issue of shares have been deployed, Adjusted Net Asset Value is the Current Net Asset Value at the previous reporting date adjusted as follows:

- (a) Deduction from the Current Net Asset Value for undeployed and uncommitted cash balances
- (b) Addition to the Current Net Asset Value the amount equal to the total funds (if any) deployed after the Current Net Asset Value Date and before the end of the relevant Quarter.

In the event that 75 per cent or more of the net proceeds of all relevant issues have been deployed there will be no deduction from the Current Net Asset Value for any undeployed cash balances.

## 6. TAXATION

The Company is registered in Jersey, Channel Islands but resident in the United Kingdom for taxation. The standard rate of corporate income tax currently applicable to the Company is 25% (2023: 25%).

The financial statements do not directly include the tax charges for the Company's intermediate holding company, as D9 Holdco is held at fair value. D9 Holdco is subject to taxation in the United Kingdom.

The tax charge for the period is less than the standard rate of corporation tax in the UK of 25% (2023: 25%). The differences are explained below.

	Half-year 2024			Half-year 2023		
	Revenue	Capital	Total	Revenue	Capital	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Net (loss)/profit before tax	(2,977)	(280,295)	(283,272)	25,274	(82,641)	(57,367)

Tax at UK corporation tax standard rate of 25%	(744)	(70,074)	(70,818)	6,319	(20,660)	(14,341)
<b>Effects of:</b>						
Loss on financial assets not taxable	-	69,866	69,866	-	20,380	20,380
Exempt UK dividend income	-	-	-	(6,993)	-	(6,993)
Other disallowed expenses	33	-	33	-	-	-
Excess of allowable expenses	711	208	919	674	280	954
<b>Total tax charge</b>	-	-	-	-	-	-

Investment companies which have been approved by HM Revenue & Customs under section 1158 of the Corporation Tax Act 2010 are exempt from tax on capital gains. The Directors are of the opinion that the Company has complied with the requirements for maintaining investment trust status for the purposes of section 1158 of the Corporation Tax Act 2010. The Company has not provided for deferred tax on any capital gains or losses arising on the revaluation of investments.

The Company has unrelieved excess management expenses of £22 million. It is unlikely that the Company will generate sufficient taxable profits in the future to utilise these expenses and therefore no deferred tax asset has been recognised.

The unrecognised deferred tax asset calculated using a tax rate of 25% amounts to £5.5 million.

## 7. FINANCIAL ASSET AT FAIR VALUE THROUGH PROFIT OR LOSS

As set out in Note 2, the Company designates its interest in its wholly owned direct subsidiary as a financial asset at fair value through profit or loss.

Summary of the Company's valuation:

	<b>Total £'000</b>
<b>At 31 December 2023:</b>	
Opening balance 1 January 2023	920,971
Debt investments in D9 Holdco additions	7,103
Change in fair value of investments	(252,014)
<b>As at 31 December 2023</b>	<b>676,060</b>

### **Analysis of financial assets:**

Equity investments in D9 Holdco	639,852
Debt investments in D9 Holdco	36,208
<b>As at 31 December 2023</b>	<b>676,060</b>

---

**At 30 June 2024:**

Opening balance 1 January 2024	676,060
Debt investments in D9 Holdco additions	1,300
Debt investments in D9 Holdco repayment	(13,597)
Change in fair value of investments	(279,463)
<b>As at 30 June 2024</b>	<b>384,300</b>

**Analysis of financial assets:**

Equity investments in D9 Holdco	360,389
Debt investments in D9 Holdco	23,911
<b>As at 30 June 2024</b>	<b>384,300</b>

**Valuation process**

During the period, an independent valuer was appointed to carry out the fair valuation of four financial assets for financial reporting purposes, including level 3 fair valuations. The remaining two assets were valued at cost. These valuations are presented to the Board for their approval and adoption. The valuation is carried out on a six-monthly basis as at 30 June and 31 December each year and is reported to shareholders in the Annual Report and Financial Statements.

**Valuation methodology**

The Company owns 100% of its subsidiary D9 Holdco. The Company meets the definition of an investment entity as described by IFRS 10, as such, the Company's investment in D9 Holdco is valued at fair value. D9 Holdco's cash, working capital balances and fair value of investments are included in calculating fair value of D9 Holdco. The Company acquires underlying investments in special purpose vehicles ("SPV") through its investment in D9 Holdco.

The Board has carried out fair market valuations of the underlying investments held by the underlying subsidiaries of D9 Holdco Limited in Arqiva, Aqua Comms, Elio Networks and the Verne Global Earn-Out as at 30 June 2024 based on the valuation report carried out by the independent valuer. The valuation for SeaEdge and EMIC is based on valuations carried out by the Investment Manager. The Directors have considered the valuation and satisfied themselves as to the methodology used, the discount rates and key assumptions applied, and the valuations. All SPV investments are at fair value through profit or loss and are valued using the IFRS 13 framework for fair value measurement. The fair value of the underlying investments in turn impacts the fair value of the Company's investment in D9 Holdco.

The following economic assumptions were used in the valuation of the SPVs.

The main Level 3 inputs used by the Group are derived and evaluated as follows:

- The valuer uses its judgement in arriving at the appropriate discount rate using a capital asset pricing model to calculate a pre-tax rate that reflects current market assessment. This is based on its knowledge of the market, considering intelligence gained from its bidding activities, discussions with financial advisers in the appropriate market and publicly available information on relevant transactions. The bottom-up analysis of the discount rate and the appropriate beta is based on comparable listed companies. Investments are valued using a discounted

cash flow approach, being valued on a FCFE basis and taking into account non-binding bids received by the Company for these investments during the period. The portfolio weighted average discount rate for investments valued under the FCFE discounted cash flows approach was 13.80%.

- To calculate portfolio NAV, 88% of total NAV from Investment companies is valued using the FCFE discounted cash flows approach, 3% of total NAV is valued using evidence of indicative offer and the remaining 9% of investments being valued at cost.

- Expected cash inflows are estimated based on terms of the contracts and the Company's knowledge of the business and how the current economic environment is likely to impact it taking into consideration of growth rate factors. The portfolio weighted long-term growth rate for investments valued under the FCFE discounted cash flows approach was 0.18%.

- Future Foreign exchange rates of GBP against USD and

### Fair value measurements

As set out above, the Company accounts for its interest in its wholly owned direct subsidiary as a financial asset at fair value through profit or loss.

IFRS 13 requires disclosure of fair value measurement by level. The level of fair value hierarchy within the financial assets or financial liabilities is determined on the basis of the lowest level input that is significant to the fair value measurement. Financial assets and financial liabilities are classified in their entirety into only one of the following 3 levels:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly (i.e., as prices) or indirectly (i.e. derived from prices); and

Level 3 – inputs for assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents the Company's financial assets and financial liabilities measured and recognised at fair value at 30 June 2024 and 31 December 2023:

Assets measured at fair value:	Date of valuation	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
		£'000	£'000	£'000	£'000
Equity investment in D9 Holdco	30 June 2024	360,389	-	-	360,389
Debt investment in D9 Holdco	30 June 2024	23,911	-	-	23,911
Equity investment in D9 Holdco	31 December 2023	639,852	-	-	639,852
Debt investment in D9 Holdco	31 December 2023	36,208	-	-	36,208

There have been no transfers between Level 1 and Level 2 during the period, nor have there been any transfers between Level 2 and Level 3 during the year.

The Company's investments are reported as Level 3 in accordance with IFRS 13 where external inputs are "unobservable" and value is the Directors' best estimate, based upon advice from relevant knowledgeable experts.

### Fair value measurements using significant unobservable inputs (level 3)

As set out within the significant accounting estimates and judgements in note 3(b), the valuation of the Company's financial asset is an estimation uncertainty. The sensitivity analysis was performed based on the current capital structure and expected performance of the Company's investment in D9 Holdco. For each of the sensitivities, it is assumed that potential changes occur independently of each other with no effect on any other base case assumption, and that the number of investments in the SPVs remains static throughout the modelled life. The following table summarises the quantitative information about the significant unobservable inputs used in Level 3 fair value measurement and the changes to the fair value of the financial asset if these inputs change upwards or downwards by 0.25% for long-term growth rate and 1% for discount rate:

Unobservable inputs	Valuation if rate increases by 1%	Movement in valuation	Valuation if rate decreases by 1%	Movement in valuation
	£'000	£'000	£'000	£'000
Long-term growth rate (+/- by 0.25%)	465,571	4,589	453,602	(7,380)
Discount rates (+/- by 1%)	415,560	(45,422)	510,963	49,981

## 8. STATED CAPITAL

Ordinary shares of no par value 31 December 2023

Allotted, issued and fully paid: £'000

As at 1 January 2023 819,242

Ordinary Shares at 31 December 2023	865,174,954	819,242
-------------------------------------	-------------	---------

Dividends paid (Note 9) (25,956)

Stated capital at 31 December 2023	793,286
------------------------------------	---------

30 June 2024

Allotted, issued and fully paid: £'000

As at 1 January 2024 793,286

Ordinary Shares at 30 June 2024	865,174,954	793,286
---------------------------------	-------------	---------

---

<b>Stated capital at 30 June 2024</b>	<b>793,286</b>
---------------------------------------	----------------

Shareholders are entitled to all dividends paid by the Company and, on a winding up, provided the Company has satisfied all its liabilities, the shareholders are entitled to all of the residual assets of the Company.

## 9. SUBSIDIARIES

At the reporting date, the Company had one wholly owned subsidiary, being its 100% investment in Digital 9 Holdco Limited. The following table shows subsidiaries of the Company. As the Company is regarded as an Investment Entity as referred to in Note 2, these subsidiaries have not been consolidated in the preparation of the financial statements.

<b>Name</b>	<b>Place of business</b>	<b>% Interest</b>	<b>Principal activity</b>	<b>Registered office</b>
Digital 9 Holdco Limited	UK	100%	Holding company	The Scalpel, 18th Floor, 52 Lime Street, London EC3M 7AF

The following companies are held by D9 Holdco Limited and its underlying subsidiaries:

Digital 9 DC Limited	UK	100%	Intermediate holding company	The Scalpel, 18th Floor, 52 Lime Street, London EC3M 7AF
Digital 9 Fibre Limited	UK	100%	Intermediate holding company	The Scalpel, 18th Floor, 52 Lime Street, London EC3M 7AF
Digital 9 Wireless Limited	UK	100%	Intermediate holding company	The Scalpel, 18th Floor, 52 Lime Street, London EC3M 7AF
Digital 9 Subsea Holdco Limited	UK	100%	Intermediate holding company	The Scalpel, 18th Floor, 52 Lime Street, London EC3M 7AF
Digital 9 Subsea Limited <sup>1</sup>	UK	100%	Subsea fibre optic network	The Scalpel, 18th Floor, 52 Lime Street, London EC3M 7AF
Digital 9 Seaedge Limited <sup>2</sup>	UK	100%	Leaseholding company	The Scalpel, 18th Floor, 52 Lime Street, London EC3M 7AF
D9 DC Opco 2 Limited <sup>2</sup>	UK	100%	Intermediate holding company	The Scalpel, 18th Floor, 52 Lime Street, London EC3M 7AF
D9 DC Opco CAN 1 Limited <sup>10</sup>	Canada	100%	Dormant	44 Chipman Hill Suite 1000 Saint John NB E2L 2A9 Canada



D9 Wireless Opco 1 Limited <sup>3</sup>	UK	100%	Intermediate holding company	The Scalpel, 18th Floor, 52 Lime Street, London EC3M 7AF
D9 Wireless Midco 1 Limited <sup>3</sup>	UK	100%	Intermediate holding company	The Scalpel, 18th Floor, 52 Lime Street, London EC3M 7AF
D9 Wireless Opco 2 Limited <sup>4</sup>	UK	100%	Intermediate holding company	The Scalpel, 18th Floor, 52 Lime Street, London EC3M 7AF
D9 Wireless Opco 3 Limited <sup>3</sup>	UK	100%	Dormant	The Scalpel, 18th Floor, 52 Lime Street, London EC3M 7AF
D9 Fibre Opco 1 Limited <sup>9</sup>	UK	100%	Dormant	The Scalpel, 18th Floor, 52 Lime Street, London EC3M 7AF
D9 Fibre Opco 2 Limited <sup>9</sup>	UK	100%	Intermediate holding company	The Scalpel, 18th Floor, 52 Lime Street, London EC3M 7AF
Aqua Comms Designated Activity Company <sup>1</sup>	Ireland	100%	Holding company	The Exchange Building, 4 Foster Place, Dublin 2
Aqua Comms Connect Limited <sup>5</sup>	Ireland	100%	Intermediate holding company	The Exchange Building, 4 Foster Place, Dublin 2
America Europe Connect 2 Limited <sup>5</sup>	Ireland	100%	Subsea fibre optic network	The Exchange Building, 4 Foster Place, Dublin 2
America Europe Connect 2 Denmark ApS <sup>5</sup>	Denmark	100%	Subsea fibre optic network	c/o Bech-Bruun Langeline Alle 35, Copenhagen
North Sea Connect Denmark ApS <sup>5</sup>	Denmark	100%	Subsea fibre optic network	c/o Bech-Bruun Langeline Alle 35, Copenhagen
Aqua Comms Management (UK) Limited <sup>5</sup>	UK	100%	Management company	85 Great Portland Street, London W1W 7LT
Aqua Comms Denmark ApS <sup>5</sup>	Denmark	100%	Subsea fibre optic network	c/o Bech-Bruun Langeline Alle 35, Copenhagen
Aqua Comms (Ireland) Limited <sup>5</sup>	Ireland	100%	Subsea fibre optic network	The Exchange Building, 4 Foster Place, Dublin 2
America Europe Connect Limited <sup>5</sup>	Ireland	100%	Subsea fibre optic network	The Exchange Building, 4 Foster Place, Dublin 2
Celtix Connect Limited <sup>5</sup>	Ireland	100%	Subsea fibre optic network	The Exchange Building, 4 Foster Place, Dublin 2
Aqua Comms Management Limited <sup>5</sup>	Ireland	100%	Management company	The Exchange Building, 4 Foster Place, Dublin 2
Sea Fibre Networks Limited <sup>5</sup>	Ireland	100%	Subsea fibre optic network	The Exchange Building, 4 Foster Place, Dublin 2
Aqua Comms (IOM) Limited <sup>5</sup>	Isle of Man	100%	Subsea fibre optic network	c/o PCS Limited, Ground Floor, Murdoch Chambers, South Quay, Douglas, IOM IM1 5AS

Aqua Comms (UK) Limited <sup>5</sup>	UK	100%	Subsea fibre optic network	85 Great Portland Street, London W1W 7LT
Aqua Comms Services Limited <sup>5</sup>	Ireland	100%	Subsea fibre optic network	The Exchange Building, 4 Foster Place, Dublin 2
America Europe Connect (UK) Limited <sup>5</sup>	UK	100%	Subsea fibre optic network	85 Great Portland Street, London W1W 7LT
America Europe Connect 2 USA Inc <sup>5</sup>	USA	49%	Subsea fibre optic network	251 Little Falls Drive, Wilmington, Delaware, 19808 USA
Leeson Telecom Limited <sup>6</sup>	Ireland	100%	Enterprise broadband	6-9 Trinity St, Dublin, D02 EY47, Ireland
Leeson Telecom One Limited <sup>6</sup>	Ireland	100%	Enterprise broadband	6-9 Trinity St, Dublin, D02 EY47, Ireland
Leeson Telecom Holdings Limited <sup>7</sup>	Ireland	100%	Enterprise broadband	6-9 Trinity St, Dublin, D02 EY47, Ireland
W R Computer Network Limited <sup>7</sup>	Ireland	100%	Enterprise broadband	6-9 Trinity St, Dublin, D02 EY47, Ireland
Arqiva Group Limited <sup>8</sup>	UK	48.02%	Holding Company	Crawley Court, Winchester, Hampshire SO21 2QA

1 – Held by Digital 9 Subsea Holdco

7 – Held by Leeson Telecom Limited

2 – Held by Digital 9 DC Limited

8 – Held by D9 Wireless Opco 2 Limited

3 – Held by Digital 9 Wireless Limited

9 – Held by Digital 9 Fibre Limited

4 – Held by D9 Wireless Midco 1 Limited

10 – Held by D9 Opco 2 Limited

5 – Held by Aqua Comms Designed Activity Company and its intermediate holding companies

6 – Held by D9 Wireless Opco 1 Limited

## 10. TRANSACTIONS WITH THE INVESTMENT ADVISERS AND RELATED PARTY DISCLOSURE

### Directors

Directors are remunerated for their services at such rate as the directors shall from time to time determine. The current Directors (Philip Braun, Robert Burrow and Andrew Zychowski) are each paid an annual fee of £50,000 and the Chair of the Company (Eric Sanderson) is entitled to receive an annual fee of £100,000. The previous Directors who resigned during the period were each paid an annual fee of £40,000 other than the Chair of the Audit Committee who was entitled to an additional £5,000 and the Chair of the Company who was entitled to receive an annual fee of £75,000.

Director	Number of Ordinary shares held
Aaron Le Cornu (resigned 22 July 2024)**	107,024

Keith Mansfield (resigned 4 January 2024)**	294,819
Charlotte Valeur (resigned 30 May 2024)**	10,000
Gailina Liew (resigned 11 June 2024)**	-
Richard Boléat (resigned 23 March 2024)**	65,000
Brett Miller (resigned 23 March 2024)**	400,000
Eric Sanderson (appointed 8 May 2024)	-
Philip Braun (appointed 22 July 2024)	-
Andrew Zychowski (appointed 22 July 2024)	2,630,000*
Robert Burrow (appointed 12 August 2024)	-

\*Mr Zychowski and persons closely associated to him together hold 2,630,000 shares in the Company, or 0.3% of its share capital. In addition, other family members of Mr Zychowski hold 603,000 shares in the Company.

\*\*Shares held at the date of resignation.

### Investment Manager

The Company considers Triple Point as the Investment Manager as a key management personnel and therefore a related party. Further details of the investment management contract and transactions with the Investment Manager are disclosed in Note 5.

### Transaction with subsidiary undertakings

The Company, through its subsidiary undertakings has capital expenditure commitments totalling £8.1 million relating to EMIC-1 (2023: £11.3 million).

### Loan to subsidiary undertaking

As at the period-end, the Company had provided a total loan of £23.9 million (2023: £36.2 million) to Digital 9 Holdco Limited. During the period, an additional £1.3 million was provided and £13.6 million was repaid. This was used to assist the underlying Investee Companies with their capital expenditure requirements. Interest of £1.3 million (2023: £2.6 million) were charged on the loan during the period.

### Amounts due from subsidiary undertakings

Included within Other receivables is an amount due from subsidiary undertakings:

	30 June 2024	31 December 2023
	£'000	£'000
<b>Subsidiary undertakings:</b>		
Aqua Comms DAC	61	120
D9 DC Opco 1 Limited	-	27
D9 DC Opco 3 Limited	-	51
D9 Wireless Opco 1 Limited	16	22
D9 Wireless Opco 2 Limited	97	129

Digital 9 Seaedge Limited	5	7
Digital 9 Subsea Limited	10	11
Digital 9 Holdco Limited	-	18
	<b>189</b>	<b>385</b>

## 11. EVENTS AFTER THE REPORTING PERIOD

There are no post balance sheet events.

## 12. CONTINGENT LIABILITIES

There were no contingent liabilities at 30 June 2024.

## 13. EARNINGS PER SHARE

Earnings per share (“EPS”) amounts are calculated by dividing profit for the period attributable to ordinary equity holders of the Company by the weighted average number of Ordinary Shares in issue during the period. As there are no dilutive instruments outstanding, both basic and diluted earnings per share are the same.

The calculation of basic and diluted earnings per share is based on the following:

### Period ended 30 June 2024:

	Revenue	Capital	Total
<b>Calculation of Basic Earnings per share</b>			
Net loss attributable to ordinary shareholders (£'000)	(2,977)	(280,295)	<b>(283,272)</b>
Weighted average number of ordinary shares	865,174,954	865,174,954	<b>865,174,954</b>
<b>Earnings per share – basic and diluted</b>	<b>(0.34p)</b>	<b>(32.39p)</b>	<b>(32.73p)</b>

There is no difference between basic or diluted Loss per Ordinary Share as there are no convertible securities.

There is no difference between the weighted average Ordinary or diluted number of Shares.

### Calculation of Weighted Average Number of Shares in Issue

	1 January 2024	30 June 2024
No of days	181	181
Ordinary Shares		

**No. of shares**

Opening Balance	865,174,954	865,174,954
New Issues	-	-
<b>Closing Balance</b>	<b>865,174,954</b>	<b>865,174,954</b>

<b>Weighted Average</b>	<b>865,174,954</b>	<b>865,174,954</b>
-------------------------	--------------------	--------------------

**Period ended 30 June 2023:**

	Revenue	Capital	Total
<b>Calculation of Basic Earnings per share</b>			
Net profit attributable to ordinary shareholders (£'000)	25,274	(82,641)	<b>(57,367)</b>
Weighted average number of ordinary shares	865,174,954	865,174,954	<b>865,174,954</b>
<b>Earnings per share – basic and diluted</b>	<b>2.92p</b>	<b>(9.55p)</b>	<b>(6.63p)</b>

There is no difference between basic or diluted Loss per Ordinary Share as there are no convertible securities.

There is no difference between the weighted average Ordinary or diluted number of Shares.

**Calculation of Weighted Average Number of Shares in Issue**

	1 January 2023	30 June 2023
<b>No of days</b>	181	181
<b>Ordinary Shares</b>		
<b>No. of shares</b>		
Opening Balance	865,174,954	865,174,954
New Issues	-	-
Closing Balance	<b>865,174,954</b>	<b>865,174,954</b>
<b>Weighted Average</b>	<b>865,174,954</b>	<b>865,174,954</b>

#### 14. NET ASSET VALUE PER SHARE

Net Asset Value per share is calculated by dividing net assets in the Statement of Financial Position attributable to Ordinary equity holders of the parent by the number of Ordinary Shares outstanding at the end of the period. Although there are no dilutive instruments outstanding, both basic and diluted NAV per share are disclosed below.

Net asset values have been calculated as follows:

	<b>30 June 2024</b>	<b>31 December 2023</b>	
Net assets at end of period (£'000)	403,059	686,331	
Shares in issue at end of period		865,174,954	
		865,174,954	
<b>IFRS NAV per share - basic and dilutive</b>		<b>46.59p</b>	<b>79.33p</b>

#### UNAUDITED ALTERNATIVE PERFORMANCE MEASURES

##### 1. ONGOING CHARGES RATIO

Ongoing Charges Ratio is a figure published annually by an investment company which shows the drag on performance caused by operational expenses.

	<b>Period to 30 June 2024 £'000</b>	<b>Annualised to 31 Dec 2024 £'000</b>	<b>Annualised to 31 Dec 2023 £'000</b>
Management fee	<b>3,329</b>	<b>6,658</b>	8,668
Other operating expenses	<b>1,116</b>	<b>2,232</b>	2,192
Total management fee and other operating expenses	<b>4,445 (a)</b>	<b>8,890</b>	10,860
Average undiluted net assets*	<b>544,695 (b)</b>	<b>544,695</b>	817,975
<b>Ongoing charges ratio % (c = a/b)</b>	<b>0.82% (c)</b>	<b>1.63%</b>	<b>1.33%</b>

\* - Average undiluted net assets has been calculated as the average of net asset value at 1 January 2024 of £686.3 million and net asset value as at 30 June 2024 of £403.1 million.

Annualised expenses are the estimate of the annual cost of management fees and other operating expenses based on the six months' cost in the period to 30 June 2024 excluding Strategic Review costs.

## 2. TOTAL RETURN

Total NAV return is a way to measure the performance of an investment company. A fund's NAV return is the percentage change between its net asset value at the beginning and end of a particular period plus dividends paid.

		<b>30 June 2024</b>	<b>31 December 2023</b>
Closing NAV per share (pence)		46.59	79.33
Add back dividends paid* (pence)		12.00	12.00
Adjusted closing NAV (pence)		58.59	91.33
Adjusted NAV per share as at the period end less NAV per share at 31 December 2023 (31 December 2022)	<b>(a)</b>	(58.59-91.33)	(91.33 – 118.76)
NAV per share at 31 December 2023 (31 December 2022)	<b>(b)</b>	91.33	118.76
<b>Total return % (c = a/b)</b>	<b>(c)</b>	<b>(35.85%)</b>	<b>(23.10%)</b>

\* Total cumulative dividends paid since IPO.

## 4. MARKET CAPITALISATION

Market capitalisation refers to the market value of a company's equity. It is a simple but important measure that is calculated by multiplying a company's shares outstanding by its price per share.

		<b>30 June 2024</b>	<b>31 December 2023</b>
Closing share price at period end	<b>(a)</b>	22.35p	29.75p
Number of shares in issue at period end	<b>(b)</b>	865,174,954	865,174,954
<b>Market capitalisation (c) = (a) x (b)</b>	<b>(c)</b>	<b>£193,366,602</b>	<b>£257,389,549</b>

## 5. CAPITAL DEPLOYED

This is a measure of amounts invested into the portfolio of investments less any amounts relating to refinance proceeds or sell-downs.

			30 June 2024	31 December 2023
	<u>Deployed</u>	<u>Committed fund</u>	£'000	£'000
Aqua Comms DAC	187,508	-	187,508	187,508
EMIC-1	39,272	8,092	47,364	47,262
Verne Holdings Limited^	-	-	-	256,595
SeaEdge UK1	16,355	-	16,355	16,355
Leeson Telecom	50,807	-	50,807	50,807
Volta Data Centres^	-	-	-	65,456
Ficolo Oy^	-	-	-	118,927
Arqiva*	480,020	-	480,020	469,830
<b>Total deployment</b>	<b>773,962</b>	<b>8,092</b>	<b>782,054</b>	<b>1,212,740</b>

\* - Includes £180 million Vendor Loan Notes issued by D9 Wireless Opco 2 Limited.

^ - The sale process for Verne Global entities completed in March 2024.

## 6. TOTAL SHAREHOLDER RETURN

A measure of the return based upon share price movements over the period and assuming reinvestment of dividends. This APM allows shareholders to establish their return by using share price as a metric rather than NAV.

		30 June 2024	31 December 2023
Closing share price (pence)		22.35	29.75
Add back effect of dividend reinvestment (pence)		-	1.29
Adjusted closing share price (pence)	<b>(a)</b>	22.75	31.04
Opening share price (pence)	<b>(b)</b>	29.75	86.40
<b>Total shareholder return (c = (a-b)/b)</b>	<b>(c)</b>	<b>(24.87%)</b>	<b>(64.08%)</b>

The above return is for the period to 30 June 2024 (31 December 2023: year to 31 December 2023).

## GLOSSARY AND DEFINITIONS



“Adjusted Gross Asset Value”	The aggregate value of the total assets of the Company as determined with the accounting principles adopted by the Company from time to time as adjusted to include any third-party debt funding drawn by, or available to, any Group company (which, for the avoidance of doubt, excludes Investee Companies);
“Admission”	The admission of the Company's Ordinary Share capital to trading on the Premium Segment of the Main Market of the London Stock Exchange;
“Aqua Comms”	Aqua Comms Designation Activity Company, a private company limited by shares incorporated and registered in Ireland;
“AIFM”	the alternative investment fund manager of the Company being Triple Point Investment Management LLP;
“AIFMD”	The EU Alternative Investment Fund Managers Directive 2011/61/EU;
“Board”	The Directors of the Company from time to time;
“D9” or the “Company”	Digital 9 Infrastructure plc, incorporated and registered in Jersey (company number 133380);
“Digital Infrastructure”	Key services and technologies that enable methods, systems and processes for the provision of reliable and resilient data storage and transfer;
“Digital Infrastructure Investments”	An investment which falls within the parameters of the Company's investment policy and which may include (but is not limited to) an investment into or acquisition of an Investee Company or a direct investment in digital infrastructure assets or projects via an Investment SPV or a forward funding arrangement.
“DTR”	The Disclosure Guidance and Transparency Rules sourcebook containing the Disclosure Guidance, Transparency Rules, corporate governance rules and the rules relating to primary information providers;
“EBITDA”	Earnings before interest, taxes, depreciation and amortisation;
“EU or European Union”	The European Union first established by the treaty made at Maastricht on 7 February 1992;
“EPS”	Earnings per share;
“ESG”	Environmental, Social and Governance;
“FCA”	The Financial Conduct Authority
“GAV”	The gross assets of the Company in accordance with applicable accounting rules from time to time;
“Group”	The Company and any other companies in the Company's Group for the purposes of Section 606 of the Corporation Tax Act 2010 from time to time but excluding Investee Companies;
“Investee Company”	A company or special purpose vehicle which owns and/or operates Digital Infrastructure assets or projects in which the Group invests or acquires;
“Investment Manager”	Triple Point Investment Management LLP (partnership number OC321250);
“Investment Objective”	The Company's investment objective as approved by shareholders on 25 March 2024;
“Investment Policy”	The Company's investment policy as set out in the Prospectus approved by shareholders on 25 March 2024;
“Investment SPV”	A special purpose vehicle used to acquire or own one or more Digital Infrastructure Investments.

“IPO”	The Company's initial public offering launched on 8 March 2021 which resulted in the admission of, in aggregate, 300 million Ordinary Shares to trading on the Specialist Fund Segment of the Main Market on 31 March 2021;
“NAV”	Net Asset Value being the net assets of the Company in accordance with applicable accounting rules from time to time;
“Ongoing Charges Ratio”	A measure of all operating costs incurred in the reporting period, calculated as a percentage of average net assets in that year. Operating costs exclude costs of buying and selling investments, interest costs, taxation, non-recurring costs and the costs of buying back or issuing ordinary shares;
“Ordinary Shares”	Ordinary shares of no-par value in the capital of the Company;
“RCF”	Revolving Credit Facility
“SDG9”	The UN’s Sustainable Development Goal 9; and
“Total Shareholder Return”	The increase in Net Asset Value in the period plus distributions paid in the period.