D9

Digital 9 Infrastructure plc

Annual Report & Accounts
For the year ended 31 December 2024

Digital 9 Infrastructure plc

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Information

Company and Group Structure

Digital 9 Infrastructure plc (the "Company") 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 is tax domiciled in the United Kingdom. The Company makes its investments through its immediate subsidiary Digital 9 Holdco Limited (D9 Holdco), which in turn owns a number of intermediate holding companies, listed in note 16 of the audited financial statements, which invest in the investee companies for each project. Together, the Company, D9 Holdco and its subsidiaries but not including the investee companies, form the "Group".

The Company raised funds and invested it through D9 Holdco, into intermediate holding companies which in turn purchased the investee companies. The Company pays its operating costs including management fees. Digital 9 Holdco Limited holds the Group's Revolving Credit Facility ("RCF"). The Company used the RCF and cash invested by the Company to fund the purchase of the Group's investments, The disposal of Verne in the year did not impact the Company (other than valuation adjustments in Digital 9 Holdco Limited) as the proceeds were used to partially repay the RCF within Digital 9 Holdco Limited. The value of the RCF and the net assets of the Group, excluding those held by the Company, are reflected in the valuation of D9 Holdco.

Aqua Comms

Subsea fibre systems that provide the backbone of the internet.

» See pages 20-21

Arqiva

Arqiva is the sole provider of national terrestrial TV and radio broadcasting infrastructure in the UK.

» See pages 16-18

SeaEdge UK1

A 25 year sublease to a data centre asset and subsea fibre landing station, located on the UK's largest data centre campus in Newcastle.

» See page 22

Elio Networks

Low latency. High speed. Industry leading. Providing high-quality, wireless broadband.

» See page 23

Chair's Statement

»

We are working hand-in-hand with InfraRed to secure the best possible value for shareholders from the remaining assets

Eric Sanderson
Chair

INTRODUCTION

2024 was a year of significant change for the Company, with the adoption of a new investment policy in March, involving a Managed Wind-Down of the Company with an orderly realisation of assets prioritising achievement of best value over speed of execution, the appointment of a completely new Board which I have chaired since late May, and the appointment of InfraRed Capital Partners Limited ("InfraRed") as the new investment manager and AIFM in October in succession to Triple Point.

Further detail on the decision to appoint InfraRed is detailed in our announcement of 11 October 2024 and on page 36.

The Board shares shareholders' frustration with the significant reduction in the Company's Net Asset Value ("NAV") by comparison with the valuation reported a year ago and the discount at which the Company's stock is trading relative to its NAV.

My fellow Board Directors and I have worked assiduously to execute the Managed Wind-Down mandate decided upon by shareholders in March 2024, and we will continue this effort working closely in conjunction with InfraRed. We have announced the first steps in the Company's wind-down with the recently agreed divestments of EMIC-1 and Aqua Comms DAC ("Aqua Comms"), the latter still being subject to competition clearances. InfraRed played a critical role by sourcing the buyer for EMIC-1 from outside of the established divestments process. While the pricing outcome for Aqua Comms is extremely disappointing, we are confident the divestment is the best outcome for shareholders given the prevailing market conditions for subsea fibre and the particular assets involved. Both divestments followed extensive marketing over an extended period and the Board and InfraRed determined that the risk of further deterioration in value significantly outweighed the prospect of exploring a divestment process at a later date. Both transactions are significant and a necessary first step forward in the Company's mandate, and the Board remains entirely focused on the implementation of a Managed Wind-Down to realise shareholder value over time.

We are working hand-in-hand with InfraRed to secure the best possible value for shareholders from the remaining assets. While a divestment process for SeaEdge UK1 is progressing, a divestment process for our other remaining wholly owned asset, Elio Networks, has been paused until a later date. This is because it is believed that a better price may be achieved after InfraRed has worked with Elio's management in maximising the value that can be achieved from a subsequent divestment, which is expected to be within the timescale for the disposal of the Company's most significant asset by value, Arqiva. A divestment of the Company's stake in Arqiva may not take place until there is greater clarity on the renewal of broadcasting contracts, expected in 2027. The Board will remain receptive to any changes in the market dynamic which could give rise to an earlier divestment of either Elio Networks or Arqiva. The Board believes that the Company's intrinsic value is materially higher than that which is implied by the Company's current market capitalisation, and that it should be possible to unlock this for the benefit of shareholders. As I said in my previous letter, our decision making will remain characterised by four priorities: i) repaying the remaining balance on the RCF, ii) achieving a balance between maximising value and making timely capital returns to shareholders, iii) preserving value through active ongoing cost and portfolio management and iv) regularly engaging with shareholders through timely market communication.

PORTFOLIO VALUATION

As at 31 December 2024, the Company's portfolio NAV was £297 million (31 December 2023: £686 million), a decline of 57% over the preceding twelve months (26% since 30 June 2024). This valuation movement chiefly reflects a significant reappraisal of key valuation assumptions, including the availability of finance for Portfolio Companies and sector-specific market headwinds, that have materially reduced the growth trajectory of underlying Portfolio Companies resulting in materially lower cash flow forecasts. The largest single driver of the reduction in valuation of the portfolio over the year was the movement in valuation of Aqua Comms. This reduction in value was driven by the deteriorating fundamentals of the business, principally its ability to fund its Asian growth projects as well as margin compression on its Atlantic cable business.

The valuation process for December 2024, undertaken by InfraRed and overseen by the Board, has included a thorough bottom-up review of each of the underlying Portfolio Companies, their valuations and underlying models. This comprehensive process resulted in a full model rebuild in the case of certain Portfolio Companies. The valuation has been further supported by an independent review of the valuation prepared by InfraRed from a newly appointed firm of valuation experts. Following this comprehensive review, in addition to deriving the 2024 valuations, it should be noted that the current Board have identified certain issues with respect to the facts supporting the December 2023 valuations. This is considered in more detail on page 4.

As a reminder, the Board determined that it is in shareholders' best interests not to publish a full breakdown of the NAV by each portfolio company to protect the Company's commercial position during live divestment processes of Portfolio Companies. The valuation of Arqiva has been provided. At the point when the Company's commercial position changes, the Board will provide the customary transparency on asset valuations.

DIVESTMENT PROCESSES

Following significant challenges faced by D9 since 2022, shareholders voted in March 2024 for the orderly Managed Wind-Down of the Company. For that purpose, and throughout the year, there was a complete overhaul of the Non-Executive leadership of the Company with a new Board of non-executive Directors appointed to oversee the execution of this mandate. InfraRed was appointed Investment Manager and AIFM following a rigorous and competitive selection process, formally taking over from the previous manager on 11 December 2024. Pursuant to the terms of an interim support services agreement, InfraRed started providing interim support services to the Company from 11 October 2024, ahead of its formal appointment, which facilitated progress on key workstreams of the Company's Managed Wind-Down.

D9 agreed the divestment of EMIC-1 on 31 December 2024, and of Aqua Comms after the year end. The NAV at 31 December 2024 reflects the price at which contracts have been exchanged on both investments, less associated costs. The divestment process of D9's subsea assets was separated to maximise the

Chair's Statement *continued*

value achieved; to expedite the path to cash proceeds which will bring D9 closer to a full RCF repayment: and to capitalise on a time-limited opportunity to divest EMIC-1 sourced by InfraRed. When considering the significant challenges in the Red Sea, the indefinite delay to completion and likely increased costs of construction of the EMIC-1 project, the Board believes the divestment of EMIC-1, at a 10% discount to carrying value (being its original cost)[1] was an acceptable value outcome in a challenging market environment. In addition, D9 had reserved a further US$ 10 million to meet capital and operational expenditure required to complete the original project. This will, on completion of the divestment, be released to contribute towards fund level deleverage.

The pricing of the Aqua Comms divestment at a 36% discount to the 30 June 2024[2] valuation was extremely disappointing, particularly given that the 30 June 2024 valuation itself had already been significantly written down to a valuation reflecting indicative offers being considered at that time.

Agreement of the divestment of Aqua Comms followed a comprehensive and competitive nine-month sales process, with thorough market testing with strategic and financial investors, as well as an independent bottom-up evaluation of Aqua Comms performed by InfraRed. The Board also took into account advice given by Goldman Sachs who had been retained at the outset of the sale process by the previous Board to advise on the sale. The outlook for the business had significantly changed since the Company's initial investment in April 2021, primarily due to an inability to deliver a global growth strategy, and in the context of significant price compression in the North Atlantic subsea fibre market. The Board and InfraRed determined that the risk of further deterioration in value significantly outweighed the prospect of a supportive change in the fundamentals of the business. The Company will continue to supervise the Aqua Comms business during the competition clearance process which is expected to take up to 12 months. During this period the Company will benefit from any distributions made by Aqua Comms. More details can be found in the Investment Manager's Report.

The Board and InfraRed continue to assess the optimum route to maximise the value of the remaining assets in the portfolio, being Elio Networks, the Verne Earn-Out, SeaEdge UK1 and Arqiva. The divestment of SeaEdge UK1 is being actively progressed with a view to realising value in the near term as the next priority. The optimal pathway to value realisation on the Verne Earn-Out is also being carefully considered. The divestment of Elio Networks will be undertaken at a later date as the Company continues with value optimisation. These realisations will likely be made ahead of the divestment of Arqiva, the largest asset in the portfolio whose value is significantly dependent on a number of related future events. InfraRed is working with management and co-shareholders to best position the business going forward for these events which include: significant debt maturities and associated refinancings; maturity of inflation-linked swaps; and the BBC Royal Charter and public service broadcasting contract renewals in 2027-28. While the Board continues to explore various options in consultation with a collaborative shareholder group, it is our belief that pursuing a divestment at this time would likely not yield an acceptable outcome for shareholders given the inherent uncertainty with respect to the above future events.

Further information on the portfolio and divestments processes can be found in the Investment Manager's report.

ARRANGEMENTS WITH PREVIOUS MANAGER

Much interest has been expressed by shareholders in the termination arrangements with the previous manager, Triple Point Investment Management LLP ("Triple Point"). As discussed previously, the Board is continuing to negotiate termination arrangements with D9's previous investment manager, Triple Point. The Board has provided in full for the amount considered to be due under the contract with Triple Point but expects to negotiate a much lower amount than this. Additionally, the Board had also made it clear to Triple Point that a loss of US$ 2.8 million incurred by a wholly owned subsidiary in the D9 Group in the financial year ended 31 December 2023 as a result of an external fraud should be borne by Triple Point. The Company is in discussion with Triple Point in relation to reimbursement including under insurance arrangements; but as at the date of signing of these accounts the amount had not been paid by Triple Point to the Company and the amount has not been recorded as part of the net assets of subsidiaries.

PRIOR YEAR ADJUSTMENT REVIEW

The current Board and Investment Manager were appointed during 2024. Since their appointment, the valuation of the investment in D9 Holdco has been subject to a bottom-up review of valuation inputs, and multiple divestment outcomes which have led to significant downward revaluation in both June and December 2024. In addition, the current Board have identified certain issues with respect to the facts supporting the December

1 FX rate as at 31 December 2024. Transactions are exposed to FX rates up to closing.

2 FX rate for Aqua Comms only has been quoted as at time of signing and announcement on 16 January 2025. All other FX rates are quoted as at 31 December 2024. Transactions are exposed to FX rates up to closing.

2023 valuations which may suggest a different valuation outcome for that period. The quantum of any potential valuation adjustment is complex to determine and requires independent expert advice.

Given the significant reductions in the valuation of D9 Holdco since December 2023, and that neither the current Board nor the Investment Manager were part of the December 2023 valuation process, the Board have elected to appoint an independent expert to review certain components of the valuation of D9 Holdco as at December 2023. The scope of this review will cover underlying assets comprising c.£270m (40%) of the Fair Value of Investments held on the 31 December 2023 balance sheet. Whilst the outcome of this review is not expected to have an impact on the 31 December 2024 valuations, it could change the timing of recognition of these reductions in value such that more losses are recognised in 2023. The corresponding figures in these financial statements have not been restated for any potential change to the December 2023 valuation due to the complexity and ongoing work required to determine the need for such a restatement and its quantum.

CONTINUATION RESOLUTION

As required under the Company's Articles of Association, an ordinary resolution will be proposed at the upcoming Annual General Meeting that the Company continues its business as presently constituted. If the Continuation Resolution is not passed, we, the Board, will be required to put forward proposals for the reconstruction or reorganisation of the Company to shareholders for approval as soon as reasonably practicable. Typically, companies seek to remove the requirement to propose any further continuation or discontinuation resolution required pursuant to their constitutional documents at the same time as they seek shareholder approval to amend their investment policy in order to pursue a Managed Wind-Down. However, this was omitted from the business of the Company held on 25 March 2024 and therefore the Continuation Resolution must be presented at this year's AGM in accordance with the Articles of Association. As set out above, the Board and InfraRed have been working towards effecting the Managed Wind-Down since shareholders mandated for this in March 2024, and we look to continue making progress in order to maximise returns for shareholders. We therefore urge shareholders to vote in favour of the resolution so that the Board and InfraRed can continue this progress. Further information can be found in the 2025 Notice of AGM.

LIQUIDITY AND CAPITAL ALLOCATION

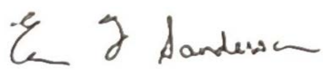
In accordance with the mandate provided by shareholders to the Board in March 2024, once the RCF has been fully repaid, the Board intends to use proceeds from asset divestments to prioritise returns of capital to shareholders.

As per the RNS dated 14 March 2025, the Company announced a refinancing of the existing £53.3 million RCF facility. The renewed RCF has been made available to the Company for a committed three-month term expiring 16 June 2025, and two further three-month extension period options, subject to lender agreement at the time.

The Company expects to repay the balance of the new facility through receipt of the EMIC-1 divestment proceeds, as well as further divestment proceeds and working capital surpluses before the expiry of the RCF on 16 June 2025. The proceeds from the Aqua Comms divestment are expected to be received by the end of 2025 given that the completion is dependent on competition and regulatory clearances.

As divestments are completed and proceeds are received over and above the RCF balance, cash distributions to shareholders will likely take the form of returns of capital, with final amounts to be determined at the time by the Board, in conjunction with the Investment Manager, and taking into consideration the Company's liquidity position. No further dividend distributions are expected, as previously announced. Investment activities have ceased unless legally or contractually required or if beneficial towards preserving or enhancing future asset divestment values.

I express my deepest appreciation for the continued support from all stakeholders throughout this significant period of disruption, and the supportive engagement the Board and I have received from the Company's shareholders. With a new Investment Manager and non-executive team now in place, we will take every action possible to realise the mandate voted for in March 2024, secure the best possible value for shareholders and achieve a better outcome than that currently implied by the Company's share price.



Eric Sanderson
Chair
30 April 2025

Investment Objective and Investment Policy

The Board is responsible for the Company's Investment Objective and Investment Policy and has overall responsibility for ensuring the Company's activities are in line with such overall strategy.

The Company's current Investment Objective and Investment Policy, as approved by shareholders at the 25 March 2024 General Meeting receiving 99.89% of votes in favour, are published below.

INVESTMENT OBJECTIVE

The Company will be managed, either by a third-party investment manager or internally by the Company's Board of Directors, with the intention of realising all the remaining assets in the Portfolio, in an orderly manner with a view to ultimately returning available cash to the Company's shareholders ("Shareholders") following the repayment and cancellation of the Group's RCF from the proceeds of the assets realised pursuant to the Investment Policy.

INVESTMENT POLICY

The assets of the Company will be realised in an orderly manner, returning cash to Shareholders at such times and in such manner (which may be by way of direct buybacks, tender offers, dividends or any other form of return) as the Board may, in its absolute discretion, determine. The Board intends that the proceeds of any asset realisations will be used to repay and cancel the RCF before any such proceeds are distributed to Shareholders or used to meet other outstanding indebtedness of the Company (including the non-recourse indebtedness to the vendors of the Company's Arqiva asset, issued by way of a vendor loan note ("VLN") which the Company may repay or transfer to a future buyer of the Arqiva asset). The Board will endeavour to realise all of the Company's investments in a manner that achieves a balance between maximising the net value received from those investments and making timely returns to Shareholders. The Company will cease to make any new investments (including any follow-on investments) or to undertake capital expenditure, except with the prior written consent of the Board and where, in the opinion of the Board, in its absolute discretion:

a) failure to make the investment or capital expenditure would result in a breach of contract or applicable law or regulation by the Company, any member of its group or any vehicle through which it holds its investments; or

b) the investment or capital expenditure is considered necessary to protect or enhance the value of any existing investment or to facilitate an orderly divestment, any such investment or capital expenditure being a "**Permitted Investment**".

Subject to the ability of the Company to make Permitted Investments, any cash received by the Company as part of the realisation process prior to its distribution to Shareholders will be held by the Company as cash in Sterling on deposit and/or as cash equivalents.

BORROWING AND HEDGING

The Company may utilise borrowings for short-term liquidity purposes. The Company may also, from time to time, use borrowing for investment purposes on a short-term basis where it expects to repay those borrowings from realisation of investments. Gearing represented by borrowings (excluding the VLN) will not exceed 20% of Net Asset Value calculated at the time of drawdown.

The Company may use derivatives for hedging as well as for efficient portfolio management. Any such hedging transactions will not be undertaken for speculative purposes.

Key Performance Indicators

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

KPI AND DEFINITION	RELEVANCE TO STRATEGY	PERFORMANCE	COMMENT
1. DIVESTMENT ACTIVITY* (£)			
Portfolio Company Divestments agreed	Reflects the ability of the Company to realise all the remaining assets in the portfolio, as per the Investment Objective.	Completed proceeds of £347.0m received from the sale of Verne in April 2024. A consideration of c.£33m announced in respect of the divestment of EMIC-1 which is expected to complete before 16 June 2025[3]. Additionally, contracts have been exchanged for a further c.£40m consideration, announced post the balance sheet date, relating to the sale of Aqua Comms.[4]	A new KPI relating to the updated Investment Objective. Announced portfolio company divestments represent progress in respect of the Company's Managed Wind-Down. Proceeds related to the agreed divestment of Aqua Comms is subject to regulatory approvals.
2. ABSOLUTE DEBT			
Absolute Debt Level of Digital 9 Holdco Limited	A reduction in the absolute debt level of the Company's subsidiary, Digital 9 Holdco Limited represents the ability to reduce debt and enact the Managed Wind-Down.	During the year to 31 December 2024, the RCF balance was partially repaid by £321m to a balance of c. £53m. Additionally, the proceeds of the announced EMIC-1 divestment and associate escrow release are expected to be used to reduce the RCF balance when received.	A new KPI relating to the updated Investment Objective. A reduction in absolute debt level of Digital 9 Holdco Limited represents progress towards this new KPI. This excludes the VLN notes issued from Digital 9 Wireless OpCo 2 Limited. Other than the VLN, no other intermediate holding company owes third-party debt.
3. TOTAL RETURN (%)*			
The change in NAV in the period and cash returns paid per share in the year.	The total return highlights the underlying performance of the portfolio's investment valuations, including dividends paid.	(56.7%) year to 31 December 2024. (52.7%) period from IPO to 31 December 2024.	The negative total return is primarily due to the realised value of assets being less than their carrying value. In addition there were changes in key assumptions for Arqiva Group Limited, Elio Networks, SeaEdge UK1 and the Verne Global Earn-Out, including: macroeconomic factors; discount rates; capital structure; terminal value; contractual arrangements and revenue forecasts that reflect the view of the Board and Investment Manager.

3 Receipt of EMIC proceeds have been delayed due to the procedural and administrative closing process for the transaction, however are still anticipated to be received prior to the RCF expiry on 16 June 2025.

4 FX rate as at 31 December 2024. Transactions are exposed to FX rates up to closing.

KPI AND DEFINITION	RELEVANCE TO STRATEGY	PERFORMANCE	COMMENT
4. TOTAL SHAREHOLDER RETURN (%)*			
The change in share price and cash paid per share.	The total shareholder return highlights the share price movements, including reinvestment of dividends.	(36.5%) in respect of the year to 31 December 2024. (81.1%) for the period from IPO to 31 December 2024.	The decrease was primarily driven by a significant fall in the share price. In addition, no dividends were declared during the year.
5. EARNINGS PER SHARE (PENCE)			
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 movements.	Loss of 45.0 pence per share for the year to 31 December 2024 (see Note 23). (31 December 2023: (27.4) pence per share)..	The main driver in the loss per share for the year 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.
6. NAV PER SHARE (PENCE)			
NAV divided by number of shares outstanding as at the year end.	The NAV per share reflects the value of the portfolio on a per share basis.	34.4 pence per share. (31 December 2023: 79.3 pence per share (see Note 24).	The NAV per share fell as a result of the negative fair valuation movement in the year and costs incurred including financing costs incurred for the Group's RCF and VLN. The negative fair value adjustment equates to a 39.8 pence per share drop in NAV.
7. 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.	1.82% for the period to 31 December 2024 (31 December 2023: 1.33%).	A key measure of operational performance. The ongoing charges ratio has increased with the decrease in NAV. Total expenses in the year have decreased compared to the prior year, but the ratio as a percentage of the lower NAV increased. The calculation does not include costs associated with the sale of investments, which are borne by the relevant subsidiaries nor with the Strategic Review costs of £1.6 million. The ongoing charges ratio was calculated on the previous IMA, it also accounted for the new manager remuneration structure outlined on 11 October 2024. The calculation excludes the Triple Point management fee for the period from 1 January 2025 to 31 March 2025 accrued in these accounts.

* Alternative Performance Measure ("APM"). Further information on APMs can be found on pages 103 to 104. Certain APMs would be different if the valuation of investments at 31 December 2023 were different. As noted in these accounts the Board has elected to appoint an independent expert to review the valuation of certain investments at 31 December 2023.

Investment Manager's Report

REVIEW OF THE YEAR

CHANGE OF THE INVESTMENT OBJECTIVE

As announced by the Company on 29 January 2024, the previous Board decided to put forward details for the implementation of a Managed Wind-Down of the Company (the "Managed Wind-Down").

The implementation of the Managed Wind-Down required amendments to the Investment Objective which were subsequently approved by the Company's shareholders.

DIRECTORATE APPOINTMENTS

During the course of the year, the four current Board Directors were appointed. Mr Eric Sanderson was appointed as Independent Non-Executive Chair on 30 May 2024, and Mr Andrew Zychowski, Mr Philip Braun and Mr Robert Burrow were appointed as Independent Non-Executive Directors on 22 July 2024, 22 July 2024 and 12 August 2024 respectively. Details of the Directors who stepped down during the year can be found on page 36 of the Governance Report.

INFRARED APPOINTED INVESTMENT MANAGER

On 25 March 2024, the previous Board announced an investment management review to replace the investment manager. On 11 October 2024, InfraRed Capital Partners Limited ("InfraRed") was appointed as the Company's investment manager and AIFM in charge of implementing D9's previously announced Managed Wind-Down. On the same date, InfraRed and the Company entered into an interim services agreement such that InfraRed were engaged to work on the key deliverables to progress the Company's orderly Managed Wind-Down immediately under which the same annual fee as the new investment management agreement was payable. Please refer to page 52 for more detail on the management arrangements. InfraRed's appointment became effective on 11 December 2024, following the receipt of all necessary regulatory clearances and required third-party consents.

COMPANY AND PORTFOLIO PERFORMANCE

The Company reported a pre-tax loss of £389.0 million for the twelve months to 31 December 2024 (2023: £237.3 million pre-tax loss), equal to a 45.0 pence loss per share (2023: 27.4 pence loss per share). This was the net result of income received from investments and revaluation losses arising on the investments held at fair value as at 31 December 2024. During the year, the Company's NAV decreased from £686.3 million (79.3 pence per share) as at 31 December 2023 to £297.3 million as at 31 December 2024 (34.4 pence per share). Further details regarding the decline in NAV are provided in the Financial Review section.

Over the year, aggregate Portfolio Company revenue declined by 3.8% year-on-year, while EBITDA fell 1.0% in the same period due to continued margin pressure at Arqiva and Aqua Comms. Further details are provided in the following sections.

FINANCIAL REVIEW

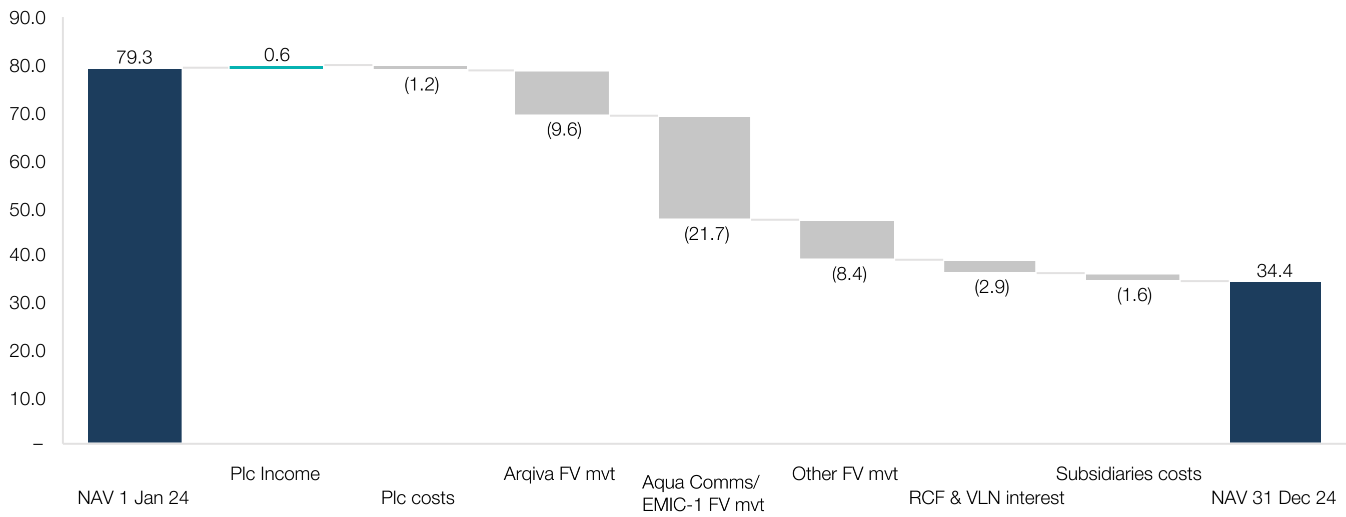
NET ASSET VALUE

The following chart shows the movement in the Company's NAV on a pence per share basis, for the year from 31 December 2023 to 31 December 2024.

The decrease in the NAV of the Company was driven by a fall in the fair value of the underlying portfolio of £344.2 million or 39.8 pence per share and RCF and VLN interests of £25.0 million or 2.9 pence per share.

NAV PER SHARE MOVEMENT – TWELVE MONTHS TO 31 DECEMBER 2024

(pence per share)



Investment Manager's Report *continued*

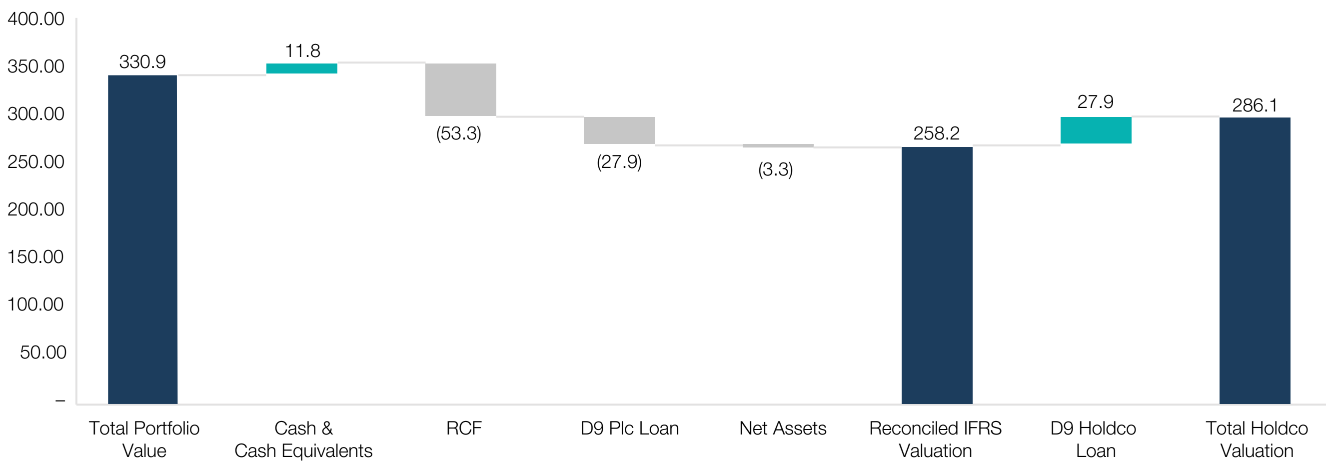
RECONCILIATION TO IFRS VALUATION

The chart below shows the composition of the IFRS Investment Valuation held on the Balance Sheet of the Company, which amounts to a total of £286.1 million. This includes a £258.2 million valuation for the Company's wholly-owned subsidiary Digital 9 HoldCo Limited, which holds the investments in the underlying Portfolio Companies. A £27.9 million shareholder loan the Company has made to Digital 9 HoldCo Limited is shown separately.

In the chart below, Total Portfolio Value (£330.9 million) is net of all VLN deductions. Deductions are also made for the RCF which, for the avoidance of doubt, is not on the Company's Balance Sheet as it is held in Digital 9 HoldCo Limited, an unconsolidated 100% subsidiary of the Company.

DIGITAL 9 HOLDCO LIMITED VALUATION RECONCILIATION AS OF 31 DECEMBER 2024

(£ million)



VALUATIONS

The valuation follows the below methodology, and includes a review performed by an independent valuer for each of Arqiva and Elio Networks as at 31 December 2024. For Aqua Comms and EMIC-1 the valuations reflect the signed agreements for the divestments of each of these assets. SeaEdge UK1 reflects the live divestment discussions. The Verne Earn-Out valuation reflects the contractual mechanism of the Earn-Out, adjusted for current market dynamics. The total portfolio valuation is £330.9 million. This is net of the total VLN balance (£185.5 million) and Bilsdale provision as of December 2024.

As of 31 December 2024, NAV per share is 34.4 pence per share, a 57% reduction from 79.3 pence per share as of 31 December 2023. A major part of the NAV reduction is attributable to the executed divestment outcome on Aqua Comms which was at a materially lower value than that contained in the NAV as at 31 December 2023 for the reasons set out in the RNS as at 17 January 2025 and expanded upon below. In addition to this, InfraRed has comprehensively reviewed all portfolio company valuations, including underlying business plans, and reflected its view in the latest NAV.

The valuation of Arqiva over the twelve months to 31 December 2024 was reduced from £328.7 million to £214.8 million, net of VLN deductions and provision in relation to Bilsdale, with the decline resulting from the new Investment Manager's best judgement of Arqiva's cashflows including revenue, operating & finance costs, the likely scenarios for the future of Digital Terrestrial Television ("DTT") and the impact on Arqiva at that time. The reduction in value includes an increase in the VLN balance due to PIK interest. The valuation of Arqiva will be adjusted by any additional VLN relating to Bilsdale when it crystalises. More information can be found on pages 16 to 17.

SUMMARY OF PORTFOLIO VALUATION METHODOLOGY

InfraRed, in its capacity as Investment Manager, is responsible for preparing the fair market valuation of D9's investment portfolio for the Directors' approval each reporting period. This investment valuation is called the Directors' Valuation. The Directors' Valuation, which is an Alternative Performance Measure ("APM"), comprises the valuation of the investment portfolio as well as the future divestments committed to by the Group at the reporting year end.

The valuation is carried out on a six-monthly basis at 30 June and 31 December each year by the Investment Manager. The Group's investments are unquoted and are therefore valued using a blended approach including both a discounted cash flow ("DCF") analysis of the forecast investment cash flows from each portfolio company, as well as any relevant offers or exit multiples arising from live processes and market precedents.

The key external (macroeconomic and fiscal) factors affecting the forecast of each Portfolio Company's cash flows in local currency are inflation rates, interest rates, and applicable tax rates. The Investment Manager makes forecast assumptions for each of these external metrics, based on market data and economic forecasts.

The Investment Manager exercises its judgement in assessing the expected future cash flows from each investment based on the detailed financial models produced by each Portfolio Company and adjusting where necessary to reflect the Group's economic assumptions as well as any specific operating assumptions.

The fair value for each investment is then derived from the application of an appropriate market discount rate and year-end currency exchange rate. The discount rate takes into account risks associated with the financing of an investment such as investment risks (e.g. liquidity, currency risks, market appetite) and any risks to the investment's earnings (e.g. predictability and covenant of the revenues and service delivery challenges).

The Directors' Valuation is the key component in determining D9's Net Asset Value and so the Valuation Committee receives an independent report and opinion on the Investment Manager's valuation from a newly appointed third-party leading professional firm of valuers on Arqiva and Elio Networks, which is then reviewed by the Audit Committee and used to assess the Investment Manager's valuation.

The valuation of the portfolio companies is a subjective process for unquoted equities, and they include a number of judgemental assumptions, including those which are outside of the Company's control such as macro-economic, market and political factors. The subjective nature of the assumptions means that no guarantee can be placed upon the divestment proceeds achieving an outcome which is at, or above, the net asset value.

DISCOUNT RATES

As described in Note 7, those assets not subject to agreed sales prices are typically valued on a DCF basis. The free equity cash flows are forecast over a period ranging between 10-25 years and are discounted, followed by a terminal value based on a long-term growth rate where it is believed applicable. 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 validation of the DCF analysis is performed by comparison to market multiples. The weighted average discount rate used in these valuations was 14.00%* (31 December 2023: 13.62%). Terminal value assumptions have also been reassessed as part of the current NAV, with InfraRed's bottom-up review of each portfolio company's business plan informing these changes.

LIQUIDITY

At 31 December 2024, the Group held total cash of £23.9 million. Of this, unrestricted cash available for use was £17.7 million. Unrestricted cash includes £12.1 million held at the Company level, with the balance of £5.6 million being held in unconsolidated subsidiaries.

As at 31 December 2024, the Group had cash of £2.7 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. The Group also had £3.5 million of restricted cash held in an escrow account in relation to the EMIC-1 project.

This cash will be released for general use following the completion of the divestment of EMIC-1.

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

* Weighted Average Discount Rate only includes Arqiva, Elio and SeaEdge UK1.

Investment Manager's Report *continued*

INFLATION AND FOREIGN EXCHANGE RATES

In the period, inflation started to stabilise following the peak in 2023, which has had a strong positive cash flow impact for Arqiva. In 2023, Arqiva paid £147 million accretion on its inflation-linked swaps. Last year, 4.3% RPI in March 2024 resulted in Arqiva paying £53 million. The inflation rate has continued to decline since March 2024. March 2025 RPI was at 3.2%, Arqiva will pay an accretion payment of £41 million (equating to c. £21.4 million prorated for D9's 51.76% economic interest in Arqiva).

By contrast, in recent months, foreign exchange markets have become increasingly volatile. Given the foreign currency exposure across the D9 portfolio both in terms of expected completion proceeds and future cash flows on which portfolio companies are valued, this has and will continue to have an impact on NAV and discounts to prior periods as measured in GBP as the Group's denominated currency.

DEBT FINANCING

Excluding Portfolio Companies, D9 had gross debt of £238.3 million as of 31 December 2024, corresponding to 67% of Adjusted GAV.

This comprised the Company's RCF, which was fully drawn at £53.3 million as of 31 December 2024, as well as the outstanding VLN balance of £185.5 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 twelve months to 30 June 2024, increasing the outstanding balance by £10.2 million. The current balance consists of £163 million principal, £17 million of additional notes issued up to 30 June 2024 and an increase of £5.5 million of additional interest accrued since 30 June 2024.

Portfolio Company debt as at 31 December 2024 consisted of £747 million at Arqiva (30 June 2024: £737 million), presented pro rata based on D9's 51.76% economic interest.

DEBT METRICS

The below table shows the Group's leverage position as at 31 December 2024.

	31 December 2024 £'million	30 June 2024 £'million	31 December 2023 £'million
Total Portfolio Value	330.9	424.0	1,028.8
Subsidiary Cash & Equivalents	11.8	13.8	34.6
RCF	(53.3)	(53.3)	(373.8)
Net Subsidiary Other Liabilities	(31.2)	(24.1)	(49.8)
D9 Shareholder Loan	27.9	23.9	36.2
Reconciled IFRS Valuation	286.1	384.3	676.1
PLC Other Current Assets	(1.0)	1.7	1.5
PLC Cash	12.1	19.8	14.8
Total Assets	297.2	405.8	692.3
RCF	53.3	53.3	375.0
Adjusted GAV	350.5	459.1	1,067.3

	£'million	£'million	£'million
RCF	53.3	53.3	375.0
VLN (including £17.0 million additional notes issued in respect of interest and £5.5 million accrued interest)	185.5	180.0	169.8
Total Group Leverage	238.3	233.3	544.8
Leverage / Adjusted GAV	66.5%	50.8%	51.0%

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

	At 31 December 2024 £'million	At 30 June 2024 £'million	At 31 December 2023 £'million
Net Debt / EBITDA			
Drawn RCF	53	53	375
VLN*	186	180	170
Group Cash & Equivalents (inc. restricted cash)	(24)	(34)	(49)
Net Debt	215	199	495
Annualised Portfolio EBITDA	179	180	198
Net Debt / EBITDA	1.2x	1.1x	2.5x
Arqiva debt (prorated for D9 ownership)**	747	737	744
Adjusted Net Debt	962	936	1,318
Adjusted Net Debt / EBITDA	5.4x	5.2x	6.7x

* 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 prior periods.

** 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 adjustments" section for further details relating to the potential change to the VLN relating to the Bilsdale matter.

REVIEW OF PORTFOLIO AS OF 31 DECEMBER 2024

Aggregate revenues for the Portfolio Companies during the period amounted to £381.0 million, 4% lower than the same twelve-month period to 31 December 2024. The decrease was largely attributable to small customer losses at Arqiva, with some offsets due to Elio Networks' growth in 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 1% year-on-year drop in EBITDA for the period.

PORTFOLIO FINANCIAL PERFORMANCE (BASED ON PORTFOLIO AS AT 31 DECEMBER 2024)

Portfolio companies' performance for all periods have been retranslated at the exchange rate as at 31 December 2024

	12 months to 31 December 2024	Six months to 30 June 2024	12 months to 31 December 2023
Revenue	£381.0 million	£194.7 million	£396.0 million
Year-on-year growth (%)	(4%)	(1%)	9%
EBITDA	£179.2 million	£89.9 million	£180.6 million
Year-on-year growth (%)	(1%)	(7%)	(7%)
% margin	47%	46%	46%

Investment Manager's Report *continued*

Our portfolio

Sector	Wireless
Currency	GBP
Date invested	October 2022
Ownership	48.02%
Valuation (as at 31 December 2024)	£215 million
Initial investment	£300 million
Total capex funded to date	N/A (self-funded)
Total investment to date	£300 million
Revenue (twelve months to 31 December 2024)	£338 million
EBITDA (twelve months to 31 December 2024)	£164 million

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

Arqiva's broadcast and transmission services are vital to the provision of commercial and public service broadcasting on digital terrestrial television, underpinned by long-term contracts with blue-chip customers, including the BBC, ITV, Channel 4, Sky and Discovery. Arqiva's utilities business provides vital infrastructure to support the strategic aims of the Government in the water and electricity sectors regarding both usage and customer value. Arqiva's blue-chip metering customers include DCC and United Utilities.

Arqiva achieved revenues of £653 million in the year to 31 December 2024, down 6% year-on-year. Positive revenue indexation was offset by reductions in: low margin smart utilities device volumes; reduced recovery of power costs from customers (lower consumption and power costs); lower pricing on TV channel contract renewals and some customer losses.

EBITDA declined 1% year-on-year, with margins impacted by lower TV channel pricing and customer losses. These margin pressures were largely mitigated by third-party cost savings and benefits from one-off release of prior period circuit cost accruals, and surplus bonus and incentive programmes accrual releases not seen in the prior year period.

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. There are a range of outcomes for Arqiva in this process, from continuation of service at the current level for a significant period, to Digital Terrestrial Television ("DTT") moving to service a reduced number of core channels. The valuation reflects a balanced position with respect to this range, taking into account the market insight of Arqiva's management team and external board members, and assumes a satisfactory outcome to the charter renewal in 2027.

In the utilities sector, in December, the UK's water industry regulator, Ofwat, published its final 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. Arqiva's utilities business has won several major contracts with leading water companies during 2024, representing significant market share in line with management's aspiration, which will now move rapidly into delivery following Ofwat's determinations.

Arqiva derives a large portion of its income from transmission services provided to UK public sector broadcasters under contracts which expire from 2030. Negotiations for the renewal of these contracts is expected over the next three years. Arqiva has both senior and junior debt, and in addition D9 has debt secured against its equity stake in Arqiva (the "Vendor Loan Notes" or "VLN"). As a result of this contractual position and leverage, both at the corporate level and the VLN, our valuation of D9's interest in Arqiva is highly sensitive to its underlying assumptions, in particular the outcome of the Ofcom policy decision regarding the future of DTT expected by the end of 2027, and the associated contractual negotiations. As further detailed in the results presentation, our base case valuation assumes successful contract renewals based on our view of a reasonably likely policy outcome to deliver an efficient but full DTT transmission service. Should Ofcom's decision lay out either a more restricted or higher broadcasting capacity vs our valuation base case, or the associated contract renewals differ from our assumptions, the Company's valuation of Arqiva at that point may be materially different, including a risk that the equity valuation is zero because of the VLN balance. The valuation of Arqiva is also based on a number of other variables such as debt capacity and cost, the performance of the other business lines and market conditions for infrastructure assets at the time of sale.

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 31 December 2024, D9 owes the £163 million VLN principal to the vendor along with £22.5 million of PIK interest (additional notes issued on 30 June 2023, 30 June 2024 and accruals until 31 December 2024). Arqiva's balance sheet also contains 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 31 December 2024 was £1,442 million, which corresponds to £747 million attributable to D9 pro rata based on its 51.76% economic interest.

PROVISION IN RESPECT OF POTENTIAL ADDITIONAL VLNS

Arqiva's Bilsdale site returned to full operation in January 2024 following the 2021 fire and subsequent restoration. At acquisition, the expected costs for the restoration of Bilsdale were estimated and adjusted for in the purchase price; at the current time, we expect net costs associated with the incident to be lower than anticipated at acquisition. Under the terms agreed with the vendor at the time of the acquisition by D9, additional VLNs are issued to the vendor for the amount by which the restoration costs are lower than the estimated restoration costs of Bilsdale at the time of acquisition. 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. No provision for the potential issue of VLNs pursuant to Bilsdale fire was made as at 31 Dec 2023.

INFLATION-LINKED SWAPS HELD BY ARQIVA

In 2023, Arqiva paid £147 million accretion on its inflation-linked swaps. In March 2024 RPI was at 4.3%, resulting in a £53 million accretion payment by Arqiva on its inflation-linked swaps (equating to c.£28 million prorated for D9's 51.76% economic interest in Arqiva). This year, RPI has continued to fall to below 3.5%. This will result in an accretion payment of c.£42 million by Arqiva. For the avoidance of doubt, accretion is paid out of Arqiva's own cash flows and not by D9.

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 and March 2025 RPI fell within the collar's range (2.5% to 6.0%), there were no collar cash flows relating to Arqiva's 2024 or 2025 accretion payment.

VENDOR LOAN NOTE INTEREST

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 30 June 2024 with an additional £5.5 million interest accrual up to 31 December 2024 resulting in a VLN balance of £185.5 million at the end of the year. This consists of £163 million principal, £17 million of additional notes and £5.5 million of interest accrued for six months from 30 June 2024. 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.

	2024	Six months to 30 June 2024	2023
Revenue	£338.2 million	£174.0 million	£358.6 million
% growth	(6%)	(3%)	9%
EBITDA	£165.1 million	£83.7 million	£166.9 million
% growth	(1%)	(7%)	(5%)
% margin	49%	48%	47%

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

Investment Manager's Report *continued*

Arqiva Sustainability update

(provided for corporate entities in the portfolio, which are not being considered for sale at present time)

Arqiva's overarching strategic purpose is social, enabling people to stay connected to the information and entertainment that matters to them. In addition, social responsibility forms an integral part of the business with focus on four areas: supporting the communities, supporting people, supporting diversity and inclusion, and supporting suppliers.

In 2024, Arqiva developed its sustainability strategy with a number of sustainability goals.

1. To become net zero by 2040 with an interim target of net zero Scope 1 & 2 emissions by 2031

Arqiva's focus to date has been on improving data quality; collaboration with customers and suppliers to support climate action; actively developing decarbonisation opportunities through technology; and establishing governance processes at the business to integrate net zero into business decision-making. In 2024, significant actions included board approval of a carbon reduction plan, third-party limited assurance of FY24 Scope 1 & 2 GHG reporting in accordance with ISO 14,064-3:2019, initiating a renewable energy purchase contract with the main supplier, completing Scope 3 data methodology and collection, and developing KPIs to track performance.

2. To positively enhance its impact on the environments the company operates in, increasing biodiversity

Arqiva developed a series of strategic initiatives including a partnership with The Wonderseekers Science Centre Charity to protect and enhance the biodiversity of Morn Hill site in Winchester. The business is working with the charity and neighbouring landowners to recover nature and increase access and connectivity to the South Downs. The business also trialled 'no-mow' areas at Crawley Court to foster wildflower growth and enhance local ecosystems. These initiatives aim to positively enhance the ecosystems in which the business operates.

3. To optimise the use of resources and reduce waste generated through its operations, embracing the concept of the circular economy

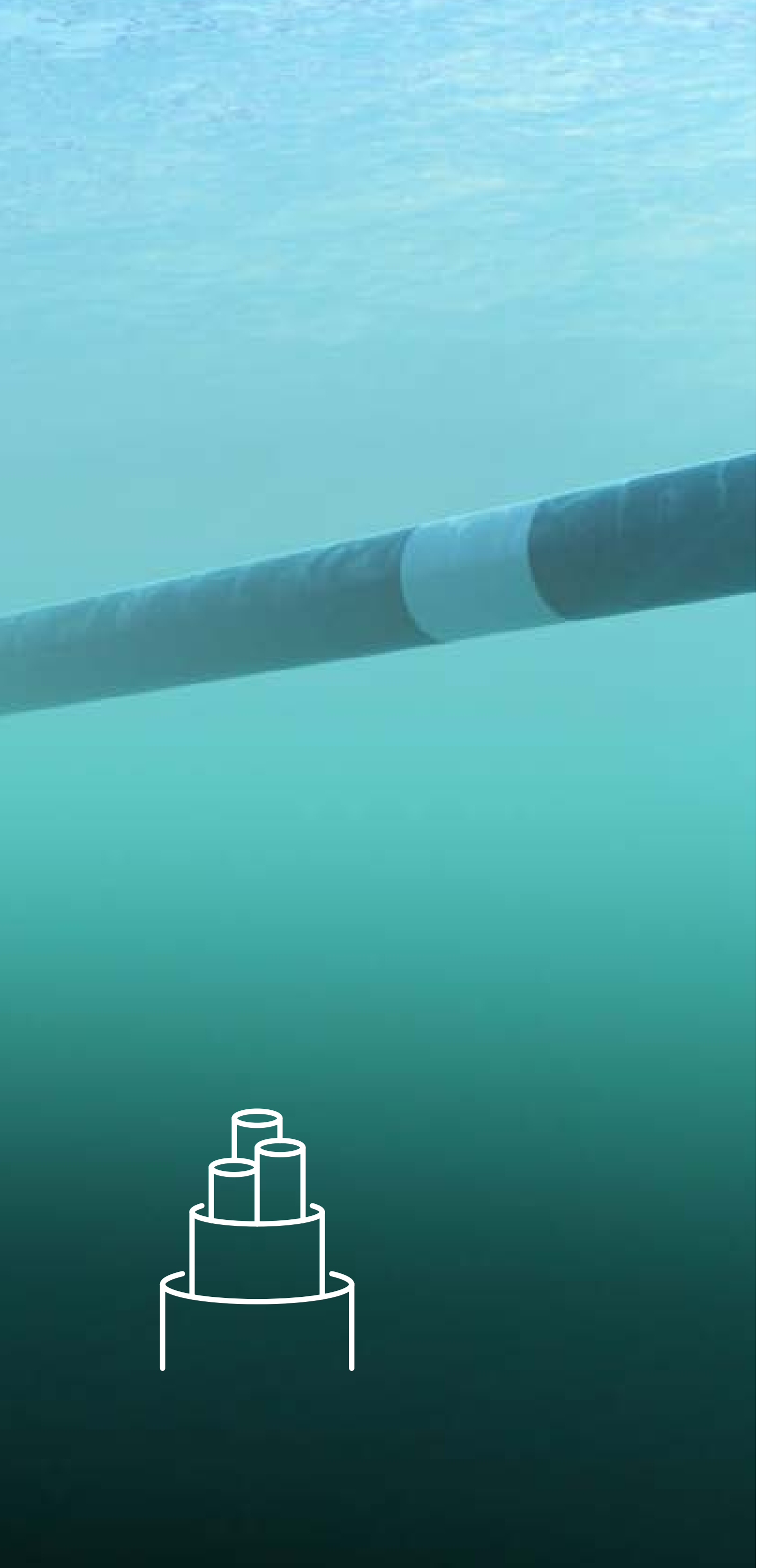
During the year, Arqiva focussed on waste management by embracing circular economy principles through the supply chain including end-of-life management, maintenance of assets, reclamation and re-use of usable components and equipment.

More detail on Arqiva's initiatives is included in Arqiva's latest annual Sustainability Report.

Investment Manager's Report *continued*

Our portfolio

Aqua Comms



AQUACOMMS

Sector	Subsea
Currency	USD
Date invested	April 2021
SDG9 alignment	Connectivity
Initial investment	£170 million
Total capex funded to date	£17 million
Total investment to date	£187 million
Ownership	100%

Aqua Comms is a carrier-neutral owner and operator of subsea fibre cable systems connecting two of the world's largest traffic hubs with its AEC-1, AEC-2, and AEC-3 cables, supplemented by the CC-1, CC-2 and North Sea Connect cables.

AQUA COMMS DIVESTMENT OUTCOME

After the balance-sheet date on 17 January 2025, the Board agreed to divest 100% of the Group's holdings in Aqua Comms. The closing process is subject to regulatory approvals including competition clearances and if cleared is expected to complete within twelve months.

The pricing achieved on the Aqua Comms divestment represented a 36% discount to the 30 June 2024 NAV and a 79% discount to the total amount invested[5] and followed a comprehensive and competitive nine-month sales process, with thorough market testing with strategic and financial investors, as well as an independent bottom-up evaluation of Aqua Comms performed by InfraRed.

The value of the Aqua Comms business has been impacted by numerous factors since the Company's initial investment as set out in the divestment RNS:

(i) **Asian growth projects**: Inability to capitalise on accretive expansion plans into Asia, due to restrictions under the Group's RCF covenants resulting in D9 being unable to fund these projects and Aqua Comms being unable to raise its own corporate debt to fund growth. It was also evident from the sale process that bidders were not attributing value to these projects;

5 FX rate as at 17 January 2025. Transactions are exposed to FX rates up to closing.

(ii) **Margin compression**: Overbuild of subsea cable capacity driven by hyper-scalers in all markets, including the Atlantic market, which is compressing margins. This has been further compounded by technological improvements, which together with overbuild have led to a consistent c. 15% per annum decline in pricing over the past five years, which is expected to persist; and

(iii) **M&A market conditions**: The shift in the rate environment, coupled with macro-economic and geopolitical volatility, has led to a reduction in transaction activity across infrastructure and private equity as well as increased discount rates and reduced pricing. This has contributed to a reduction in the buyer universe for this asset and impacted the pricing secured.

The Company will continue to act as a shareholder for the Aqua Comms business during the regulatory and competition clearance process which is expected to take twelve months. During this period the Company will benefit from preserving and enhancing any value added by Aqua Comms and will continue to take risk on funding the business. Aqua Comms was included in the year end NAV valuation at a value reflecting the terms of the executed divestment agreement.

OPERATIONAL PERFORMANCE

Revenue increased by 19% in the twelve months to 31 December 2024 mainly driven by increased sales in Aqua Comms' existing systems and on AEC-3, which became operational in 2023. EBITDA increased by 5% with increased revenues offset mainly by maintenance costs for the AEC-1, the planned addition of headcount to support expansion into new geographies such as Asian markets, along with additional and temporary overlapping costs to internalise its previously outsourced Network Operations Centre.

	2024	Six months to 30 June 2024	2023
Revenue	£33.8 million	£16.0 million	£28.3 million
% growth	19%	16%	4%
EBITDA	£9.0 million	£3.6 million	£8.6 million
% growth	5%	(12%)	(32%)
% margin	27%	23%	30%

EMIC-1[6]

Europe Middle-East India Connect 1 ("EMIC-1") is a 10,000km intercontinental fibre system, alongside a leading global content provider, being constructed and managed by Aqua Comms.

Sector	Subsea
Currency	USD
Date invested	August 2021
Initial investment	–
Total capex funded to date	£39 million
Ownership	100%

The EMIC-1 project has been indefinitely delayed due to the ongoing geopolitical situation in the Red Sea and Middle East, which impacted the ability of new cable systems to be deployed in the region. As announced on 31 December 2024, the Board agreed to the divestment of EMIC-1 for US$42 million (c.£33 million) with completion expected before 16 June 2025.

When considering the significant geopolitical challenges in the Red Sea, the indefinite delay to completion and likely increased costs of construction of the EMIC-1 project, the Board believes the EMIC-1 transaction, conducted at a 10% discount to carrying value before the fee arrangements entered into by the previous Board and Investment Manager are deducted, was an acceptable value outcome in a challenging environment. The EMIC-1 divestment and savings arising from the Company no longer being required to fund the project will reduce ongoing funding pressure throughout the period to Completion and allow the Company to release the US$10 million funds currently held in reserve by the Company which were intended for this purpose. EMIC-1 was included in the year end NAV valuation at a value reflecting the terms of the executed divestment agreement.

6 All GBP denominated amounts apply FX rate as at 31 December 2024. Transactions are exposed to FX rates up to closing.are exposed to FX rates up to closing.

Investment Manager's Report *continued*

Our portfolio

SEAEDGEUK1

Sector	Data centre
Currency	GBP
Date invested	December 2021
Initial investment	£16.3 million
Total capex funded to date	n/a
Total investment to date	£16.3 million
Ownership	100%

SeaEdge UK1 is a sub-lease of a data centre and subsea fibre landing station, located on the UK's largest data centre campus in Newcastle. D9 owns the long-term, 25-year sub-lease of the facility in which the data centre operator Stellium Data Centres Ltd operates.

SeaEdge UK1 is the UK's only landing point for the new North Sea Connect cable, part of the North Atlantic Loop subsea network with AEC-1 and AEC-2, both owned and operated by Aqua Comms (which shall remain the case post-Aqua Comms divestment). The landing station is also used to connect the NO-UK subsea cable (operated by Aqua Comms), connecting Alitbox Carrier's Norwegian network to the North East of England.

In the year to 31 December 2024, there was no cash income received from SeaEdge UK1 as the Company previously agreed to defer rental payments under the sub-lease until the end of 2024 as part of a broader commercial agreement with Stellium. This deferral agreement expired on 31 December 2024, the deferred rent under this arrangement was received post balance sheet date. Rental payments are inflation linked, with a cap on escalation of 3.0% per annum Given that inflation during 2023 and 2024 has been above 3.0% in the UK, revenue and consequent earnings growth has been in line with this cap over both years.

The Board continues to assess the optimum route to value maximisation for the remaining assets in the portfolio and the divestment of SeaEdge UK1 is being actively pursued, and is progressing with a view to value realisation in the near-term. The current carrying value in the 31 December 2024 NAV reflects the live divestment discussions.

	2024	2023
Revenue	£1.1 million	£1.0 million
% growth	2.2%	11.0%
EBITDA	£1.0 million	£1.0 million
% growth	2.2%	13.0%
% margin	95%	94%

Our portfolio

Sector	Wireless
Currency	EUR
Date invested	April 2022
Initial investment	£51 million
Total capex funded to date	Nil. Equity required (self-funded by Elio)
Total investment to date	£51 million
Ownership	100% as at December 2024

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.

Elio Networks continued growing its high-quality wireless connectivity operations in 2024, with revenue of £8.0 million achieved in the year to 31 December 2024, flat compared to the year to 31 December 2023 when expressed in GBP equivalent.

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.

Following an evaluation of the Elio divestment process, the Board and InfraRed's view is that it is in the best interests of shareholders to retain this business at the current time. The Company will seek to further optimise value ahead of a later exit in line with the envisaged realisation timeline for Arqiva. InfraRed is currently working with the Elio management team to develop this value optimisation strategy.

	2024	Six months to 30 June 2024	2023
Revenue	£8.0 million	£4.1 million	£8.0 million
% growth*	–	3%	5%
EBITDA	£4.0 million	£2.2 million	£4.1 million
% growth*	–	–	2%
% margin	50%	54%	51%

* Growth rates according to the GBP equivalent figures. The revenue growth in 2024 on an underlying EUR basis was 2% vs 2023.

SUSTAINABILITY UPDATE

(provided for corporate entities in the portfolio, which are not being considered for sale at present time)

As a small company, sustainability is considered in Elio's growth, with the CEO's remuneration tied to sustainability outcomes. Given the nature of the business and maturity, sustainability has been focused on two key pillars: diversity & inclusion and decarbonisation.

Increasing employee diversity is a long-term goal, which will develop as the company grows. An inclusive environment is being fostered through a Diversity and Inclusion policy, staff training, and family leave policies. Proactive recruitment aims to reach diverse candidates through transparency and support for working parents.

To support decarbonisation, Elio currently offsets all carbon emissions created in the delivery of their circuits. The business will be also developing an emission reduction plan over the course of 2025.

Investment Manager's Report *continued*

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$135 million) (the "Earn-Out") payable subject to Verne Global achieving run-rate EBITDA targets for the year ending on 31 December 2026. The Earn-Out mechanism is tied to earnings generated above an 80% threshold of the vendor case at the time of the Verne Transaction, connected with development projects identified within the vendor business plan. The Earn-Out is accrued linearly from nil at anything up to 80% of target EBITDA earned from the projects in the business plan, to the full payment of £107 million if 100% of target EBITDA is reached in the 2026 Earn-Out year.

The Company, in conjunction with its advisers, is currently assessing the terms of the mechanism and relevant facts to determine the optimum route to realise value from the Earn-Out. This includes continuing to hold, or the potential for an early settlement. Adjustments have been made to the valuation to reflect this.

James O'Halloran
Partner, Fund Manager
InfraRed Capital Partners Limited

30 April 2025

Section 172(1) Statement

The Board is committed to promoting the success of the Company whilst conducting business in a fair, ethical, and transparent manner.

The Board makes every effort to understand the views of the Company's key stakeholders and to take into consideration these views as part of its decision-making process.

As an investment company, the Company does not have any employees and conducts its core activities through third-party service providers. The Board seeks to ensure each service provider has an established track record, has in place suitable policies and procedures to ensure they maintain high standards of business conduct, treat shareholders fairly, and employ corporate governance best practice.

As a Jersey incorporated entity, the Company voluntarily discloses how the Directors have had regard to the matters set out in section 172(1)(a) to (f) and fulfils the reporting requirements under section 414CZA of the Companies Act 2002 (the "Act").

The following disclosure describes how the Directors have had regard to the matters set out in section 172(1) (a) to (f) when performing their duty under s172 and forms the Directors' statement required under section 414CZA of the Act.

STAKEHOLDER ENGAGEMENT

Why is it important to engage?	How have the Investment Manager/Directors engaged?	What were the key topics of engagement?	What was the feedback obtained and the outcome of the engagement?
STAKEHOLDER – SHAREHOLDERS			
Shareholders and their continued support is critical to the continuing existence of the business and delivery of our long-term strategy.	The Investment Manager and Board have been continuously engaged with shareholders throughout the period. During the period, the Company and investment manager received and responded to a high volume of written feedback. In addition, a number of shareholder meetings took place during the year surrounding the Annual Report and Interim Report, as well as ad hoc engagement. The Board has maintained continuous dialogue with shareholders and the Directors have made themselves available to meet to discuss a wide range of topics and responded to written feedback from shareholders as appropriate. A consultation with the Company's major shareholders was undertaken in respect to the review of the Company's management arrangements.	Key topics through the year related to the Verne Global sale, the change of Investment Manager, the wind-down process and return of capital to investors, the valuation of the Group's assets, the material uncertainty around going concern and future direction of the Company. The Company's major shareholders were consulted on the management arrangements and their views on this process.	The Board considered that the feedback from shareholders has been invaluable this year, through enhanced understanding of shareholder expectations. The Board welcomed feedback from shareholders on the management arrangements, and details of the expected benefits for shareholders was summarised in the announcement dated 11 October 2024 and 'Principal Decisions' below.

Section 172(1) Statement *continued*

Why is it important to engage?	How have the Investment Manager/Directors engaged?	What were the key topics of engagement?	What was the feedback obtained and the outcome of the engagement?
STAKEHOLDER – INVESTMENT MANAGER			
The Investment Manager is responsible for executing the Investment Objective within the Investment Policy of the Company.	The Board maintains regular and open dialogue with the Investment Manager at Board meetings and has regular contact on operational and investment matters outside of meetings. During the year the decision was made to change the Investment Manager; following an investment manager review, engagement with a number of high-quality investment management firms and a rigorous selection process, a consultation with major shareholders and Panmure Liberum undertaking a review of the options available to the Company, InfraRed was selected as the new Investment Manager and AIFM.	The Board has engaged with the Investment Manager throughout the year on key topics including on the divestment of the Company's wholly-owned assets, the operational strategy of Arqiva, and other options for its Investee Companies to optimise value for shareholders through the Managed Wind-Down process. The key topics of engagement with potential Investment Managers through the investment management review commenced in March 2024, were their proposed strategy should they be appointed and terms of appointment to optimise shareholder value.	As announced in December 2024, the Investment Manager and AIFM transitioned to InfraRed. The Board closely monitored the transition process to minimise disruption for stakeholders. As a result of the engagement between the Board and the Investment Manager, the Group was able to progress the divestments process for all wholly-owned companies, with the divestment of EMIC-1 in December 2024 and Aqua Comms in January 2025. Further detail on these divestments, and forward-looking strategy, is set out above on pages 3 to 5. The Board is continuing to negotiate termination arrangements with D9's previous Investment Manager, Triple Point.
STAKEHOLDER – INVESTEE COMPANIES			
The performance and long-term success of the Company is linked to the performance of the companies in which the Company invests.	The previous Investment Manager (to be continued by the current Investment Manager) held regular meetings with the Board and management of each of the Investee Companies and received regular reporting, including financial. The Board directly engaged with the Investee Companies CEOs and key members of management during the year, including inviting key members of management to present at Board meetings with the opportunity to ask questions directly.	On an ongoing basis the Investment Manager engages with Arqiva on a wide variety of matters including finance, sustainability, strategy, and debt processes. This includes engagement through three individuals representing the Investment Manager sitting on the board of Arqiva. The main engagement in relation to the other Investee Companies have been in relation to their respective divestment processes.	Through this engagement between the Investment Manager, Board and the Investee Companies, this has assisted in the management of the Investee Companies in preparation for the divestment and the divestments processes. In relation to Arqiva, this has ensured that the Company monitored and had input on the strategy, finance and other key ongoing matters.

Why is it important to engage?	How have the Investment Manager/Directors engaged?	What were the key topics of engagement?	What was the feedback obtained and the outcome of the engagement?
STAKEHOLDER – SUPPLIERS			
The Company's suppliers include third-party service providers, and the RCF lenders, each of which is essential in ensuring the ongoing operational performance of the Company. The Company relies on the performance of third-party service providers to undertake all its main activities.	The Board maintains close working relationships with all its key advisers, including the sales advisers for the wholly-owned assets, and with the RCF lenders. The Management Engagement Committee has responsibility for overseeing and monitoring the performance of each supplier. A detailed annual assessment is undertaken of each supplier to ensure they continue to fulfil their duties to a high standard.	The Management Engagement Committee met in the year and undertook a thorough review of the performance of the service providers and agreed feedback to provide to the service providers to enhance performance moving forward or assist in the process of changing service providers where this was considered appropriate. The Board and Investment Manager has directly engaged with the RCF lenders in respect to the partial repayment and cancellation of the RCF, as well as covenant amendments.	The Board has continued to be open in providing feedback to its service providers to make clear their expectations, following the Management Engagement Committee process and, where appropriate, on an ad hoc basis. The relationship with the RCF lenders has been key to ensuring that the Company can carry out the actions necessary for its strategic actions, in particular the extension of the RCF post its previous maturity on 17 March 2025. Given the recent termination of third-party adviser engagements, there may be success fees payable post balance sheet within previously agreed fee tail provisions.
STAKEHOLDER – REGULATORS			
Engagement with the regulator is imperative to the Company's ability to operate.	During the year, the Company has had to engage with various regulators (including the Financial Conduct Authority and Jersey Financial Services Commission) on a number of different matters.	The key topics of engagement with regulators during the year have been in relation to the change of Directors and receipt of shareholder complaints. The Company also engaged with the FCA and JFSC in relation to the change of Investment Policy.	Engagement with the regulator has been important to ensure that the Company can carry out strategically important actions, including change of Directors, and following year-end the change of Investment Policy. In respect of the shareholder complaints, this has been important in respect of the Company's regulatory requirements.

Section 172(1) Statement *continued*

PRINCIPAL DECISIONS

Principal decisions have been defined as those that have a material impact to the Group and its key stakeholders. In taking these decisions, the Directors considered their duties under section 172 of the Act.

MANAGED WIND-DOWN

In January 2024, following careful consideration of the options available to the Company and after consultation with its financial advisers, as well as taking into account feedback received from a large number of shareholders and institutional investors, the Board decided that it would be in the best interests of shareholders to put forward a proposal for a Managed Wind-Down of the Company. The implementation of the Managed Wind-Down required amendments to the Company's investment objective and investment policy which was proposed to shareholders and overwhelmingly approved with over 99% of shareholders that voted, voting in favour of the resolution at the General Meeting on 25 March 2024. Following entering into the Managed Wind-Down, the Company entered into binding agreements to divest its stake in EMIC-1 and Aqua Comms.

EMIC-1 AND AQUA COMMS DIVESTMENTS

On 31 December 2024, the Company announced the divestment of its entire holdings in EMIC-1 and, post the balance sheet date on 17 January 2025, the Board agreed to the divestment of Aqua Comms. The Board concluded that the divestments were in shareholders' best interests because of the ongoing and indefinite delays to the EMIC-1 construction completion and that the price of Aqua Comms represents fair value, with the alternative of holding the business over the medium term being a higher risk option for the Company and its shareholders. Initiated by the previous Board, the sale is the product of a thorough nine-month competitive auction process.

PARTIAL REPAYMENT AND CANCELLATION OF THE RCF

The sale of the Group's entire stake in the Verne Global group of companies completed in March 2024, following receipt of the necessary regulatory approvals. Following this, and the receipt of the deferred consideration, a substantial portion of the Group's RCF was repaid and cancelled, which was expected to result in a net interest expense saving of c.£28 million to the end of the term of the RCF.

DIRECTOR APPOINTMENTS

During the year, the Company undertook a formal recruitment process to appoint a permanent Chair led by the Nomination Committee, with the support of an independent search consultancy, for the appointment of a new Board member. Following this process, Eric Sanderson was appointed as Chair of the Board on 30 May 2024. In order to support the Managed Wind-Down process, further recruitment processes were undertaken for the appointment of Andrew Zychowski and Philip Braun (both appointments effective 22 July 2024) and Robert Burrow (appointment effective 12 August 2024). Details of the Directors who stepped down during the year can be found on page 36.

CHANGE OF INVESTMENT MANAGER

In October 2024, the Board appointed InfraRed Capital Partners Limited as the new Investment Manager tasked with the disposal of the Company's remaining digital infrastructure assets and with the objective of maximising shareholder value. The appointment of InfraRed became fully effective on 11 December 2024, and prior to this, from 11 October 2024 they operated under an interim support services agreement. Further details can be found on page 52.

Risk Management

FRAMEWORK

The Board and the Investment Manager recognise that risk is inherent in the operation of the Company and are committed to effective risk management to ensure that shareholder value is protected and maximised.

As an externally managed investment company, the Company outsources key services to the Investment Manager and other service providers and rely on their systems and controls. The Board has ultimate responsibility for risk management and internal controls within the Company and has convened a Risk Committee to assist it in these responsibilities. The Risk Committee undertakes a formal risk review twice a year to assess and challenge the effectiveness of our risk management and to help define risk appetite and controls to manage risks within that appetite, particularly those which would threaten its business model, future performance, solvency, valuation, liquidity or reputation. Further details of the Risk Committee's activities can be found in the Risk Committee Report on page 56.

The Investment Manager has responsibility for identifying potential risks at an early stage, escalating risks or changes to risk and relevant considerations and implementing appropriate mitigations which are recorded in the Group's risk register. Where relevant, the financial model is stress tested to assess the potential impact of recorded risks against the likelihood of occurrence and graded suitably. In assessing risks, both internal controls and external factors that could mitigate the risk are considered. A post-mitigation risk score is then determined for each principal risk. The Board regularly reviews the risk register to ensure gradings and mitigating actions remain appropriate.

RISK APPETITE STATEMENT

Managing risk is fundamental to the delivery of the Company's strategy, and this is achieved by defining risk appetite and managing risks within that appetite. Risk appetite is the level of risk the Company is willing to take to achieve its strategic objectives.

The Board is responsible for setting the Company's risk appetite and ensuring that the Company operates within these parameters. The Board defines its risk appetite using a category of risks inherent to the environment in which the Company operates. Risk appetite is set for each category of risk enabling the actual risks which are identified by management to be compared to the defined appetite, to identify where any additional mitigation activity is required. Any risks outside of tolerance are subject to additional oversight and action planning. The Board has reviewed the Company's appetite for each of the principal risks set out below.

The Board will review and monitor the Company's risk appetite at least on an annual basis or when there is a material change in the internal or external environment, to ensure that it remains appropriate and consistent with the Investment Policy.

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.

Risk Impact	Risk Mitigation	Impact, Likelihood, Control and Rating Post control
1. PERSISTENT, NEGATIVE MARKET SENTIMENT, LEADING TO INCREASED ACTIVISM		
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, the Group's leverage position, Investment Manager and Board personnel changes. Combined, these have led to a reduced level of shareholder confidence which has manifested in a continued level of complaints and increased Board engagements. Specifically, the Board has 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.	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. On an ongoing basis, 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. This year, new members to the Board have been appointed, including the appointment of a new Chair – all of which will add depth, capacity and ensure all Committees can operate appropriately and enable the Board to fulfil its oversight obligations. There has also been appointment of a new Investment Manager in InfraRed, with the Board having endorsed a new approach to valuation and investor relations which is consistent in nature with InfraRed's approach on its other listed investment trusts. The Board sees this as a key factor in mitigating the future disconnect between NAV and share price through building increased confidence in NAV assumptions over time.	*Impact:* Moderate to High *Likelihood:* Moderate *Effectiveness of controls:* Low to Moderate *Rating:* High
2. LIQUIDITY AND SOLVENCY RISK		
The Company made a significant repayment to the RCF debt liability, following the successful sale of Verne. In March, the Company successfully refinanced the facility by a minimum of three months. The Group is no longer in breach of one of its financial covenants.	The Company has several management actions in place to manage its debt obligations and is in regular dialogue with its funding partners. In addition, the Company worked with the Lenders to resolve the covenant breach and to extend the maturity of the facility by an additional three months to June 2025, with an additional two three-month extensions available at the option of the Lenders. The Company is continuing with the orderly realisation with a view to a full repayment of the RCF as soon as practicable. **Option 2:** The recent execution of divestment documents on EMIC-1 has provided a greater level of certainty to lenders of repayment by the repayment date. The Board, supported by the Investment Manager, is proactively working to maximise repayments by the repayment date via EMIC-1 proceeds and other available cash whilst ensuring ongoing liquidity of the Company. General liquidity is managed via regular cashflow monitoring, supplier negotiations, and regular visibility at Board level through ongoing reporting.	*Impact:* High *Likelihood:* Moderate *Effectiveness of controls:* Moderate *Rating:* Medium

Risk Impact	Risk Mitigation	Impact, Likelihood, Control and Rating Post control
3. TRANSACTION / EXECUTION RISK		
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 Portfolio 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 Portfolio 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. The recent execution of the EMIC-1 and Aqua Comms divestment documents demonstrate the Board's continued focus on transaction execution where it deems such divestments to be in the best interests of investors. Such decisions have been made by the Board, supported by its Investment Manager on the basis of an overarching realisation plan for the Company, weighing the risks of value erosion arising from continuing to hold such Portfolio Companies against the potential for any near-term, deliverable value-add in such Investee Companies which could reasonably result in a value uplift in the relevant Portfolio Company ahead of divestment.	*Impact:* High *Likelihood:* Moderate *Effectiveness of controls:* Moderate *Rating:* Medium
4. FUTURE PORTFOLIO FUNDING		
A number of the Portfolio Companies required access to funding to fulfill capex requirement, upon which projects are dependent. Limitations on, or access to funding may impact performance and valuations.	Portfolio Companies are actively managing funding options to support fulfilment of their project plans. With the announced divestment of EMIC-1, there is no longer a funding requirement for this project and escrow funding will be released to the Company. It is currently expected that ongoing capex requirements of other Portfolio Companies will be self-funded by surplus operating cash flows within each of the Portfolio Companies. The Board and Investment Manager are also prioritising repayment of the RCF to reduce the existing constraints on Portfolio Companies in their ability to access a broader suite of funding options to support fulfilment of their business plans.	*Impact:* Moderate to High *Likelihood:* Moderate *Effectiveness of controls:* Moderate *Rating:* Medium
5. INTERRUPTIONS TO OPERATIONS INCLUDING INFRASTRUCTURE AND TECHNOLOGY		
D9's Portfolio 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.	The Digital Infrastructure Investments in which the Group invests use proven technologies, typically backed by manufacturer warranties, when installing applicable machinery and equipment. Portfolio 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.	*Impact:* Moderate to High *Likelihood:* Moderate *Effectiveness of controls:* High to Moderate *Rating:* Low

Principal Risks and Uncertainties *continued*

Risk Impact	Risk Mitigation	Impact, Likelihood, Control and Rating Post control
6. DEPENDENCY ON INVESTMENT MANAGER		
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. Successful execution of the strategy to manage a wind-down of the fund, and maximise shareholder value, is dependent upon the appointment of an Investment Manager who has knowledge and experience of the individual dynamics of each individual Portfolio Company and the markets that they operate in, which can be leveraged to develop an approach which achieves the maximum for shareholders.	There has recently been a change in the Investment Manager, with InfraRed formally appointed as Investment Manager and AIFM on 11 December 2024. As set out by the Company in its October 2024 announcement on the appointment of InfraRed, the Board has ensured that the terms of InfraRed's appointment aligns their interests with those of investors with respect to the delivery of the new Investment Objective and in maximising value for shareholders.	*Impact*: Moderate *Likelihood*: Moderate *Effectiveness of controls:* High to Moderate *Rating:* Low
7. REGULATORY RISK		
There are several regulatory stakeholders involved both at a Fund but also individual Portfolio Company level, including on executed divestments which are pending completion. 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 the FCA and JFSC are supported through engagement with the Investment Manager InfraRed and corporate service providers such as Ocorian Fund Services (Jersey) Ltd and INDOS Financial Limited. Individual Portfolio Companies have direct engagement with their regulators and recruit staff that have experience and deep understanding of the obligations under which they operate. The Board, supported by its Investment Manager, has also considered any regulatory risks which could impact the likelihood and timing of receiving proceeds on the recently executed divestment of Aqua Comms.	*Impact:* Moderate to High *Likelihood:* Low to Moderate *Effectiveness of controls:* Low to Moderate *Rating:* Medium

EMERGING RISKS

Changes to power supply and prices / Supply chain disruption

As demonstrated by 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 tools 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 Portfolio Companies evolve their business models where required and new investment opportunities are accurately assessed.

Going Concern and Viability

GOING CONCERN

Following the shareholder vote at the General Meeting in early 2024, the Company is now in a Managed Wind-Down, which is anticipated to take several years to complete due to the likely timing associated with the divestment of Arqiva. As such, the audited Financial Statements for the year ended 31 December 2024 continue to be prepared on a going concern basis.

As part of the Strategic Review, 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. As such, whilst the Company will continue to consider and be open to all options for Arqiva which are value-accretive to shareholders, the Board has decided to defer launching a divestment process for the Company's stake in Arqiva.

As part of the divestments of EMIC-1 (c.£33 million)[7], and Aqua Comms (c.£40 million[8]), the Company will receive combined proceeds of £73m pending Completion of each transaction over the coming year. The Company is also actively progressing the divestment of SeaEdge with a view to value realisation in the near-term. Finally, contingent on future performance of the Verne Global business in areas specifically contemplated in the Company sell-side business plan at the point of divestment, there is also some potential to receive an Earn-Out payment subject to Verne Global achieving run-rate EBITDA targets for the financial year ending 31 December 2026. The Company is also considering potential near-term value realisation options for the Verne Global Earn-Out as an alternative to the uncertain outcome of continuing to hold it. Given the time frame for completion on the EMIC-1 and Aqua Comms divestments, as well as other ongoing initiatives and available cash, the Board believes that the Going Concern approach to the preparation of the Financial Statements remains appropriate[9]. Finally, we note that given the decision to pause the divestment process for Elio Networks, the Company will continue to benefit from distributions from Elio Networks which will support Company cash flows ahead of its divestment once value-add initiatives have been concluded and its value has been optimised.

At the upcoming AGM in June 2025, the Directors, as required under the Company's Articles of Association, will put to shareholders an ordinary resolution that the Company continues its business as presently constituted ("Continuation Resolution"). If the Continuation Resolution is not passed, the Directors shall put forward proposals for the reconstruction or reorganisation of the Company to shareholders as soon as reasonably practicable. Typically, companies seek to remove the requirement to propose any further continuation or discontinuation resolution required pursuant to their constitutional documents at the same time as they seek shareholder approval to amend their investment policy in order to pursue a Managed Wind-Down. However, this was omitted from the business of the Company held on 25 March 2024 and therefore the Continuation Resolution must be presented at this year's AGM in accordance with the Articles of Association. The Directors consider that the Continuation Resolution will pass as it is considered that this would be in shareholders' best interests, the Company is already in Managed Wind-Down as voted overwhelmingly in favour by shareholders in March 2024, and more recently through engagement with significant shareholders. Nonetheless, the Board recognises that this represents a material uncertainty over going concern.

The Directors have considered the cashflow assumptions for a period of 12 months following the approval of the financial statements and as part of this have considered the requirements for the Company to repay the RCF and the expected cash inflows from the divestment of assets. The Directors have also considered a number of severe, but plausible downside scenarios to these cashflow assumptions and the potential mitigating actions the Company has at its disposal to address these scenarios where required.

Given these considerations, the Directors believe that the Company and the Group have adequate resources to continue to operate for a period of at least 12 months from the date of approval of the financial statements. However, given that a degree of uncertainty exists in the timing of ongoing strategic initiatives which includes management's ability to repay the Group's existing RCF (of which c.£53 million remains at 30 April 2025), there exists a material uncertainty which may cast significant doubt over the Company's ability to continue as a going concern.

As noted in the Company's RNS announcement on 14 March 2025, the Company has agreed with the existing lenders, to extend the facility for a committed three-month term expiring 16 June 2025, and if required two further three-month extension period options expiring 16 December 2025, subject to lender agreement at that time.

7 FX rate as at 31 December 2024. Transactions are exposed to FX rates up to closing.

8 FX rate as at signing and announcement date of 17 January 2025. Transactions are exposed to FX rates up to closing.

9 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 becomes obligated to make such payments in the future.

Going Concern and Viability *continued*

The Board believes that the proceeds for the agreed divestment of EMIC-1 will be received prior to 16 June 2025 however at the time of approval of the accounts these have not been received due to the administrative closing process for this transaction.

It is the Board's belief, having discussed with lenders, that should the EMIC-1 proceeds be received and used to materially repay the existing balance of the RCF ahead of its current expiry on 16 June 2025, leaving circa. £15m remaining balance at the point of maturity, existing lenders would be willing to discuss a proposal with their respective credit committees to extend the facility for a further three months to 15 September 2025. Should further extension of the RCF be required, but not agreed by the lenders, the Company would intend to pursue alternative financing until such time as sufficient divestment proceeds have been received.

As discussed elsewhere, the Company has agreed the divestment of Aqua Comms which would allow for full repayment of the remainder of the RCF, however the timing of completion of that divestment is dependent on regulatory approvals so remains uncertain. The Company is also pursuing further asset divestments, distribution of available cash from D9 portfolio companies, and portfolio company level debt raising activities that would allow for the full repayment of the RCF, however at this time no such divestments have been completed.

As outlined, the Board and InfraRed have been working towards effecting the Managed Wind-Down following this being mandated by shareholders in March 2024. The targeted completion of this Managed Wind-Down continues to be circa. 2028 and therefore the Directors believe that it continues to be appropriate to prepare the financial statements on a going concern basis. However, as outlined above, this assessment is dependent on the Group either completing the divestment of assets to fund the repayment of the remaining balance of the RCF due by 16 June 2025 or alternatively refinancing this debt or extending the maturity date of the RCF. These conditions indicate the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the Company were unable to continue as a going concern.

VIABILITY STATEMENT

At least once a year the Directors have carried out a robust assessment of the principal and emerging risks and make a statement which explains how they have assessed the prospects of the Company, over what period they have done so and why they consider that period to be appropriate, considering the Company's current position.

The principal and emerging risks faced by the Company are described on pages 30 to 32. As detailed above, the Company is preparing the audited Financial Statements on a going concern basis despite the March 2024 announcement that the Company is in a Managed Wind-Down. The Directors have not assessed the longer-term viability of the Company other than for a period of three years as the BBC Royal Charter and public service broadcasting contract renewals in 2027 will facilitate the disposal of Arqiva in 2028.

The Directors have assessed the Managed Wind-Down of the Company to be within 24 to 36 months of the date of the approval of these audited Financial Statements (being 30 April 2025), although there is no guarantee that it will be possible to realise maximum value for the assets within that timeframe and therefore the Managed Wind-Down could potentially take longer. The Directors have a reasonable expectation that the Company can meet its liabilities in order to enable the Managed Wind-Down.

Board Approval of the Strategic Report

The Strategic Report has been approved by the Board of Directors and signed on its behalf by the Chair.

Eric Sanderson
Chair
30 April 2025

Chair's Introduction

I am pleased to present the Company's Corporate Governance Report which covers the year ended 31 December 2024. The Board acknowledges that strong corporate governance is integral to the achievement of the Company's objectives and provides the foundation for open, informed and transparent communication with our shareholders.

Following the outcome of the Strategic Review and subsequent shareholder approval of the proposed investment policy at the General Meeting held on 25 March 2024, the Board continues to work together with InfraRed to realise the Company's assets in an orderly manner to maximise shareholder value. As set out in the Chair's Statement, the Company will put forward an ordinary resolution to shareholders that the Company should continue its existence in its current form at the 2025 AGM. The Board encourages shareholders to vote in favour of the resolution to ensure that we and InfraRed can continue to progress the Managed Wind-Down.

On 30 May 2024, I was appointed as Independent Chair of the Board, and Philip Braun, Andrew Zychowski and Robert Burrow joined the Board as a Non-Executive Directors on 22 July 2024, 22 July 2024 and 12 August 2024 respectively. A detailed induction process was undertaken by the new Directors to ensure a streamlined transition and succession.

Keith Mansfield stepped down as a Non-Executive Director on 3 January 2024, Brett Miller and Richard Boléat stepped down as Non-Executive Directors on 23 March 2024, Charlotte Valeur stepped down as Interim Independent Chair on 30 May 2024, Gailina Liew stepped down as a Non-Executive Director on 11 June 2024, and Aaron le Cornu stepped down as a Non-Executive Director on 22 July 2024. At the AGM on 12 June 2024, Aaron Le Cornu was not re-elected by shareholders as a Director of the Company however, as the Company is regulated by the JFSC as a Listed Fund and is required to have at least one Jersey resident Director (the Company having obtained a derogation from the requirement to have two Jersey resident Directors), on 12 June 2024 Aaron Le Cornu was immediately reappointed such that the Company had at least one Jersey resident Director. He immediately resigned on the appointment of Philip Braun, a Jersey resident Director, on 22 July 2024.

Following the above Board changes and bringing onto the Board significant experience and knowledge relevant to the Company's Managed Wind-Down, the Board has entered into a steady state and intends to remain stable, where possible, to the conclusion of the Managed Wind-Down process.

Furthermore, the Board appointed InfraRed as the new Investment Manager and AIFM on 11 December 2024 following an interim services period which commenced on 11 October 2024. The appointment concluded the investment manager review commenced on 25 March 2024, following an extensive review of the Company's existing management arrangements, engagement with a number of high-quality investment management firms, and rigorous selection process and consultation with D9's major shareholders. The Board's rationale to appoint InfraRed is set out in detail in our announcement of 11 October 2024. The decision was guided by several criteria, and has a number of benefits including extensive listed companies experience, access to a team of highly specialised and experienced investment professionals, expertise in digital infrastructure, specific knowledge of Arqiva, a strong track-record of accretive divestments and highly relevant experience in delivering debt solutions for listed investment companies and growth-oriented portfolio companies.

This section of the Annual Report sets out the corporate governance principles the Board has adopted, how these have been applied and highlights the key governance events which have taken place during the period.

STATEMENT OF COMPLIANCE

The Board has considered the Principles and Provisions of the AIC Code of Corporate Governance ("AIC Code"). The AIC Code addresses the Principles and Provisions set out in the UK Corporate Governance Code (the "UK Code"), as well as setting out additional Provisions on issues that are of specific relevance to the Company.

The Board considers that reporting against the Principles and Provisions of the AIC Code, which has been endorsed by the Financial Reporting Council and supported by the Jersey Financial Services Commission, provides more relevant information to shareholders.

The Company has complied with the Principles and Provisions of the AIC Code or otherwise explained non-compliance below.

The AIC Code is available on the AIC website (www.theaic.co.uk). It includes an explanation of how the AIC Code adapts the Principles and Provisions set out in the UK Code to make them relevant for investment companies.

Provision	Explanation
37, 38, 41, 42. Establishment and reporting of a remuneration committee	The Company does not have any executive Directors or employees, and, as a result, operates a simple and transparent remuneration policy with no variable element; the Board does not consider it necessary to establish a separate remuneration committee and those functions are undertaken by the Board as a whole.
26. Externally facilitated Board evaluation	Following entering into a Managed Wind-Down, as approved by shareholders at the General Meeting held on 25 March 2024, it has been determined that the Board's focus at this time should remain on delivering a successful disposal process for the assets of the Company and in light of the current Board members being recently appointed and Managed Wind-Down, an externally facilitated Board evaluation will be considered on an annual basis in the future.
29. Establishment and membership of an audit committee	The Audit Committee did not continuously comprise of at least three independent Non-Executive Directors during the year, due to the smaller size and changes to the Board between 23 March 2024 and 22 July 2024. At year end, the Audit Committee comprised three members.

On behalf of the Board:

E J Sanderson

Eric Sanderson
Chair
30 April 2025

Board of Directors

ERIC SANDERSON
INDEPENDENT CHAIR

Appointed

30 May 2024

Committee memberships

Risk Committee –
(Chair with effect from 30 May 2024)
Valuation Committee
Nomination Committee
Management Engagement Committee

Principal external appointments

JP Morgan Emerging Europe, Middle East & Africa Securities plc – *(Chair)*
BlackRock Greater Europe Investment Trust plc – *(Non-Executive Director)*

Skills and experience

Eric Sanderson is a chartered accountant and former CEO of British Linen Bank, which was the investment banking arm of the Bank of Scotland. He subsequently was Chief Executive of Bank of Scotland's Treasury arm and a member of the Bank of Scotland Management Board. He brings extensive non-executive investment company board experience.

ROBERT BURROW
SENIOR INDEPENDENT DIRECTOR

Appointed

12 August 2024

Committee memberships

Nomination Committee –
(Chair with effect from 12 August 2024)
Audit Committee
Risk Committee
Valuation Committee
Management Engagement Committee

Principal external appointments

Caxton Global Investments Limited – *(Non-Executive Director)*
True Capital – *(Advisory Board)*

Skills and experience

Robert Burrow has a broad range of executive experience, primarily in the M&A space, both as a practising solicitor and former investment banker. He held a senior corporate partner role in an international law firm for over 20 years, where he specialised in M&A and investment funds. Most recently, he has held a number of senior positions in international real estate companies. He was Chief Executive of Chelsfield Group, an international real estate business focussed on asset management, development and investment in Europe, North America and Asia. He holds a Master of Arts in History and Law from Cambridge University.

ANDREW ZYCHOWSKI
NON-EXECUTIVE DIRECTOR

Appointed

22 July 2024

Committee memberships

Nomination Committee
Management Engagement Committee – *(Chair with effect from 22 July 2024)*
Valuation Committee
Risk Committee
Audit Committee

Principal external appointments

Middlefield Canadian Income PCC – *(Non-Executive Director)*
The Ralph Veterinary Referral Centre plc – *(Non-Executive Director)*

Skills and experience

Andrew Zychowski has over 30 years' investment banking experience, providing corporate finance advisory services to investment company boards. Until June 2019, he was the Head of the Investment Companies corporate department at Canaccord Genuity Limited, and, prior to this, the Head of the Investment Companies corporate department at Dresdner Kleinwort. He is a qualified accountant and holds a BSc in Physics from Imperial College.

PHILIP BRAUN
NON-EXECUTIVE DIRECTOR

Appointed

22 July 2024

Committee memberships

Audit Committee – *(Chair with effect from 22 July 2024)*
Valuation Committee – *(Chair with effect from 22 July 2024)*
Nomination Committee
Management Engagement Committee
Risk Committee

Principal external appointments

GCP Asset Backed Income Fund Limited – *(Non-Executive Director and Chair of Audit and Risk Committee)*
CVC Income & Growth Limited – *(Non-Executive Director and Chair of Audit Committee)*

Skills and experience

Philip Braun, a Jersey resident, has nearly 30 years of experience in audit, primarily focusing on financial services, alternative investment funds and the regulated offshore fund industry. After qualifying as an accountant in London, Mr Braun spent nearly 10 years within PwC's Jersey and Sydney audit practices, following which he spent the last 16 years as the lead audit partner with BDO in Jersey where he notably led the provision of business advisory services, including corporate due diligence, restructuring and liquidations. Mr Braun holds a BSc (Hons) in Mathematics and Computer Science from the University of Bristol and is a Fellow of the Institute of Chartered Accountants of England & Wales.

Corporate Governance

RESPONSIBILITIES

The Board is responsible for leading and controlling the Company and has oversight over the management and conduct of the Company's business, strategy and development. The Board determines the Investment Objectives and Investment Policy and risk appetite. Any matters that have had a material impact upon the Company or any of its subsidiaries will be referred to the Board of Directors of the Company.

The Board is responsible for the control and supervision of the Investment Manager (also the Company's AIFM) and for compliance with the principles and provisions of the AIC Code. The Board ensures the maintenance of a sound system of internal controls and risk management (including financial, operational and compliance controls), and reviews the overall effectiveness of systems in place. The Board is responsible for the approval of any changes to the capital, corporate and/or management structure of the Company.

In light of shareholder approval to enter a Managed Wind-Down of the Company, the Board's main focus is to realise the Company's assets in an orderly manner to maximise shareholder value. The Board does not routinely involve itself in day-to-day business decisions but there is a formal schedule of matters that requires the Board's specific approval, as well as decisions that can be delegated to the Board Committees or the Investment Manager.

The key matters reserved to the Board include, but are not limited to:

- Board membership and powers including the appointment and removal of Board members;
- Review of the structure, size and composition of the Board, taking account of the recommendations of the Nomination Committee;
- Ensuring an adequate Board succession planning, taking into account the recommendations of the Nomination Committee;
- The appointment or removal of the Company's alternative investment fund manager, reporting accountants, financial advisers, auditors (following appropriate recommendation by the Audit Committee), brokers, company secretary, registrar, receiving agent, depositary and legal counsel;
- Undertaking of a formal and rigorous annual review of its own performance and that of Board Committees and individual Directors;
- Managing conflict of interests of Directors;
- Overall leadership of the Company and setting of its purpose, culture, values and standards;
- Setting the Company's investment/business strategy, including the ongoing review of the Company's Investment Objective and Investment Policy and recommending to shareholders the approval of alterations thereto (if any);
- Annual assessment of significant risks and effectiveness of internal controls following recommendations from the Risk Committee;
- Approval of contracts not in the ordinary course of business, including entry into/variation/termination of agreements with the Company's alternative investment fund manager, company secretary/ administrator, registrar, depositary and any other material advisers or service providers;
- Approval and issue of the half yearly results, half yearly report, annual results and annual report;
- Ensuring the maintenance of a system of internal controls and risk management;
- Review of the Company's corporate governance arrangements and annual review of continuing compliance with the AIC Code published by the AIC from time to time;
- Periodic review and continued approval of the agreements of, or changes to, the Investment Manager and other service providers; and
- Material changes relating to the strategic capital structure of the Group.

BOARD MEMBERSHIP AND ATTENDANCE

During the year ended 31 December 2024, the number of meetings attended by each Director was as below. The table shows the number of scheduled meetings attended/maximum number of meetings that the Director could have attended.

Of the 16 Board meetings held in the period, four were scheduled quarterly Board Meetings, there were twelve additional Board meetings convened to discuss various matters, including, but not limited to, the Strategic Review, change of Investment Manager, Board changes and other portfolio actions.

Director	Board	Audit Committee	Valuation Committee	Risk Committee	Nomination Committee	Management Engagement Committee
Charlotte Valeur[1]	6/6	N/A	7/7	2/2	2/2	1/1
Keith Mansfield[2]	N/A	N/A	N/A	N/A	N/A	N/A
Richard Boléat[3]	4/4	1/1	6/6	1/1	N/A	1/1
Brett Miller[3]	4/4	1/1	6/6	N/A	1/1	1/1
Aaron Le Cornu[4]	6/9	4/4	7/7	N/A	3/3	2/2
Gailina Liew[5]	7/7	3/3	7/7	2/2	3/3	2/2
Eric Sanderson[6]	10/10	N/A	3/3	1/1	2/2	1/1
Andrew Zychowski[7]	7/7	2/2	3/3	1/1	1/1	0/0
Philip Braun[8]	7/7	2/2	3/3	1/1	1/1	0/0
Robert Burrow[9]	7/7	2/2	3/3	1/1	1/1	0/0

1 Charlotte Valeur stepped down as Chair and Non-Executive Director effective 30 May 2024.

2 Keith Mansfield stepped down as a Non-Executive Director effective 3 January 2024.

3 Richard Boléat and Brett Miller stepped down as Non-Executive Directors on 23 March 2024.

4 Aaron le Cornu stepped down as a Non-Executive Director on 22 July 2024.

5 Gailina Liew stepped down as a Non-Executive Director on 11 June 2024.

6 Eric Sanderson was appointed as Chair effective 30 May 2024.

7 Andrew Zychowski was appointed as a Non-Executive Director on 22 July 2024.

8 Philip Braun was appointed as a Non-Executive Director on 22 July 2024.

9 Robert Burrow was appointed as a Non-Executive Director on 12 August 2024.

Corporate Governance *continued*

COMPOSITION

As at the date of this report and at 31 December 2024, the Company has a Non-Executive Chair and three other Non-Executive Directors, including a Senior Independent Director, all of whom were considered independent on and since their appointment. All the Directors are independent of the Investment Manager.

Eric Sanderson is the Independent Chair of the Board and is responsible for the Board's overall effectiveness in directing the Company. The Independent Chair, in conjunction with the Company Secretary, ensures that accurate, timely and clear information is circulated to the Directors, and that sufficient time is given in meetings to consider and discuss all agenda items thoroughly. The Independent Chair promotes a culture of openness and constructive debate to ensure the effective contribution of all Directors, facilitating a co-operative environment between the Investment Manager and the Directors, and encourages Directors to critically examine information and reports to constructively challenge the Investment Manager and hold third-party service providers to account where appropriate.

The Independent Chair has put mechanisms in place to ensure effective communication between shareholders and the Board, to ensure that their views, issues and concerns are considered as part of the decision-making process. Gailina Liew was the Senior Independent Director during the period, and was succeeded by Aaron Le Cornu with effect from 11 June 2024, following Gailina Liew stepping down from the Board. Further, following Aaron Le Cornu stepping down from the Board, Philip Braun was appointed as Senior Independent Director temporarily with effect from 22 July 2024. This was further succeeded by Robert Burrow with effect from his appointment on 12 August 2024. If required, the Senior Independent Director will act as a sounding board and intermediary for the other Directors and shareholders.

The Directors hold or have held senior positions in industry and commerce and contribute a wide range of skills, experience and objective perspective to the Board. The Board Committees allow the Directors to focus in greater detail and depth on key matters such as strategy, governance, internal controls and risk management.

The Directors' other principal commitments are listed on pages 38 to 39. During the year, the Board satisfied itself that all Directors were and remain able to commit sufficient time to discharge their responsibilities effectively, having given due consideration to their other significant commitments. Changes in any Director's commitments outside the Group are required to be, and have been, disclosed and approved prior to the acceptance of any such appointment. No external appointments accepted during the year were considered to be significant for the relevant Directors, taking into account the expected time commitment and nature of these roles.

BOARD COMMITTEES

The Board has established a Management Engagement Committee, an Audit Committee, a Valuation Committee, a Nomination Committee and a Risk Committee. Given that the Company has no executive Directors or other employees, the Board does not consider it necessary to establish a separate remuneration committee and those functions are undertaken by the whole Board. The functions and activities of each of the Committees are described in their respective reports.

BOARD MEETINGS

The Board meets formally on, at least, a quarterly basis with additional ad hoc meetings as required. The Chair, in conjunction with the Company Secretary, sets the agenda for meetings and ensures that Directors receive accurate, clear and timely information to help them to discharge their duties. The Board receives periodic reports from the Investment Manager detailing the performance of the Group. The meetings focus on discussing reports from the Investment Manager, review of portfolio performance, pipeline and regulatory matters.

DISCUSSIONS OF THE BOARD

During the period, the following were the key matters considered by the Board:

- Appointments of Eric Sanderson, Philip Braun, Andrew Zychowski and Robert Burrow;
- Review of investment management arrangements and change of Investment Manager and AIFM;
- Consideration of termination arrangements of the investment management agreement with Triple Point;
- Signing a binding agreement for the divestment of EMIC-1;
- Progress of divestment of other wholly-owned assets;
- Consideration of options available in regards to the Group's debt arrangements and the RCF which was due to mature in March 2025;
- Strategic Review and consideration of proposal to shareholders to enter into a Managed Wind-Down process;
- Discussion, in conjunction with Triple Point, on a resolution to the RCF covenant breach;
- Consideration of the financial statements for the year ended 31 December 2024 and interim financial statements for the six-month period to 30 June 2024;

- Consideration of unaudited portfolio valuation and unaudited NAV;
- Oversight of Investee Company performance and asset management initiatives;
- Review and approval of the annual expense budget;
- Review of the Company's risk appetite.

PERFORMANCE EVALUATION

The Directors recognise that an evaluation process is a significant opportunity to review the practices and performance of the Board, its Committees and its individual Directors to implement action to improve the Board's effectiveness and contribute to the Company's success.

Under the AIC governance code, the Chair should consider having a regular externally facilitated Board evaluation. The Board considered undertaking an external Board evaluation, however, it was decided that the Board's focus at this time should remain on executing the Managed Wind-Down process. An external Board evaluation will be reconsidered on a yearly basis as to whether it would be appropriate.

The Directors were asked to complete a questionnaire, that considered amongst other areas, the Board and Committees, Board composition and diversity, leadership, efficiency of Board processes and stakeholder engagement.

Having conducted its performance evaluation, the Board believes that it has been effective in carrying out its objectives and that each individual Director has been effective and demonstrated commitment to the role. The Board discussed the challenges and opportunities identified through the evaluation and agreed appropriate development points on which progress will be assessed in the next financial year.

The Board discussed the key challenges and opportunities that were identified through the performance evaluation and agreed appropriate development points on which progress will be assessed in the next financial period.

Challenges and Opportunities	2025 Development Points
Continuous review and enhancement of service provider offering.	A thorough and comprehensive review of service providers should be undertaken to evaluate service provided and ensure cost was commensurate. Furthermore, feedback should be provided where improvements can be made or identify alternative providers to ensure high-quality service for an appropriate cost.
Development of an emergency succession plan.	There were a number of Director changes throughout the year, and an emergency succession plan should be developed to ensure stability throughout the Managed Wind-Down.

Corporate Governance *continued*

The progress the Board has made against its 2024 development points is set out below.

2024 Development Points	Progress made
More timely, comprehensive and accurate forecasting and scenario testing required to support the Board's decision-making and consideration of strategic options. The Board should be provided with up-to-date information and made aware of emerging risks.	In light of the commencement of the Managed Wind-Down, the Board was frequently updated as to the strategic options available to maximise shareholder value in light of the individual portfolio company strategy and its near-term future and market conditions.
In light of the orderly wind-down there is a recognised need to shift the emphasis of Director experience towards executive M&A expertise.	During the year there were a number of Director changes, most recently following the AGM where recruitment processes were undertaken in order to select Board members who had the relevant skills and experience to undertake an effective Managed Wind-Down process.
The Board has spent considerable additional time on Company matters outside of the expected time commitment indicated at appointment. The current fees are not commensurate with the required level of work, however the Directors have opted not to increase fees in acknowledgement of the Company's significant discount to NAV.	In mid-2024 the fee levels of the Board were revised in order to attract individuals with the skills and experience required to deliver an effective Managed Wind-Down, to reflect the smaller size and structure of the Board and therefore enhanced time commitment of each Board member. No further changes to the fee levels are currently anticipated prior to the conclusion of the Managed Wind-Down.
There is a need for enhanced internal controls for portfolio companies and greater reporting from management to highlight gaps in risk management and implement effective monitoring programmes.	The focus during the year has predominantly been to ensure that there was timely information flow from portfolio companies in order to execute their divestments and for the Board to be fully abreast of any changes to Arqiva as it is expected that the divestment of this asset will not follow until there is greater clarity on the renewal of broadcasting contracts, expected in 2027/28, although this may be achieved earlier and the Board will remain receptive to any changes in the market dynamics.
Due to the many critical challenges faced by the Company, the Board believes additional focus and resource should be dedicated to reputation and messaging.	In light of the Managed Wind-Down, the Board was focussed on providing timely and detailed updates to shareholders, in particular regarding the divestment of investments, whilst ensuring the protection of commercial interests during the divestment processes.

CONFLICTS OF INTEREST

The Company operates a conflict of interest policy that has been approved by the Board and sets out the approach to be adopted and procedures to be followed where an individual who is, or is to be appointed as, a Director of the Company and such other persons to whom the Board has from time to time determined that this policy shall apply, or a person connected with any such a person, has an interest which conflicts, or potentially may conflict, with the interests of the Company, or his or her duties in respect of the Company. It is the responsibility of each individual Director to avoid an unauthorised conflict of interest situation arising. All Directors must inform the Board as soon as they become aware of the possibility of an interest that conflicts with, or might possibly conflict with, the interests of the Company. A register of conflicts is maintained by the Company Secretary and is reviewed at Board meetings to ensure that any authorised conflicts remain appropriate. The Directors are required to confirm at these meetings whether there has been any change to their position.

As announced on 25 March 2024, Richard Boléat and Brett Miller had indicated they would provide to the Company a proposal for the Company to become a self-managed alternative investment fund. This situation was identified as a potential conflict of interest and managed appropriately, and following a review of the investment management arrangements, InfraRed was appointed as the Investment Manager on 11 December 2024.

The Company reserves the right to withhold information relating, or relevant, to a conflict matter from the Director concerned and/or to exclude the Director from any Board information, discussions or decisions which may or will relate to that conflict matter where the Chair or the Board considers that it would be inappropriate or prejudicial to the interests of the Company for him or her to take part in such discussion or decision or receive such information. Procedures have been established to monitor actual and potential conflicts of interest on a regular basis and the Board is satisfied that these procedures are working effectively.

The Investment Manager maintains conflict of interest policies to avoid and manage any conflicts of interest that may arise between themselves and the Group. The Investment Manager has established a clear and robust framework to ensure that any conflicts of interest are appropriately managed.

PROFESSIONAL DEVELOPMENT

The Directors received a comprehensive induction programme on joining the Board that covers the Group's investment activities, the role and responsibilities of a Director and guidance on corporate governance and the applicable regulatory and legislative landscape. An induction process was undertaken for Richard Boléat, Brett Miller, Eric Sanderson, Philip Braun, Andrew Zychowski and Robert Burrow during the year.

The Directors' training and development is considered as part of the annual Board performance evaluation and, in any event, the Chair regularly reviews and discusses any development needs with each Director. Each Director is aware that they should take responsibility for their own individual development needs and take the necessary steps to ensure they are fully informed of regulatory and business developments.

During the period, the Directors received periodic guidance on regulatory and compliance changes at quarterly Board meetings.

SHAREHOLDER ENGAGEMENT

The Board acknowledges the importance of building and maintaining strong relationships with its shareholders. The Board and Investment Manager regularly speak to discuss, amongst other things, the views of the Company's shareholders and has done so throughout 2024. The Company's Corporate Broker also speaks to shareholders regularly and ensures shareholder views are clearly communicated to the Board. The Board takes responsibility for, and has a direct involvement in, the content of communications regarding major corporate matters.

The Company's next Annual General Meeting will be held on 10 June 2025, at which shareholders are encouraged to attend and vote, along with any other shareholder meetings, so they can discuss governance and strategy and the Board can enhance its understanding of shareholder views. The Board will attend the Company's shareholder meetings to answer any shareholder questions and the Chair will make themself available, as necessary, outside of these meetings to speak to shareholders.

The Board is committed to providing shareholders with regular updates as key initiatives are progressed.

In addition, the Board will also seek to communicate with shareholders regularly through the Investment Manager engaging with shareholders, annual and interim financial statements, other announcements, and on an ad hoc basis as required.

The Board values feedback from all shareholders because understanding the views of its shareholders is a fundamental principle of good corporate governance. Strong engagement with shareholders and stakeholders is vital to achieving this.

All investor documentation is available to download from the Company's website https://www.d9infrastructure.com/

WHISTLEBLOWING

The Board has considered the AIC Code recommendations in respect of arrangements by which staff of the Investment Manager or Administrator may, in confidence, raise concerns within their organisations about possible improprieties in matters of financial reporting or other matters. It has concluded that adequate arrangements are in place for the proportionate and independent investigation of such matters and, where necessary, for appropriate follow-up action to be taken within their organisations.

Audit Committee Report

The following pages set out the Audit Committee's report on how it has discharged its duties in accordance with the AIC Code and its activities in respect of the year ended 31 December 2024. In respect to the role of the Audit Committee in relation to the review of the investment valuations, given the significant reductions in the valuation of D9 Holdco since December 2023, and that neither the current Board nor the Investment Manager were part of the December 2023 valuation process, the Board have elected to appoint an independent expert to review certain components of the valuation of D9 Holdco as at December 2023. Please refer to page 4 which sets out further detail.

The Audit Committee has been in operation throughout the period and operates within clearly defined terms of reference.

RESPONSIBILITIES

The Audit Committee has the primary responsibility for reviewing the financial statements and the accounting principles and practices underlying them, liaising with the external auditors and reviewing the effectiveness of internal controls.

The main role of the Audit Committee is to:

- monitor the integrity of the financial statements of the Company and any formal announcements relating to the financial performance and reviewing significant financial reporting judgements contained in them;
- provide formal and transparent arrangements for considering how to apply the financial reporting and internal control principles set out in the AIC Code and to maintain an appropriate relationship with the external auditors;
- provide advice to the Board on whether the Company's annual report and financial statements taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's position and performance, business model and strategy;
- monitor the integrity of the financial statements of the Company and any formal announcements relating to the financial performance and reviewing significant financial reporting judgements contained in them;
- review the investment valuations and underlying assumptions and provide advice to the Board;
- review the internal financial controls and the internal control and risk management systems of the Company;
- review the adequacy of the Company's arrangements as they relate to compliance, whistleblowing and fraud;
- make recommendations to the Board to put to the shareholders for their approval in general meeting in relation to the appointment, reappointment and removal of the external auditors and to approve the remuneration and terms of engagement of the external auditors;
- review and monitor the external auditors' independence and objectivity and the effectiveness of the audit process, taking into consideration relevant UK professional and regulatory requirements;
- develop and implement policy on the engagement of the external auditors to supply non-audit services, taking into account relevant ethical guidance regarding the provision of non-audit services by the external audit firm;
- report to the Board on significant issues relating to the financial statements and how they were addressed; its assessment of the effectiveness of the audit process; any key matters raised by the external auditors and any other issues on which the Board has requested the Committee's opinion;
- consider the need for the Company to establish an internal audit function at Company level; and
- report to the Board on how it has discharged its responsibilities.

COMMITTEE MEMBERSHIP

At the start of the year, the Audit Committee comprised the Chair of the Committee Keith Mansfield, Aaron Le Cornu and Richard Boléat as members. Following Keith Mansfield stepping down from the Board on 3 January 2024, Brett Miller was appointed as a member of the Audit Committee, and Aaron Le Cornu was appointed as Chair of the Committee. Following Richard Boléat and Brett Miller stepping down from the Board on 23 March 2024, the Committee comprised of Gailina Liew who was appointed as a member of the Audit Committee and Aaron Le Cornu as Chair. Following Gailina Liew stepping down on 11 June 2024, Aaron Le Cornu remained Chair and sole member. Following Aaron Le Cornu stepping down on 22 July 2024, he was succeeded by Philip Braun as Chair of the Audit Committee on 22 July 2024. Andrew Zychowski and Robert Burrow joined as a member of the Audit Committee from their appointment dates of 22 July 2024 and 12 August 2024 respectively.

The Board is satisfied that at least one member of the Audit Committee has recent and relevant financial experience. Aaron Le Cornu, who stepped down as a Non-Executive Director on 22 July 2024, had a financial background, having qualified as a Chartered Accountant with Arthur Anderson, worked for HSBC for over ten years and previously held Chief Financial Officer positions. On 22 July 2024, Philip Braun was appointed as a Non-Executive Director and Audit Committee Chair and he has nearly 30 years of experience in audit, having spent the last 16 years as the lead audit partner with BDO in Jersey where he led the provision of business advisory services and is a qualified Chartered Accountant.

The Board is also satisfied that the Committee as a whole has competence relevant to the sector in which the Company operates.

Meeting Attendance

The Committee met six times in the financial year, and the meetings were attended by each member as follows:

Director	Attendance
Aaron Le Cornu[1]	4/4
Gailina Liew[2]	3/3
Brett Miller[3]	1/1
Richard Boléat[3]	1/1
Philip Braun[4]	2/2
Andrew Zychowski[4]	2/2
Robert Burrow[5]	2/2

1 Aaron Le Cornu stepped down as a Non-Executive Director on 22 July 2024.

2 Gailina Liew stepped down as a Non-Executive Director on 11 June 2024.

3 Brett Miller and Richard Boléat stepped down as Non-Executive Directors on 23 March 2024.

4 Philip Braun and Andrew Zychowski were appointed as Non-Executive Directors on 22 July 2024.

5 Robert Burrow was appointed as a Non-Executive Director on 12 August 2024.

Keith Mansfield stepped down as a Director prior to attending any Audit Committees that took place during the year.

Activities

The Audit Committee meets at least three times a year to consider the annual report, interim report, any other formal financial performance announcements, and any other matters as specified under the Committee's terms of reference and reports to the Board on how it discharged its responsibilities.

During the period, amongst other matters, the Committee reviewed and recommended to the Board for approval, the annual report for the year ended 31 December 2023, the interim report for the period ended 30 June 2024, reviewed the non-audit services policy, reviewed internal control reports from key service providers, and met with PricewaterhouseCoopers LLP ("PwC"), the external auditors, to discuss and agree audit plans, the audit of the annual report for the year ended 31 December 2023 and review of the interim report for the period ended 30 June 2024.

Performance Evaluation

Refer to the above Corporate Governance section on page 47 detailing how the review of the Audit Committee's performance was conducted, and the results of such an evaluation.

Audit Committee Report *continued*

Internal Control and Risk Management

The Company has put in place a process for identifying, evaluating and managing the principal and emerging risks faced by the Company. The Board has satisfied itself that the procedures for identifying the information needed to monitor the business and manage risks are robust. The adequacy and effectiveness of the Company's internal control and risk management systems, and the implementation of such controls are monitored by the Audit Committee and the Risk Committee. The Company has the following internal controls:

- Internal control reports of the Investment Manager, Administrator and Depository are reviewed by the Audit Committee;
- There is an agreed and defined Investment Policy; and
- Compliance reporting is reviewed at each Board meeting.

Internal Audit

Company

The Audit Committee has considered the appropriateness of establishing an internal audit function at the Company level and, having regard to the size and nature of the Company, has continued to conclude that the function is not necessary at a Company level at this time. The Audit Committee will continue to review on an annual basis the need for this function and make appropriate recommendations to the Board.

Investee Companies

The Audit Committee, prior to the commencement of the Managed Wind-Down, undertook a review of the Company's Investee Companies to establish if an internal audit function at Investee Company level would be appropriate to provide assurance that risk management, governance and internal control processes are operating effectively at an operating investment level.

Significant Areas of Focus

The following details the key areas of focus by the Audit Committee in relation to the financial statements for the period, which were discussed and debated with the Investment Manager and PwC.

SIGNIFICANT ISSUES CONSIDERED BY THE AUDIT COMMITTEE

Application of Investment Entity Accounting Standard

Under IFRS 10, investment entities are required to hold subsidiaries at Fair Value through the Statement of Comprehensive Income 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. Further detail on this can be found in Note 2(b) to the Financial Statements. The Directors have reviewed the criteria and are satisfied that the Company meets the criteria of an Investment Entity under IFRS 10. As explained in Note 2(b) to the financial statements, the Directors are of the opinion that the Company meets the requirements of an "Investment Entity". Assessing whether the Company and certain subsidiaries met the criteria of Investment Entities, in accordance with the definition set out in IFRS 10, was seen as a key judgement. The Audit Committee debated the appropriateness of the current application of the standard with the Investment Manager and independent auditors. The Audit Committee concluded that applying the investment entity exemption to IFRS 10 will improve stakeholders' understanding of the financial performance and position of the Company.

Valuation of Investments

The Valuation of Investments was considered by the Valuation Committee post year-end (please refer to the activities section of the Valuation Committee on page 58), following which the Audit Committee considered the outcome of the work of the Valuation Committee. The Board has carried out fair market valuations of Arqiva, Elio Networks, SeaEdge UK1 and the Verne Global Earn-Out as at 31 December 2024, which were prepared by InfraRed Capital Partners Limited and, for Arqiva and Elio Networks, supported by an independent review by a leading professional firm of valuers. The Directors satisfied themselves as to the methodology used, the discount rates and key assumptions applied, and the valuations. All Special Purpose Vehicle ("SPV") investments are at fair value through profit or loss and are valued using the IFRS 13 framework for fair value measurement.

The investments in Aqua Comms and EMIC-1 SPVs are valued at the net amounts expected to be received following their divestment, net of transaction costs.

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 appropriate discount rate is determined based on the Investment Manager's 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 Free Cash Flow to Equity ("FCFE") basis. The portfolio weighted average discount rate for investments valued under the FCFE discounted cash flows approach was 14.0%.
- 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 growth rate factors.
- Future foreign exchange rates of GBP against USD/EUR.
- Future cash flows are inflation linked. The appropriate long-term inflation forecasts are based on the Investment Manager's macro-economic forecasts.

Given the significant reductions in the valuation of D9 Holdco since December 2023, and that neither the current Board nor the Investment Manager were part of the December 2023 valuation process, the Board have elected to appoint an independent expert to review certain components of the valuation of D9 Holdco as at December 2023. Further detail is set out in the Chair's Statement on page 4.

Audit Committee Report *continued*

Going Concern and Viability Statement

The Board is required to consider and report on the longer-term viability of the business as well as assess the appropriateness of applying the going concern assumption. More detail can be found on page 33. The Audit Committee has considered and had in-depth discussion regarding the solvency and liquidity position of the Company from the financial statements and the information provided by the Investment Manager on the forecasted cash flow for the Company, including considering severe, but plausible downside scenarios and the potential mitigating actions the Company has at its disposal to address these scenarios, and and options for the Company to realise the investments held by the Company. Following this consideration, the Audit Committee considers that the Company and the Group have adequate resources to continue to operate for a period of at least twelve months from the reporting date, and have recommended to the Board that the going concern assessment is appropriate. However, a degree of uncertainty exists in the timing of ongoing strategic initiatives which includes management's ability to refinance, extend or repay the Group's existing RCF (of which £53million remains due in June 2025 which may be extended for two further three-month periods subject to lender approval. Having discussed with the lenders, the Board has a belief that should the EMIC-1 proceeds be received and used to materially repay the existing balance of the RCF ahead of its current expiry on 16 June 2025, leaving circa. £15 million remaining balance at the point of maturity, the existing lenders would be willing to discuss a proposal with their respective credit committees to extend the facility for a further three months to 15 September 2025. Furthermore, a Continuation Resolution is being proposed to shareholders at the 2025 AGM, however, the Directors consider that it will pass as the Company is in Managed Wind-Down as voted overwhelmingly in favour by shareholders in March 2024, and following engagement with significant shareholders. As such, there exists a material uncertainty which may cast significant doubt over the Company's ability to continue as a going concern.

External Auditors, Audit Fees and Non-Audit Services

PwC were appointed as the external auditors of the Company on 5 March 2021 with Kevin Rollo as the audit partner. It is the Audit Committee's responsibility to monitor the performance, objectivity, and independence of the external auditors and this is assessed by the Audit Committee each year. In evaluating PwC's performance, the Committee examines the robustness of the audit process, independence, objectivity and the quality of delivery.

On an annual basis, the Audit Committee will review the external auditors' performance, objectivity, and independence.

During the year, the Audit Committee considered the effectiveness of the external auditors' performance, and as a result, recommended their reappointment at the 2024 AGM. Similarly, the Audit Committee considered their reappointment following year end and are recommending the reappointment of PwC as auditors of the Company at the upcoming 2025 AGM expected to be held on 10 June 2025.

The Audit Committee has approved a non-audit services policy that determines the services that PwC can provide and the maximum fee that may be raised for non-audit services in comparison to the statutory audit fee. The Audit Committee reviewed the policy during the financial year and will continue to monitor the policy on a regular basis to ensure that the external auditors remain objective and independent. The policy will also be reviewed annually to ensure it continues to be in line with best practice. Any proposed changes to the policy are recommended to the Board for approval.

Any arrangement with the auditors that includes contingent fee arrangements is not permitted. In addition, the total fees for non-audit services provided by the auditors to the Group shall be limited to no more than 70% of the average of the statutory audit fee for the Company, of its controlled undertakings and of the financial statements paid to the auditors in the last three consecutive financial years. This will continue to be monitored by the Company to ensure that it meets these rules once they apply after three consecutive financial years. Total average fees paid to PwC during the last two periods for the Company was £1.01 million of which £247k was received for non-audit services, being 24% of the audit services fee. PwC was also appointed by portfolio companies to undertake the audit of their respective financial statements, and the total average fees paid to PwC during the last two periods for those portfolio companies was £1.08 million. The nature of the non-audit services included the half-year review and ESG assurance service. PwC were selected to undertake these services due to quality of their work and the efficiencies attained from their in-depth knowledge of the Company's financial information and business models

Philip Braun
Audit Committee Chair
30 April 2025

Management Engagement Committee Report

RESPONSIBILITIES

The main function of the Management Engagement Committee is to keep under review the performance of the Investment Manager (which is the Company's AIFM) and to make recommendations on any proposed amendment to the Investment Management Agreement.

The Committee also regularly reviews the composition of the key executives performing the services on behalf of the Investment Manager.

The Committee also monitors and evaluates the performance of other key service providers to the Company.

The Management Engagement Committee has been in operation throughout the period and operates within clearly defined terms of reference.

COMMITTEE MEMBERSHIP

During the year, the Management Engagement Committee comprised all Directors. At the start of the year Aaron Le Cornu was Chair of the Committee; Brett Miller was appointed as Chair on 3 January 2024 following Keith Mansfield stepping down as a Non-Executive Director; Gailina Liew was appointed as Chair on 23 March 2024 following Brett Miller stepping down as a Non-Executive Director; Eric Sanderson was appointed as Chair of the Committee on 11 June 2024, assuming Gailina Liew's roles following her stepping down as Non-Executive Director on the same date; and Andrew Zychowski was appointed Chair of the Committee on 22 July 2024 effective from his appointment.

MEETING ATTENDANCE

The Committee met twice during the financial year, and the meeting was attended by each member as follows:

Director	Attendance
Aaron Le Cornu	2/2
Gailina Liew	2/2
Richard Boléat	1/1
Brett Miller	1/1
Eric Sanderson	1/1
Charlotte Valeur	1/1

Keith Mansfield, Robert Burrow, Philip Braun and Andrew Zychowski were each members of the Committee during the year, however, were not members of the Board at the time of the two meetings of the Management Engagement Committee.

ACTIVITIES

During the year, the Committee monitored and reviewed the performance of the Investment Manager and recommended a review of the investment management arrangements which resulted in a change to the Investment Manager to InfraRed from 11 December 2024.

The Committee also reviewed the performance of the key service providers to the Company to ensure that the services provided were in accordance with each supplier's terms of engagement, were high quality and represented fair value for money.

Following the approval of the Managed Wind-Down by shareholders, J.P. Morgan Cazenove were appointed sole Corporate Broker following the resignation of Peel Hunt and the Company retained Stephenson Harwood LLP as UK Legal Adviser. Separately, Panmure Liberum were engaged as Financial Adviser to support the Managed Wind-Down process and to provide the Board with an independent review of the investment management arrangements.

Management Engagement Committee Report *continued*

PERFORMANCE EVALUATION

Refer to the above Corporate Governance section on page 43 detailing how the review of the Management Engagement Committee's performance was conducted, and the results of such an evaluation.

MANAGEMENT ARRANGEMENTS

The Company operates an externally managed alternative investment fund for the purposes of the AIFMD. In its role as AIFM, the Investment Manager is responsible for the portfolio management and risk management of the Company pursuant to the AIFMD subject to the overall control and supervision of the Board.

During the year the Board served notice to the Investment Manager with the twelve months' notice period due to end on 31 March 2025, in line with the expiry of their lock-in period.

The Investment Manager up to 11 December 2024 was Triple Point Investment Management LLP ("Triple Point"), and they were entitled to receive an annual management fee on the following basis:

Adjusted Net Asset Value	Annual Management Fee (percentage of adjusted Net Asset Value)
On such part of the Adjusted Net Asset Value that is up to and including GBP 500 million	1.0%
On such part of the Adjusted Net Asset Value that is above GBP 500 million and up to and including GBP 1 billion	0.9%
On such part of the Adjusted Net Asset Value that exceeds GBP 1 billion	0.8%

The annual fee accrued and due to Triple Point under the investment management agreement for the year ended 31 December 2024 was £2.8 million. The Board is continuing to negotiate termination arrangements with Triple Point. There is no performance fee payable to the Investment Manager.

From 11 December 2024, the Investment Manager was InfraRed Capital Partners Limited ("InfraRed") and they were entitled to receive an annual management fee under a new investment management agreement on the basis as set out below. From 11 October 2024 to 10 December 2024, in order to progress the key deliverables under the Managed Wind-Down, InfraRed were entitled to the same annual fee under an interim support services agreement that is payable under the new investment management agreement.

InfraRed will receive a fixed annual management fee of £3.75 million for 36 months from 11 December 2024 and a reduced management fee of £1.75 million per annum thereafter until the Group's last asset is sold.

1. 10% of the annual management fee (net of applicable taxes) will be used to acquire shares in the capital of D9 in the secondary market, unless it would be unlawful to do so. These shares will be subject to lock-in and orderly market provisions.
2. Following the sale of the final asset, a fee of £100,000 per month will be payable until the earlier of a) the Company being delisted, and b) six months from the date of completion of the divestment of the final asset.
3. To appropriately align InfraRed with shareholder outcomes, InfraRed will also be entitled to receive a performance fee based on distributions made to shareholders in excess of £225 million. InfraRed will be entitled to a performance fee of 3.5% of any distributions above £225 million, when aggregate distributions are in excess of £225 million but less than £300 million, and 4.75% of any distributions above £300 million when aggregate distributions are in excess of £300 million.

Any distributions to shareholders will be assessed only after repayment of the Group's RCF, any third-party financing and accrued liabilities of the Company. InfraRed will also be entitled to receive certain fees in the event of the termination of its appointment in prescribed circumstances.

Any performance fee payable to InfraRed will not exceed, in aggregate, £15 million.

InfraRed's appointment is terminable by either party by serving six months' notice, with such notice not to expire earlier than 24 months from 11 October 2024.

Andrew Zychowski
Management Engagement Committee Chair
30 April 2025

Nomination Committee Report

RESPONSIBILITIES

The Nomination Committee's main function is to evaluate the performance of the Board, ensure the Board composition, skills and experience are optimal, lead the process for appointments, ensure plans are in place for orderly succession to the Board, oversee the development of a diverse pipeline for succession and any other matters as specified under the Committee's terms of reference. This includes ensuring that any appointments and succession plans are based on merit and objective criteria, and, within this context, promotes diversity of gender, social and ethnic backgrounds, cognitive and personal strengths.

The Nomination Committee has been in operation throughout the year and operates within clearly defined terms of reference.

COMMITTEE MEMBERSHIP

At the start of the year, Gailina Liew was Chair of the Committee, and Charlotte Valeur and Brett Miller were members of the Committee. Brett Miller stepped down as a Non-Executive Director on 23 March 2024. On his appointment on 30 May 2024, Eric Sanderson joined the Committee as a member and Charlotte Valeur stepped down as Independent Interim Chair on the same date. On 11 June 2024, Eric Sanderson was appointed Chair of the Committee and Gailina Liew stepped down as a Non-Executive Director on the same date. From 22 July 2024, Andrew Zychowski and Philip Braun joined as members of the Committee following their appointments as Non-Executive Directors. From his appointment as a Non-Executive Director, Robert Burrow was appointed Chair of the Committee on 12 August 2024 and Eric Sanderson remained a member of the Committee.

The Nomination Committee met four times during the year, and the meetings were attended by each member as follows:

Director	Attendance
Charlotte Valeur[1]	2/2
Gailina Liew[2]	3/3
Brett Miller[3]	1/1
Eric Sanderson[4]	2/2
Andrew Zychowski[5]	1/1
Philip Braun[5]	1/1
Robert Burrow[6]	1/1

1 Charlotte Valeur stepped down as Independent Interim Chair on 30 May 2024.

2 Gailina Liew stepped down as a Non-Executive Director on 11 June 2024.

3 Brett Miller stepped down as a Non-Executive Director on 23 March 2024.

4 Eric Sanderson was appointed on 30 May 2024 as Chair of the Board and the Committee.

5 Andrew Zychowski and Philip Braun were appointed on 22 July 2024 as Non-Executive Directors.

6 Robert Burrow was appointed on 12 August 2024 as a Non-Executive Director and Chair of the Committee.

ACTIVITIES

The Nomination Committee met four times in the year during which it discussed matters including, but not limited to, tenure policy, diversity policy, Board composition, Board skills, Board experience, Board evaluation, Non-Executive Director recruitment, succession planning and time commitments.

APPOINTMENT AND REPLACEMENT OF DIRECTORS

Please refer to the Chair's Introduction on page 36 which details the change of Directors during the year.

The current membership of the Board Committees are set out in the respective Committee reports.

PERFORMANCE EVALUATION

Refer to the above Corporate Governance section on page 43 detailing how the review of the Nomination Committee's performance was conducted, and the results of such an evaluation.

RE-ELECTION OF DIRECTORS

The Board considers that the performance of each Director continues to be effective and demonstrates the commitment required to continue in their present roles. This consideration is based on, amongst other things, the business skills and industry experience of each of the Directors (refer to the biographical details of each Director as set out below), as well as their knowledge and understanding of the Company's business model.

The Board has also considered the other contributions which individual Directors may make to the work of the Board, with a view to ensuring that:

(i) the Board maintains a diverse balance of skills, knowledge, backgrounds and capabilities leading to effective decision-making;

(ii) each Director is able to commit the appropriate time necessary to fulfilling their roles; and

(iii) each Director provides constructive challenge, strategic guidance, offers specialist advice and holds third-party service providers to account.

All Directors submit themselves for re-election on an annual basis.

Nomination Committee Report *continued*

TENURE POLICY AND SUCCESSION POLICY

In accordance with best practice, the Board considers that the length of time each Director, including the Chair, serves on the Board should be between six and nine years. To facilitate effective succession planning, this period can be extended for a limited time if necessary.

Continuity, self-examination and ability to do the job are the relevant criteria on which the Board assesses a Director's independence. Length of service of current Directors, succession planning and independence will be reviewed each year as part of the Board evaluation process.

As the Company is in Managed Wind-Down, the Board will seek to limit rotation of Directors to maintain historical knowledge. All members of the Board were appointed in 2024 and therefore are not expected to reach their tenure limit before the wind-down has completed.

DIVERSITY

Diversity and Inclusion Policy

The Board has established and maintains a formal written diversity policy.

The Board recognises the benefits of all types of diversity and supports the recommendations of the Hampton-Alexander Review and the Parker Review. All Board appointments will be made on merit, and promote diversity of all kinds, including: gender, social and ethnic backgrounds, cognitive and personal strengths. This will ensure that any such appointment will develop and enhance the operation of the Board to best serve the Company's strategy.

The Board recognises the importance of diversity in the boardroom which introduces different perspectives to the Board debate and considers it to be in the interests of the Group and its shareholders to take into consideration diversity criteria when appointing a new individual to the Board. When undertaking the appointment of a new Director, the Nomination Committee will generally instruct an external search consultancy to undertake an open and transparent process that includes potential candidates from a variety of backgrounds.

Members of the Board should collectively possess a diverse range of skills, expertise, industry and business knowledge. The Board will continue to monitor diversity, taking such steps as it considers appropriate to maintain its position as a meritocratic and diverse business.

FCA Listing Rule diversity targets

At the year end, the Board comprised the Chair and three Non-Executive Directors, all of which were male.

FCA Listing Rule requirements

The Company has reported against the Listing Rules on diversity and is not in compliance with the diversity targets. There were a significant number of changes on the Board during 2024. The Company's portfolio of assets, the magnitude of the discount to NAV and the mandate voted for by shareholders to enter into a Managed Wind-Down altogether represented a unique situation which required a specific set of skills and significant experience from Board members. Whilst the Company is no longer a FTSE 350 company, the Board endeavoured to consider a diverse range of candidates to join the Board, and the current Directors were selected as they were considered best placed to deliver the Managed Wind-Down as voted in favour of by shareholders in March 2024. Due to the number of changes of the Board that have already taken place, and as the Company is in Managed Wind-Down, to ensure a steady state and continuity, no further changes to the Board are expected to take place prior to the conclusion of the Managed Wind-Down and therefore the Company does not expect to meet the FCA Listing Rule targets prior to the conclusion of this process. The following table sets out the gender and ethnic diversity of the Board as at 31 December 2024, the disclosure of which in this report having been approved by each of the current Directors:

Gender Diversity	Number of Board members	Percentage of the Board	Number of senior positions on the Board[1]
Men	4	100%	2
Women	–	–	–
Not specified/prefer not to say	–	–	–
Ethnic Diversity			
White British or other White (including minority white groups)	4	100%	4
Mixed/Multiple Ethnic Groups	–	–	–
Asian/Asian British	–	–	–
Black/African/Caribbean/Black British	–	–	–
Other ethnic group, including Arab	–	–	–
Not specified/prefer not to say	–	–	–

1 Senior positions include Chair and Senior Independent Director.

As an investment company with solely independent, Non-Executive Directors, the Group does not have a Chief Executive or a Chief Financial Officer and has no employees. Accordingly, no disclosures regarding executive management positions have been included.

EXTERNAL SEARCH CONSULTANCY

In identifying suitable candidates for an appointment to the Board, the Nomination Committee will use, where appropriate, open advertising or the services of external advisers to facilitate the search.

Trust Associates* were engaged for the recruitment of Eric Sanderson, Andrew Zychowski and Philip Braun with the skillsets and experience to support the Board in executing the Managed Wind-Down. An external search consultancy was not used for the recruitment of Robert Burrow due to the requirement for an accelerated recruitment process following the full change of Directors following the 2024 AGM.

COMPANY'S SUCCESSION PLANS

The Nomination Committee will give full consideration to the succession planning of the Board as part of the Board's formal annual evaluation to ensure progressive refreshing of the Board, taking into account the challenges and opportunities facing the Board and the balance of skills and expertise that are required in the future.

Robert Burrow
Nomination Committee Chair
30 April 2025

* The Board confirms that there is no connection between the Company or any individual Directors and the external search consultancy used for Director appointments during the period or to facilitate the candidate search for the role of the Non-Executive Directors.

Risk Committee Report

KEY OBJECTIVES

The Risk Committee has been established to assist the Board in its oversight of risk through ensuring the Company maintains a high standard of risk identification, monitoring and management to minimise investment risks and any other risks not covered by the Audit Committee.

RESPONSIBILITIES

The Risk Committee's key responsibilities are to:

- ensure the Company's compliance with its investment objectives, policies, restrictions and borrowing limits;
- oversee and advise the Board on the current risk exposures of the Company and future risk strategy, including identifying and monitoring the key risks that the Company faces;
- establish the Company's risk appetite, review performance against risk appetite and monitor key trends and concentrations;
- review the Company's procedures for managing and mitigating principal risks; and
- review the Company's systems and controls for the prevention and detection of fraud, bribery, tax evasion and anti-money laundering and any other matters as specified under the Committee's terms of reference.

The Risk Committee has been in operation throughout the period and operates within clearly defined terms of reference.

COMMITTEE MEMBERSHIP

At the start of the year, the Risk Committee comprised Charlotte Valeur as Chair of the Committee, and Richard Boléat and Gailina Liew as members. Richard Boléat stepped down as a Non-Executive Director on 23 March 2024. With effect from 30 May 2024, Eric Sanderson was appointed Chair of the Committee. Andrew Zychowski and Phillip Braun joined as members of the Risk Committee from their appointment on 22 July 2024, and Robert Burrow joined as a member of the Risk Committee from his appointment on 12 August 2024.

MEETING ATTENDANCE

The Committee met twice in the financial year, and the meetings were attended by each member as follows:

Director	Attendance
Charlotte Valeur[1]	2/2
Gailina Liew[2]	2/2
Richard Boléat[3]	1/1
Eric Sanderson[4]	1/1
Philip Braun[5]	1/1
Andrew Zychowski[5]	1/1
Robert Burrow[6]	1/1

1 Charlotte Valeur stepped down as Independent Interim Chair effective 30 May 2024.

2 Gailina Liew stepped down as Non-Executive Director effective 11 June 2024.

3 Richard Boléat stepped down as Non-Executive Director effective 23 March 2024.

4 Eric Sanderson was appointed Chair of the Risk Committee effective 30 May 2024.

5 Philip Braun and Andrew Zychowski were appointed as Non-Executive Directors and members of the Committee effective 22 July 2024.

6 Robert Burrow was appointed as a Non-Executive Director and member of the Committee effective 12 August 2024.

PERFORMANCE EVALUATION

Refer to the above Corporate Governance section on page 43 detailing how the review of the Risk Committee's performance was conducted, and the results of such an evaluation.

INTERNAL CONTROL AND RISK MANAGEMENT

The Company has put in place an ongoing process for identifying, evaluating and managing the principal and emerging risks faced by the Company. The adequacy and effectiveness of the Company's internal control and risk management systems, and the implementation of such controls, are monitored by the Audit Committee and the Risk Committee. The Company has the following internal controls, which are monitored by the Risk Committee:

- The risk appetite is agreed by the Risk Committee, which is designed to supplement the Investment Objective and Policy;
- A risk register identifying risks and controls to mitigate their potential impact/likelihood is maintained by the Investment Manager and reviewed by the Risk Committee; and
- On a bi-annual basis, the Risk Committee is provided with an internal control report of its key service providers, including the Administrator and Investment Manager, to review their effectiveness and the integrity of the systems of controls in place in relation to the financial reporting process.

ACTIVITIES

During the period, the Risk Committee carried out the following activities:

- Received reports from the Investment Manager on how the risk management process was being undertaken;
- Reviewed the Company's risk appetite for risks, including regulatory risk, concentration risk and reputational risk;
- Reviewed the Company's risk register; and
- Assessed the Company's principal risks, which are outlined on pages 30 to 32.

Eric Sanderson
Risk Committee Chair
30 April 2025

Valuation Committee Report

KEY OBJECTIVES

On 3 January 2024 the Valuation Committee was established to support the Audit Committee and Board with considering the appropriate valuation policies in respect to the Company's investments, analysing valuation methodologies and recommending the valuations for the Company's investments.

RESPONSIBILITIES

The Valuation Committee will operate within clearly defined terms of reference, and their key responsibilities are to:

- formulate or amend appropriate valuation policies in respect of individual investments or classes of investment;
- ensure the valuation policy adopted complies with the obligations within the Company's prospectus, any agreements in place, legislation, regulations, guidance and other policies of the Company that may be applicable;
- consider and approve the valuations and/or valuation methodology of the Company's listed and unlisted investments at each period-end date as recommended and/or undertaken by the Company's alternative investment fund manager and/or investment adviser, or make such amendments as are deemed appropriate;
- ensure that the annual report includes a summary of the valuation of the Company's investment portfolio made in accordance with the Listing Rules; and
- consider at each period-end whether there is a need for an independent valuation of the Company's investment portfolio and, should it deem this to be required, appoint and utilise the services of an appropriate third-party independent valuer.

COMMITTEE MEMBERSHIP

On 3 January 2024, Richard Boléat was appointed as Chair of the Valuation Committee, and Charlotte Valeur, Brett Miller, Gailina Liew and Aaron Le Cornu joined as members of the Committee. Richard Boléat stepped down as a Non-Executive Director on 23 March 2024 and was succeeded by Aaron Le Cornu as Chair. Charlotte Valeur stepped down as Independent Interim Chair on 30 May 2024, and on the same date Eric Sanderson was appointed as Chair and member of the Risk Committee. On 11 June 2024, Gailina Liew stepped down as a Non-Executive Director. On their appointment date of 22 July 2024 Philip Braun joined as Chair of the Committee, Andrew Zychowski joined as a member of the Committee, and on his appointment date of 12 August 2024 Robert Burrow joined as a member of the Committee.

MEETING ATTENDANCE

There were ten meetings held in the year, and the meetings were attended by each member as follows:

Director	Attendance
Charlotte Valeur[1]	7/7
Aaron Le Cornu[2]	7/7
Gailina Liew[3]	7/7
Richard Boléat[4]	6/6
Brett Miller[4]	6/6
Eric Sanderson[5]	3/3
Philip Braun[6]	3/3
Andrew Zychowski[6]	3/3
Robert Burrow[7]	3/3

1 Charlotte Valeur stepped down as Independent Interim Chair effective 30 May 2024.

2 Aaron Le Cornu stepped down as a Non-Executive Director effective 22 July 2024.

3 Gailina Liew stepped down as a Non-Executive Director effective 11 June 2024

4 Richard Boléat stepped down as a Non-Executive Director effective 23 March 2024.

5 Eric Sanderson was appointed Chair of the Risk Committee effective 30 May 2024.

6 Philip Braun and Andrew Zychowski were appointed as Non-Executive Directors and members of the Committee effective 22 July 2024.

7 Robert Burrow was appointed as a Non-Executive Director and member of the Committee effective 12 August 2024.

ACTIVITIES

The Valuation Committee held ten meetings during the year, with the first seven taking place in early 2024 largely in respect of the valuation of the investments as at 31 December 2023, and the latter three in relation to the valuation as at 30 June 2024 in respect of the half year reporting. The Valuation Committee comprehensively reviewed and analysed the valuation process and methodology, and challenged, as appropriate, the independent valuation received on certain portfolio companies. There was a focus on the key assumptions driving the valuations and understanding the forward-looking portfolio company strategies and forecasts. Since the reporting date the current Committee has met to consider the valuation as at 31 December 2024, and in particular, how these assumptions may have changed between each valuation point as at 31 December 2024, 30 June 2024 and the valuation as at 31 December 2023. Given the significant reductions in the valuation of D9 Holdco since December 2023, post year-ended 31 December 2024 the Board agreed to appoint an independent expert to review certain components of the D9 Holdco valuation at 31 December 2023. Further detail is set out in the Chair's Statement on page 4. Further detail on the key portfolio valuation changes are set out in the Chair's Statement on page 2. The Committee then recommended to the Audit Committee and thereon the Board to determine the fair value of the Company's portfolio at each reporting date.

Philip Braun
Valuation Committee Chair
30 April 2025

Directors' Remuneration Report

ANNUAL STATEMENT

Dear shareholder,

I am pleased to present the Directors' Remuneration Report on behalf of the Board for the year ended 31 December 2024. It is set out in two sections:

1. Directors' Remuneration Policy – This sets out our Remuneration Policy for Directors of the Company, which was last approved by shareholders at the Company's 2022 AGM. A resolution to approve this Directors' Remuneration Policy will be proposed at the Annual General Meeting of the Company to be held on 10 June 2025. The proposed minor change to the Directors' Remuneration Policy is set out below.
2. Annual Report on Directors' Remuneration – This sets out how our Directors were paid for the year ended 31 December 2024 and how we intend to apply our Policy for the year ending 31 December 2025. There will be an advisory shareholder vote on the Directors' Remuneration Report at our 2025 AGM.

Remuneration Policy – proposed change

Prior to IPO in March 2021, the Company introduced a remuneration framework to ensure that remuneration was aligned with best market practice whilst attracting and securing the right Non-Executive Directors to deliver our investment objectives. The scale and structure of the Directors' remuneration was determined by the Company in consultation with the sponsor and other advisers having been benchmarked against companies of a similar size in the sector and having regard to the time commitment and expected contribution to the role. There is a minor change proposed to the Directors' Remuneration Policy which is to remove the entitlement to a fee for the Audit and Risk Committee Chair' specifically (the Audit and Risk Committee Chairs currently do not receive an additional fee), and to provide the Board discretion to provide any Committee Chair an additional fee over and above their normal Director fee to reflect the additional duties and responsibilities of a Committee Chair role. Any additional fees will be subject to and in accordance with the Company's Articles of Association which has a limit of £300,000 for the aggregate fees for all Directors.

The Group does not have any executive directors or employees, and, as a result, operates a simple and transparent remuneration policy with no variable element, that reflects the Non-Executive Directors' duties, responsibilities and time spent.

Director Fee levels

During the year, the Board considered the fee levels of the Directors and the Chair. These were revised in light of the requirement for the full change of the Board mid-2024 and to attract individuals with the skills and experience to deliver an effective Managed Wind-Down in an accelerated time frame and due to the enhanced time commitment required from each member of the Board due to the smaller size of the Board. Up to 11 June 2024, the Directors were each paid an annual fee of £40,000 other than the Chair of the Audit Committee and Chair of the Risk Committee who were entitled to an additional £5,000 fee respectively, and the Chair of the Company who was entitled to receive an annual fee of £75,000. This is with the exception of Eric Sanderson, who was appointed as Chair on 30 May 2024, and is entitled to receive an annual fee of £100,000. From 11 June 2024, and following a review of the fee levels (detailed above), the Directors, including Philip Braun, Andrew Zychowski and Robert Burrow, from their respective appointment dates, were entitled to receive an annual fee of £50,000. Aaron Le Cornu was also entitled to a fee of £50,000 from 11 June 2024 to 22 July 2024 when he stepped down to bring his fees in line with these revised remuneration levels. Additional fees were paid to Eric Sanderson, Philip Braun, Andrew Zychowski and Robert Burrow equivalent to their pro rata annual fee from the point their induction process commenced to their effective appointment date, which took effect on the date that prior written confirmation of no objection of the Jersey Financial Services Commission was received, to reflect the significant time commitment to the Company during that interim period.

Discretion exercised under the Directors' Remuneration Policy

At the date of this report, no discretion is intended to be exercised under the Directors' Remuneration Policy.

We value engagement with our shareholders and for the constructive feedback we receive and look forward to your support at the forthcoming AGM.

E J Sanderson

Eric Sanderson
Chair
30 April 2025

Directors' Remuneration Report *continued*

DIRECTORS' REMUNERATION POLICY

Approval of Remuneration Policy

The Directors' Remuneration Policy was last approved by shareholders at the Annual General Meeting of the Group held on 23 May 2022 and became effective from the conclusion of that meeting. A resolution to approve this Directors' Remuneration Policy will be proposed at the Annual General Meeting of the Company to be held on 10 June 2025. If the resolution is passed, the provisions of this policy will apply until they are next put to shareholders for renewal of that approval, which is at intervals of not more than three years, or if the Remuneration Policy is varied, in which event shareholder approval for the new Remuneration Policy will be sought. A minor change is proposed to the Remuneration Policy to provide the Board discretion for an additional fee to be paid to any Committee Chair over and above their normal fee to reflect the additional duties and responsibilities of the role.

The proposed Remuneration Policy, with the change underlined, is set out below.

The Remuneration Policy has been prepared in accordance with Schedule 8 of The Large and Medium-sized Companies and Group's (Accounts and Reports) Regulations 2008. The policy applies to the Non-Executive Directors; the Company has no executive directors or employees. There are no planned changes to the policy in the upcoming financial year.

Remuneration Policy Overview

The Company's objective is to have a simple and transparent remuneration structure, aligned with the strategy. The Company aims to provide remuneration packages with no variable element which will retain Non-Executive Directors with the skills and experience necessary to maximise shareholder value on a long-term basis. The remuneration packages for Non-Executive Directors will be set with reference to the remuneration packages of comparable businesses.

The Board will assess the appropriateness of the Remuneration Policy on an annual basis and shareholder approval will be sought in the event of any changes being proposed.

Policy Table

The Directors are entitled only to the fees as set out in the table below from the date of their appointment. No element of Directors' remuneration is subject to performance factors.

Component	How it Operates	Maximum Fee	Link to Strategy
Annual fee	Each Director received a basic fee which is paid on a quarterly basis. Committee Chairs may be, subject to Board discretion, entitled to an additional fee over and above their normal Director fee, reflecting the additional duties and responsibilities in those roles.	The total aggregate fees that can be paid to the Directors is as set out in the Company's Articles of Association.	The level of the annual fee has been set to attract and retain high-calibre Directors with the skills and experience necessary for the role. The fee has been benchmarked against companies of a similar size.
Additional fees	Where a Director performs services, which in the opinion of the Board, are outside the ordinary duties of a Director, they will be entitled to an additional fee.	A daily rate of £1,500 for attending additional meetings or time spent on the performance of other duties which result in a Director spending more than five days a month on work for the Company. Any such additional fees will be subject to discussion and approval by the Board.	The additional fee for services outside the scope of ordinary duties offers flexibilities for a Director to be awarded additional remuneration to adequately compensate a Director where this is considered appropriate for the effective functioning of, or in furtherance of, the Company's aims.
Other benefits	The Directors shall be entitled to be repaid expenses.	All reasonable travelling, hotel and other expenses properly incurred in the performance of their duties as a Director.	In line with market practice, the Company will reimburse the Directors for expenses to ensure that they are able to carry out their duties effectively.

Service Contracts

The Directors are engaged under letters of appointment and do not have service contracts with the Company.

Directors' Term of Office

Under the terms of the Directors' letters of appointment, each directorship is terminable on three months' written notice by either the Director or the Company. Each Director will be subject to annual re-election by shareholders at the Company's Annual General Meeting in each financial year.

Policy on Payment for Loss of Office

Upon termination, a Director shall only be entitled to accrued fees as at the date of termination together with reimbursement of any expenses properly incurred to that date.

Consideration of Shareholder Views

The Company is committed to establishing ongoing shareholder dialogue and takes an active interest in voting outcomes. Where there are substantial votes against resolutions in relation to Directors' remuneration, the Company will seek the reasons for any such vote and will detail any resulting actions in the Directors' Remuneration Report.

Directors' Remuneration Report *continued*

ANNUAL REPORT ON DIRECTORS' REMUNERATION

Consideration of Remuneration Matters

The Board does not consider it necessary to establish a separate remuneration committee as it has no executive directors. The Board as a whole considers the remuneration of the Directors.

Directors' Fees

Please refer to the Annual Statement on page 59 which sets out the fee levels of the Directors during the year, and that no discretion is currently intended to be exercised in respect to the Directors' Remuneration Policy.

Directors are entitled to recover all reasonable expenses properly incurred in connection with performing their duties as a Director.

Per the terms of the Director appointment letter, Directors are entitled to receive a daily rate of £1,500 for attending additional meetings or time spent on the performance of other duties which result in them spending more than five days a month on work for the Company. It is intended that such additional fees would only be incurred in exceptional circumstances.

Single Total Figure (audited information)

The fees paid to Directors in respect of the year ended 31 December 2024 are shown below.

	2024				2023				2022				2023-2024	2022-2023	2021-2022
Director	Total fixed remuneration (£)	Total expenses (£)	Additional fees received (£)	Total (£)	Total fixed remuneration (£)	Total expenses (£)	Additional fees received (£)	Total (£)	Total fixed remuneration (£)	Total expenses (£)	Additional fees received (£)	Total (£)	Annual change in Directors' Fees (excluding expenses) (%)[5]	Annual change in Directors' Fees (excluding expenses) (%)[5]	Annual change in Directors' Fees (excluding expenses) (%)
Keith Mansfield[1]	519	235	–	754	45,000	2,874	–	47,874	45,000	1,481	–	46,481	(99)	0	21[9]
Charlotte Valeur[2]	35,083	4,896	–	39,671	45,000	2,777	–	47,777	43,051	1,432	–	44,483	(22.04)	4.53	31[10]
Aaron Le Cornu[3]	25,814	2,298	–	28,112	40,000	2,335	–	42,335	30,000	1,549	–	31,549	(35.47)	33	N/A
Gailina Liew[4]	17,744	1,602	–	19,346	20,000	–	–	20,000	–	–	–	–	(11.28)	N/A	N/A
Richard Boléat[5]	9,128	7,422	–	16,550	1,385	–	–	1,385	–	–	–	–	559.14	N/A	N/A
Brett Miller[5]	9,128	470	–	9,598	1,077	–	–	1,077	–	–	–	–	747.34	N/A	N/A
Eric Sanderson[6]	59,103	918	7,949	59,637	–	–	–	–	–	–	–	–	N/A	N/A	N/A
Robert Burrow[7]	19,150	387	7,250	26,399	–	–	–	–	–	–	–	–	N/A	N/A	N/A
Philip Braun[8]	22,203	1,340	781	23,138	–	–	–	–	–	–	–	–	N/A	N/A	N/A
Andrew Zychowski[8]	22,371	836	5,321	28,191	–	–	–	–	–	–	–	–	N/A	N/A	N/A
Total	220,244	20,404	21,301	251,396	152,462	7,986	–	160,448	118,051	4,462	–	123,513			

1 Keith Mansfield stepped down as a Non-Executive Director effective 3 January 2024.

2 Charlotte Valeur stepped down as Interim Independent Chair effective 30 May 2024. The total fixed remuneration reflected her annual fee of £75,000 as Chair of the Company and an additional £5,000 fee as Chair of the Risk Committee.

3 Aaron Le Cornu stepped down as a Non-Executive Director effective 22 July 2024. For the period 1 January 2024 to 11 June 2024, his fees were £45,000 per annum (representing the Non-Executive Director fee of £40,000 and £5,000 as Audit Committee Chair). From 11 June to 22 July 2024, his fees were £50,000 per annum in line with the new remuneration levels.

4 Gailina Liew was appointed on 1 July 2023 and stepped down as a Non-Executive Director effective 11 June 2024.

5 Richard Boléat and Brett Miller were appointed as Non-Executive Directors on 19 December 2024 and 21 December 2024 respectively, and stepped down as Non-Executive Directors on 23 March 2024.

6 Eric Sanderson was appointed as Chair on 30 May 2024 at a fee of £100,000 per annum. A pro-rata fee equivalent to his current fee was paid from the date of his engagement with the Company to 29 May 2024 due to the significant time dedicated to the Company during that interim period.

7 Robert Burrow was appointed as a Non-Executive Director on 12 August 2024 at a fee of £50,000 per annum. A pro-rata fee equivalent to his current fee was paid from the date of his engagement with the Company to 12 August 2024 due to the significant time dedicated to the Company during that interim period.

8 Philip Braun and Andrew Zychowski were appointed as Non-Executive Directors on 22 July 2024 each at a fee of £50,000 per annum. Pro-rata fees equivalent to their respective fees were paid from the date of their engagement with the Company to 22 July 2024 due to the significant time dedicated to the Company during that interim period.

9 Keith Mansfield was appointed on 8 March 2021; if he had served a full year to 31 December 2021, the increase from 2021 to 2022 would be nil.

10 Part of the increase from 2021 to 2022 was that Charlotte Valeur was appointed on 8 March 2021, and was also appointed as Chair of the Risk Committee on 23 May 2022 (for which there was an additional £5,000 fee).

Information required on executive directors and employees has been omitted because the Company has neither and therefore it is not relevant.

Statement of Directors' Shareholding and Share Interests (Audited table)

Detailed in the table below are details of the Directors' shareholdings as at 31 December 2024.

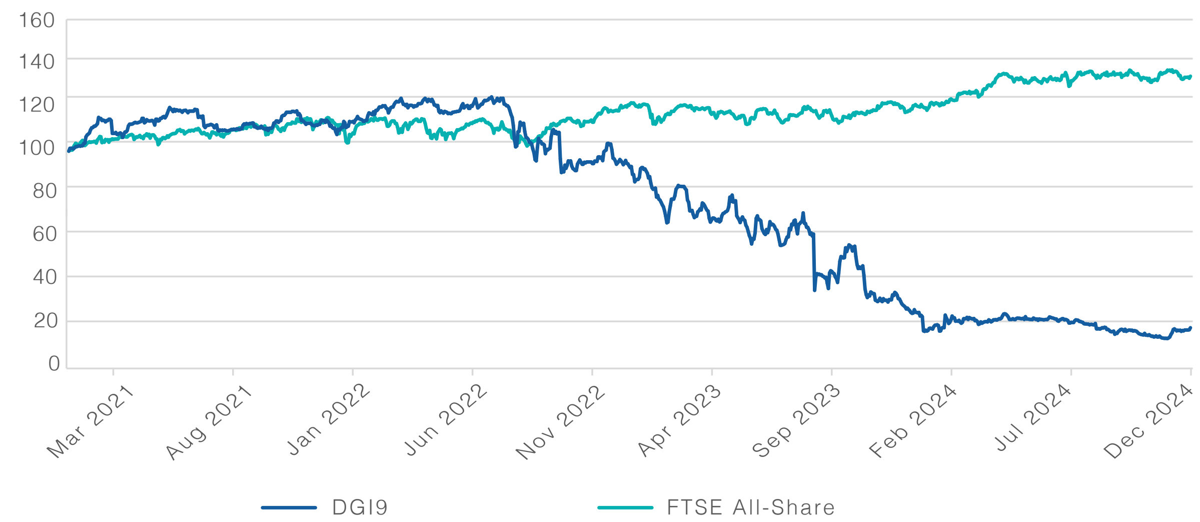
The Directors are not required to hold any shares of the Company by way of qualification. A Director who is not a shareholder of the Company shall nevertheless be entitled to attend and speak at shareholders' meetings.

Director	At 31 December 2024 Number of Shares	At 31 December 2024 % of share capital	At 31 December 2023 Number of Shares	At 31 December 2023 % of share capital	At 31 December 2022 Number of Shares	At 31 December 2022 % of share capital	At 31 December 2021 Number of Shares	At 31 December 2021 % of share capital	% change year-on-year between 31 December 2023 and 31 December 2024	% change year-on-year between 31 December 2022 and 31 December 2023	% change year-on-year between 31 December 2021 and 31 December 2022
Keith Mansfield[1]	N/A	N/A	294,819	0.034	86,429	0.010	58,604	0.0081	N/A	0.024	(0.0071)
Aaron Le Cornu[2]	N/A	N/A	107,024	0.012	72,500	0.008	N/A	N/A	N/A	0.004	N/A
Charlotte Valeur[3]	N/A	N/A	10,000	0.001	10,000	0.001	10,000	0.0014	N/A	–	(0.0004)
Gailina Liew[4]	N/A	N/A	–	–	N/A	N/A	N/A	N/A	N/A	–	N/A
Richard Boléat[5]	N/A	N/A	65,000	–	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Brett Miller[5]	N/A	N/A	400,000	0.046	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Eric Sanderson[6]	–	–	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Philip Braun[7]	–	–	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Andrew Zychowski[8]	2,630,000	0.3	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Robert Burrow[9]	1,350,000	–	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

1 Keith Mansfield stepped down as a Non-Executive Director effective 3 January 2024.
2 Aaron Le Cornu stepped down as a Non-Executive Director effective 22 July 2024.
3 Charlotte Valeur stepped down as Independent Interim Chair effective 30 May 2024.
4 Gailina Liew stepped down as a Non-Executive Director effective 11 June 2024.
5 Richard Boléat and Brett Miller stepped down as Non-Executive Directors effective 23 March 2024.
6 Eric Sanderson was appointed Chair effective 30 May 2024.
7 Philip Braun was appointed as a Non-Executive Director effective 22 July 2024.
8 Andrew Zychowski was appointed as a Non-Executive Director effective 22 July 2024. Andrew Zychowski and persons closely associated to him together hold 2,630,000 shares in the Company. In addition, other family members of Andrew Zychowski hold 603,000 shares in the Company.
9 Robert Burrow was appointed as a Non-Executive Director effective 12 August 2024. Robert Burrow's persons closely associated hold 1,350,000 shares in the Company.

Total Shareholder Return

The graph below illustrates the total shareholder return of the Company from Admission to the end of the financial period. This is mapped against the total shareholder return on a hypothetical holding over the same period in the FTSE All Share. This index has been chosen as it is considered to be the most appropriate benchmark against which to assess the relative performance of the Company as the Company is a constituent of the FTSE All Share.



Directors’ Remuneration Report *continued*

Relative Importance of Spend on Pay

The table below shows the total spend on remuneration compared to the distributions to shareholders by way of dividends, share buybacks and the management fees incurred by the Company. As the Group has no employees the total spend on remuneration comprises only the Directors’ fees.

Director	31 December 2024 £’000	31 December 2023 £’000
Dividends paid	–	25,956
Share buybacks	–	–
Management fee	6,946	8,668
Directors’ emoluments	242	271

Consideration of Shareholder Views

The Company is committed to ongoing shareholder dialogue and takes an active interest in voting outcomes. Where there are substantial votes against resolutions in relation to Directors’ remuneration, the Company will seek the reasons for any such vote and will detail any resulting actions in the Directors’ Remuneration Report.

During the year the Group did not receive any communications from shareholders specifically regarding Directors’ pay.

The resolution to approve the Directors’ Remuneration Report (excluding the Directors’ Remuneration Policy) was passed on a poll at the Annual General Meeting on 12 June 2024. The resolution to approve the Directors’ Remuneration Policy was passed on a poll at the Annual General Meeting on 23 May 2022.

	Votes for	Votes against	Votes withheld
Remuneration Report	85.62%	14.38%	340,000
Remuneration Policy	97.58%	2.42%	28,349

On behalf of the Board:

Eric Sanderson
Chair
30 April 2025

Directors' Report

The Directors are pleased to present the Annual Report, including the Company's audited financial statements as at, and for the year ended 31 December 2024. The information that fulfils the requirements of the Corporate Governance statement in accordance with rule 7.2 of the DTR can be found in this Directors' Report and in the Governance section on pages 2 to 64, all of which is incorporated into this Directors' Report by reference.

Details of significant events since the balance sheet date are contained in Note 18 to the financial statements.

An indication of likely future developments of the Company and details of the outlook and pipeline are included in the Strategic Report. Information about the use of financial instruments by the Company and its subsidiaries is given in Note 21 to the financial statements.

Principal Activity

The Company is a close-ended UK investment trust that invests in Digital Infrastructure assets and entered into a Managed Wind-Down in March 2024. The Company is listed on the Main Market of the London Stock Exchange, and is domiciled in Jersey and is UK tax resident. The Directors do not anticipate any change in the principal activity of the Company in the foreseeable future.

Directors

The names of the Directors who served from 1 January 2024 to 31 December 2024 are set out on page 41; the biographical details and principal external appointments of the current Directors are set out in the Board of Directors section on pages 38 to 39.

Investment Manager and AIFM

On 11 December 2024, InfraRed Capital Partners Limited were appointed as the Company's new Investment Manager and AIFM. Prior to this Triple Point Investment Management LLP were the Company's Investment Manager and AIFM.

A summary of the principal contents of the Investment Management Agreements in place during the financial year are set out in the Management Engagement Committee report on page 52.

Investment Trust Status

The Company has been approved as an Investment Trust Company ("ITC") under sections 1158 and 1159 of the Corporation Taxes Act 2010; the Company is Jersey resident and UK tax registered. The Company informed HMRC of its change in Investment Strategy to that of a Managed Wind-Down. HMRC has confirmed that the Company continues to be an approved ITC whilst it continues to meet the requirements of s1156 Corporation Taxes Act 2010 and the ongoing requirements for approved companies in Chapter 3 of Part 2 Investment Trust (Approved Company) (Tax) Regulations 2011 (Statutory Instrument 2011/2999). The Company must adhere to ongoing requirements to maintain its ITC status, including, but not limited to, retaining no more than 15% of its annual revenue profits (of which there are none in 2024 and nor are there any expected to be in future years). The Company derives the majority of its returns via capital return, through the revaluation of its Investee Companies. As a result, the Company paid dividends from its stated capital in prior years, which it is entitled to do under the Companies (Jersey) Law 1991 (as amended).

During the period, the Company has continued to conduct its affairs to ensure it complies with these requirements. The Board continues to monitor compliance with the ITC conditions.

Financial Results and Dividends

The financial results for the year can be found in the Company Statement of Comprehensive Income on page 78. The Company declared no interim dividends in respect of the year to 31 December 2024.

Powers of the Directors

The powers given to the Directors are contained within the current Articles of Association of the Company (the "Articles"), and are subject to relevant legislation and, in certain circumstances (including in relation to the issuing or buying back by the Company of its shares), are subject to the authority being given to the Directors by shareholders in general meetings.

The Articles govern the appointment and replacement of Directors.

Directors' Indemnity

Subject to the provisions of any relevant legislation, the Company has agreed to indemnify each Director against all liabilities which any Director may suffer or incur arising out of or in connection with any claim made, or proceedings taken against him/her, or any application made by him/her, on the grounds of his/her negligence, default, breach of duty or breach of trust in relation to the Company or any associated Company.

This policy remained in force during the financial period and also at the date of approval of the financial statements.

The Company maintains appropriate Directors' and Officers' liability insurance in respect of legal action against its Directors on an ongoing basis.

Directors' Report *continued*

Financial Risk Management

The information relating to the Company's financial risk management and policies can be found in Note 20 of the financial statements.

Post-Balance Sheet Events

Important events that have occurred since the end of the financial year can be found in Note 18 of the notes to the financial statements.

Amendment to the Articles

The Articles may only be amended with shareholders' approval in accordance with the relevant legislation.

Share Capital

As at 31 December 2024, the Company had 865,174,954 Ordinary Shares. All of the Ordinary Shares are fully paid and carry one vote per share.

There are no restrictions on the transfer of securities in the Company other than certain restrictions which may be impaired by law, for example, Market Abuse Regulations, and the Company's Share Dealing Code. The Company is not aware of any agreements between shareholders that restrict the transfer of Ordinary Shares.

The Directors are generally and unconditionally authorised, in accordance with the Articles and the Companies (Jersey) Law 1991 (as amended), to exercise all powers of the Company to allot Ordinary Shares up to a maximum number of 800,000,000 with the authority expiring on 7 March 2026 in respect of the Initial Issue, and authority to allot Ordinary Shares up to a maximum number of 5,000,000,000 in respect of any further share issuances with the authority expiring on 7 March 2026.

Purchase of Own Ordinary Shares

A special resolution was passed at the Company's 2024 Annual General Meeting, granting the Directors authority to repurchase up to a maximum of 86,517,495 Ordinary Shares (representing 10% of the Company's Ordinary Share capital as at 21 May 2024). The authority will expire immediately following the conclusion of the Company's 2025 general meeting or on 12 September 2025, whichever is earlier. A resolution to renew the Company's authority to purchase shares in accordance with the Notice of AGM will be put to shareholders at the Annual General Meeting expected to be held on 10 June 2025.

The Company did not purchase any of its own shares during the period.

Major Shareholdings

In accordance with DTR 5, the Company was advised of the following significant direct and indirect interests through TR1 notifications in the issued Ordinary Share capital of the Company as at 31 December 2024:

	Number of Ordinary Shares held	% of voting rights
Schroders plc	106,999,579	12.37%
Rathbones Investment Management Ltd	43,236,184	4.99%
Brewin Dolphin Limited	43,211,460	4.99%
Canaccord Genuity Group Inc	41,313,204	4.78%
Insight Investment Management (Global) Ltd	29,315,482	3.39%
J M Finn & Co	26,471,050	3.06%
Jupiter Fund Management plc	14,350,000	1.66%
South Yorkshire Pensions Authority	10,000,000	1.16%

The Company has not been informed of changes to notifiable interests between 31 December 2024 and the date of this report.

Disclosure of Information to the Auditors

So far as the Directors are aware, there is no relevant audit information of which the auditors are unaware.

The Directors have taken all the steps that they ought to have taken as Directors to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Related Party Transactions

Related party transactions for the year to 31 December 2024 can be found in Note 17 of the financial statements.

Research and Development

No expenditure on research and development was made during the period.

Donations and Contributions

No political or charitable donations were made during the period.

Branches outside the UK

There are no branches of the business located outside the United Kingdom.

Annual General Meeting

The Annual General Meeting of the Company is expected to be held on 10 June 2025 and further details are set out in the Notice of Meeting.

Business Relationships

The Company has a set of corporate providers that ensure the smooth running of the Group's activities. The Group's key service providers are listed on page 125 and the Management Engagement Committee annually reviews the effectiveness and performance of these service providers, taking into account any feedback received. Each of these relationships is critical to the long-term success of the business. Therefore, the Company and the Investment Manager maintain high standards of business conduct by acting in a collaborative and responsible manner with all its business partners that protects the reputation of the Group as a whole.

Significant Agreements

There are no significant agreements that take effect, alter or terminate on change of control of the Company following a takeover. Additionally, there are no agreements with the Company or a subsidiary in which a Director is or was materially interested or to which a controlling shareholder was a party.

Employees

The Company has no employees and accordingly there is no requirement to separately report on this area.

The Investment Manager is an equal opportunities employer who respects and seeks to empower each individual and the diverse cultures, perspectives, skills and experiences within its workforce. The Investment Manager places great importance on company culture and the wellbeing of its employees and considers various initiatives and events to ensure a positive working environment.

Anti-Bribery Policy

The Company has a zero-tolerance policy towards bribery and is committed to carrying out its business fairly, honestly and openly. The anti-bribery policies and procedures apply to all its officers and to those who represent the Company.

Human Rights Issues

The Company is not within the scope of the Modern Slavery Act 2015 because it has not exceeded the turnover threshold and is therefore not obliged to make a slavery and human trafficking statement.

The majority of services supplied to or on behalf of the Company are from the financial services industries and other services associated with those industries, and as such, the Board believes the Company's current procedures and ability to rely on regulatory oversight in relation to professional services are sufficient in this regard.

Environmental issues

The Company's disclosures in response to the recommendations of the Taskforce on Climate-related Financial Disclosures (TCFD) are set out on pages 105 to 111.

Information included in the Strategic Report

The information that fulfils the reporting requirements relating to the following matters can be found on the pages identified.

Subject Matter	Page Reference
Likely future developments	2 to 5

On behalf of the Board:

Eric Sanderson
Chair
30 April 2025

Statement of Directors' responsibilities in respect of the financial statements

The Directors are responsible for preparing the annual report in accordance with applicable law and regulation.

The Companies (Jersey) Law 1991 ("company law") requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards ("IFRSs") as adopted in the European Union.

The Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period, and that they comply with company law. In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable IFRSs as adopted in the European Union have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors confirm that they have complied with the above requirements in preparing the financial statements.

The Directors are responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to ensure that financial statements prepared by the Company comply with the requirements of company law.

The Directors are responsible for the maintenance and integrity of the Company's website. The Company's financial statements are published on the Company's website, www.d9infrastructure.com.

Directors' confirmations

The Directors consider that the annual report and financial statements, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

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

- the Company financial statements, which have been prepared in accordance with IFRSs as adopted in the European Union, give a true and fair view of the assets, liabilities, financial position and loss of the Company; and
- the Strategic Report includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal risks and uncertainties that it faces.

Approval

This Directors' responsibilities statement and the financial statements on pages 78 to 103 were approved by the Board of Directors on 30 April 2025 and signed on its behalf by:

Eric Sanderson
Chair
30 April 2025

Independent auditors' report to the members of Digital 9 Infrastructure plc

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Qualified opinion

In our opinion, except for the possible effects of the matter described in the Basis for qualified opinion paragraph below, Digital 9 Infrastructure plc's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2024 and of its loss and cash flows for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards as adopted in the European Union; and
- have been prepared in accordance with the requirements of the Companies (Jersey) Law 1991.

We have audited the financial statements, included within the Annual Report, which comprise: the Statement of Financial Position as at 31 December 2024; the Statement of Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended; and the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Our opinion is consistent with our reporting to the Audit Committee.

Basis for qualified opinion

We refer to the disclosures made by the Directors on page 4 regarding the ongoing review into certain underlying assets representing circa £270m of the total valuation of £676m in D9 Holdco Limited as at 31 December 2023. The Directors are currently unable to determine whether this represents a materially reliable estimate of the value of those underlying assets, and hence the Company's Fair Value of its investment in Digital 9 Holdco Limited as at 31 December 2023. Consequently, we were unable to obtain sufficient appropriate audit evidence in relation to losses on investments held at fair value of £382m recognised in the Statement of Comprehensive Income for the year ended 31 December 2024 and, in particular, whether a portion of the loss in relation to those underlying assets of £227m should have been recorded in the year ended 31 December 2023. Our audit opinion on the financial statements for the period ended 31 December 2024 is therefore modified accordingly.

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

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the Financial Reporting Council's ("FRC") Ethical Standard, as applicable to listed public interest entities in accordance with the requirements of the Crown Dependencies' Audit Rules and Guidance for market-traded companies, and we have fulfilled our other ethical responsibilities in accordance with these requirements To the best of our knowledge and belief, we declare that non-audit services prohibited by the FRC's Ethical Standard were not provided.

Other than those disclosed in the Audit Committee Report, we have provided no non-audit services to the company in the period under audit.

Material uncertainty related to going concern

Without further modifying our opinion on the financial statements, we have considered the adequacy of the disclosure made in note 2 (a) to the 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 divestment of assets to fund the repayment of the remaining balance of the Group's Revolving Credit Facility ('RCF') due by 16 June 2025 or alternatively refinancing this debt or extending the maturity date of the RCF. These conditions, along with the other matters explained in note 2 (a) to the 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 financial statements do not include the adjustments that would result if the company were unable to continue as a going concern.

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

Independent Auditor's Report *continued*

Our evaluation of the directors' assessment of the company's ability to continue to adopt the going concern basis of accounting included:

- We obtained management's latest forecasts that support the Board's assessment and conclusions with respect to the going concern basis of preparation of the financial statements;
- We corroborated management's base case to appropriate supporting documentation;
- We evaluated the directors' assessment of potential operational impacts, considering their consistency with other available information and our understanding of the business and assessed the potential impact on the financial statements;
- We evaluated management's base case forecast and downside scenarios, challenging the underlying data and adequacy and appropriateness of the underlying assumptions used to make the assessment. We evaluated the directors' plans for future actions in relation to their going concern assessment, should these be required; and.
- We reviewed the directors' assessment of the Company's financial position in the context of its ability to meet future expected operating expenses.

In relation to the directors' reporting on how they have applied the UK Corporate Governance Code, other than the material uncertainty identified in note 2 (a) to the financial statements, we have nothing material to add or draw attention to in relation to the directors' statement in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting, or in respect of the directors' identification in the financial statements of any other material uncertainties to the company's ability to continue to do so over a period of at least twelve months from the date of approval of the financial statements.

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

Our audit approach

Context

Digital 9 Infrastructure plc is incorporated in Jersey and is a listed company on the Main Market of the London Stock Exchange. The Company invests in a range of digital infrastructure assets, and its investment objective is to focus on a managed wind down of the Company.

Overview

Audit scope

- The Company invests in digital infrastructure investments through its investment in its wholly-owned subsidiary, Digital 9 Holdco Limited.
- The Company is a closed-ended investment company and has appointed InfraRed Capital Partners Limited (the "Investment Adviser") to manage its assets.
- We conducted our audit of the financial statements using information from InfraRed Capital Partners Limited, and Ocorian Fund Services (Jersey) Limited (the "Administrator") to whom the directors delegated the provision of certain administrative functions.
- We tailored the scope of our audit taking into account the types of investments within the Company, the involvement of the third parties referred to above, the accounting processes and controls, and the industry in which the Company operates.

Key audit matters

- Material uncertainty related to going concern
- Basis for qualified opinion - losses on investments held at fair value recognised in the Statement of Comprehensive Income for the year ended 31 December 2024
- Valuation of investments held at fair value through profit or loss

Materiality

- Overall materiality: £2,972,000 (2023: £6,863,000) based on 1% of net assets.
- Performance materiality: £2,229,000 (2023: £5,147,250).

The scope of our audit

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

Key audit matters

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

In addition to going concern, described in the Material uncertainty related to going concern section above, and the matter described in the Basis for qualified opinion paragraph above, we determined the matters described below to be the key audit matters to be communicated in our report. This is not a complete list of all risks identified by our audit.

The key audit matters below are consistent with last year.

Key audit matter	How our audit addressed the key audit matter
Valuation of investments held at fair value through profit or loss Refer to Report of the Audit and Risk Committee, Notes to the financial statements – Note 3, 4, and 10. The Company recognises within the Statement of Financial Position £286.1m of investments held at fair through profit or loss as at 31 December 2024. The fair value of the Company's investment in Digital 9 Holdco Limited ("the HoldCo") is determined based on the fair value of the net assets of the HoldCo and, accordingly, the fair value of the underlying investments within the Holdco, for which there is no liquid market. The fair value of the underlying investments has principally been valued on a discounted cash flow basis or a proposed/agreed sale price where applicable. Determining the valuation methodology and determining the inputs and assumptions within the valuation is subjective and complex. This, combined with the significance of the investments balance in the statement of financial position, meant that this was a key audit matter for our current year audit.	We understood and evaluated the valuation methodologies applied, by reference to industry practice and applicable accounting standards, and tested the techniques used by management in determining the fair value of the investments. We performed the following over the fair value of investments as at 31 December 2024: • Discussed and challenged the Investment Manager's approach to valuations and significant estimates; • Undertook further investigations by holding additional discussions with the Investment Manager and obtained evidence to support explanations received where assumptions were outside the expected range or showed unexpected movements based on our knowledge; • Observed that alternative assumptions had been considered and evaluated by the Investment Manager before determining the final valuation. Challenged management about the rationale of any non-observable inputs or significant estimates used in valuations and obtained corroborative evidence. We, along with our experts, concluded that the assumptions used in the valuations were supportable in light of available and comparable market evidence; • Performed recalculations of valuation workings to ensure mathematical accuracy; • We tested a sample of inputs into the fair value models to supporting documentation; and • Agreed the amounts per the valuation reports to the accounting records and the financial statements. In addition, given the inherent subjectivity involved in the valuation of the investments, and therefore the need for specialised market knowledge when determining the most appropriate assumptions and the technicalities of the valuation methodology, we engaged our internal valuation experts ("the experts") to assist us in our audit of this area. The experts performed the following procedures for the investments: • Assessed the appropriateness of valuation methodology; • Evaluated key valuation inputs and estimates used, such as comparable company multiples and discount rates at 31 December 2024; and • Reported their findings and conclusions to the audit team for overall consideration and conclusions. We considered the appropriateness and adequacy of the disclosures around the estimation uncertainty and sensitivities on the accounting estimates.

Independent Auditor's Report *continued*

How we tailored the audit scope

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

The Company's accounting is delegated to the Administrator who maintains the Company's accounting records and who has implemented controls over those accounting records.

We obtained our audit evidence from substantive tests. However, as part of our risk assessment, we understood and assessed the internal controls in place at both the Investment Manager and the Administrator to the extent relevant to our audit.

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we looked at where the Directors made subjective judgements, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain.

The impact of climate risk on our audit

As part of our audit, we inquired of management to understand and evaluate D9 Group's risk assessment process in relation to climate change. We used our own knowledge and understanding of the Group to evaluate the impact of climate risk on the performance of the Company's digital infrastructure investments. We read disclosures in relation to climate change made in other financial information within the Annual Report to ascertain whether the disclosures are materially consistent with the financial statements and our knowledge from our audit. Our responsibility over other information is further described in the reporting on other information section of our report.

Materiality

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

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

Overall company materiality	£2,972,000 (2023: £6,863,000).
How we determined it	1% of net assets
Rationale for benchmark applied	We believe that net assets is the primary measure used by the shareholders in assessing the performance of the entity, and is a generally accepted auditing benchmark.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality was 75% (2023: 75%) of overall materiality, amounting to £2,229,000 (2023: £5,147,250) for the company financial statements.

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

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above £148,600 (2023: £343,150) as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Reporting on other information

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

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

Corporate governance statement

The Listing Rules require us to review the directors' statements in relation to going concern, longer-term viability and that part of the corporate governance statement relating to the company's compliance with the provisions of the UK Corporate Governance Code specified for our review. Our additional responsibilities with respect to the corporate governance statement as other information are described in the Reporting on other information section of this report.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement is materially consistent with the financial statements and our knowledge obtained during the audit, and, except for the matters reported in the section headed 'Material uncertainty related to going concern', we have nothing material to add or draw attention to in relation to:

- The directors' confirmation that they have carried out a robust assessment of the emerging and principal risks;
- The disclosures in the Annual Report that describe those principal risks, what procedures are in place to identify emerging risks and an explanation of how these are being managed or mitigated;
- The directors' statement in the financial statements about whether they considered it appropriate to adopt the going concern basis of accounting in preparing them, and their identification of any material uncertainties to the company's ability to continue to do so over a period of at least twelve months from the date of approval of the financial statements;
- The directors' explanation as to their assessment of the company's prospects, the period this assessment covers and why the period is appropriate; and
- The directors' statement as to whether they have a reasonable expectation that the company will be able to continue in operation and meet its liabilities as they fall due over the period of its assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

Our review of the directors' statement regarding the longer-term viability of the company was substantially less in scope than an audit and only consisted of making inquiries and considering the directors' process supporting their statement; checking that the statement is in alignment with the relevant provisions of the UK Corporate Governance Code; and considering whether the statement is consistent with the financial statements and our knowledge and understanding of the company and its environment obtained in the course of the audit.

In addition, based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement is materially consistent with the financial statements and our knowledge obtained during the audit:

- The directors' statement that they consider the Annual Report, taken as a whole, is fair, balanced and understandable, and provides the information necessary for the members to assess the company's position, performance, business model and strategy;
- The section of the Annual Report that describes the review of effectiveness of risk management and internal control systems; and
- The section of the Annual Report describing the work of the Audit Committee.

We have nothing to report in respect of our responsibility to report when the directors' statement relating to the company's compliance with the Code does not properly disclose a departure from a relevant provision of the Code specified under the Listing Rules for review by the auditors.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

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

In preparing the financial statements, the directors are responsible for assessing the 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.

Independent Auditor's Report *continued*

Auditors' responsibilities for the audit of the financial statements

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

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

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to breaches of section 1158 of the Corporation Tax Act 2010, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies (Jersey) Law 1991. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journals, and management bias in accounting estimates and judgements applied by management in valuation of investments held at fair value through profit or loss, as described in our key audit matter. Audit procedures performed by the engagement team included:

- Discussions with management, risk and compliance, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud impacting the Company;
- Reviewing relevant meeting minutes, including those of the Board of Directors, Risk Committee and the Audit Committee;
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing;
- Procedures relating to judgemental areas of accounting and significant estimation, including as described in the related key audit matter;
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations; and
- Reviewing of financial statement disclosures to underlying supporting documentation.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Article 113A of the Companies (Jersey) Law 1991 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

OTHER REQUIRED REPORTING

Companies (Jersey) Law 1991 exception reporting

In respect solely of the limitation on our work relating to the timing of recognition related to the loss on investments, described in the Basis for qualified opinion paragraph above:

- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and
- we were unable to determine whether proper accounting records have been kept by the company.

Under the Companies (Jersey) Law 1991 we are also required to report to you if, in our opinion:

- proper returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

OTHER VOLUNTARY REPORTING

Directors' remuneration

The company voluntarily prepares a Directors' Remuneration Report in accordance with the provisions of the UK Companies Act 2006. The directors requested that we audit the part of the Directors' Remuneration Report specified by the UK Companies Act 2006 to be audited as if the company were a UK quoted company.

In our opinion, the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the UK Companies Act 2006.

Kevin Rollo
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Recognized Auditor
London
30 April 2025

Statement of Comprehensive Income

For the year ended 31 December 2024

	Note	Year ended 31 December 2024 Revenue £'000	Year ended 31 December 2024 Capital £'000	Year ended 31 December 2024 Total £'000	Year ended 31 December 2023 Revenue £'000	Year ended 31 December 2023 Capital £'000	Year ended 31 December 2023 Total £'000
Income							
Income from investments held at fair value	5	–	–	–	27,972	–	27,972
Losses on investments held at fair value	10	–	(381,580)	(381,580)	–	(252,014)	(252,014)
Other income	5	3,130	–	3,130	3,471	–	3,471
Total income/(loss)		3,130	(381,580)	(378,450)	31,443	(252,014)	(220,571)
Expenses							
Investment management fees	6	(5,210)	(1,736)	(6,946)	(6,501)	(2,167)	(8,668)
Other operating expenses	7	(3,650)	–	(3,650)	(4,615)	–	(4,615)
Total operating expenses		(8,860)	(1,736)	(10,596)	(11,116)	(2,167)	(13,283)
Exceptional item	8	–	–	–	–	(3,478)	(3,478)
Operating (loss)/profit		(5,730)	(383,316)	(389,046)	20,327	(257,659)	(237,332)
Finance expense		–	–	–	(1)	–	(1)
(Loss)/profit on ordinary activities before taxation		(5,730)	(383,316)	(389,046)	20,326	(257,659)	(237,333)
Taxation	9	–	–	–	–	–	–
(Loss)/profit and total comprehensive (expense)/ income attributable to shareholders		(5,730)	(383,316)	(389,046)	20,326	(257,659)	(237,333)
(Loss)/earnings per Ordinary Share – basic and diluted (p)	23	(0.66p)	(44.30p)	(44.96p)	2.35p	(29.78p)	(27.43p)

The total column of this statement is the Statement of Comprehensive Income of Digital 9 Infrastructure Plc ("the Company") prepared in accordance with International Financial Reporting Standards, 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 Statement of Comprehensive Income includes all recognised gains and losses.

The accompanying notes below form part of these Financial Statements.

Statement of Financial Position

As at 31 December 2024

	Note	31 December 2024 £'000	31 December 2023 £'000
Non-current assets			
Investments at fair value through profit or loss	10	**286,181**	676,060
Total non-current assets		**286,181**	676,060
Current assets			
Trade and other receivables	11	**3,251**	1,471
Cash and cash equivalents	12	**12,100**	14,809
Total current assets		**15,351**	16,280
Total assets		**301,532**	692,340
Current liabilities			
Trade and other payables	13	**(4,247)**	(6,009)
Total current liabilities		**(4,247)**	(6,009)
Total net assets		**297,285**	686,331
Equity attributable to equity holders			
Stated capital	14	**793,286**	793,286
Capital reserve		**(507,081)**	(123,765)
Revenue reserve		**11,080**	16,810
Total equity		**297,285**	686,331
Net asset value per Ordinary Share – basic and diluted	24	**34.36p**	79.33p

The Financial Statements set out on pages 78 to 103 were approved and authorised for issue by the Board on 30 April 2025 and signed on its behalf by:

Eric Sanderson
Chair
30 April 2025

The accompanying notes below form part of these Financial Statements.

Statement of Changes in Equity

For the year ended 31 December 2024

	Note	Stated capital £'000	Capital reserve £'000	Revenue reserve £'000	Total equity £'000
Balance as at 1 January 2023		819,242	133,894	(3,516)	949,620
Transactions with owners					
Dividends paid	15	(25,956)	–	–	(25,956)
(Loss)/profit and total comprehensive (expense)/income for the period		–	(257,659)	20,326	(237,333)
Balance as at 31 December 2023		793,286	(123,765)	16,810	686,331

	Note	**Stated capital £'000**	**Capital reserve £'000**	**Revenue reserve £'000**	**Total equity £'000**
Balance as at 1 January 2024		**793,286**	**(123,765)**	**16,810**	**686,331**
Transactions with owners					
Dividends paid	15	**–**	**–**	**–**	**–**
Cost of issue of shares		**–**	**–**	**–**	**–**
Issue of share capital		**–**	**–**	**–**	**–**
(Loss)/profit and total comprehensive (expense)/income for the period		**–**	**(383,316)**	**(5,730)**	**(389,046)**
Balance as at 31 December 2024		**793,286**	**(507,081)**	**11,080**	**297,285**

The accompanying notes below form part of these Financial Statements.

Statement of Cash Flows

For the year ended 31 December 2024

	Note	Year ended 31 December 2024 £'000	Year ended 31 December 2023 £'000
Cash flows from operating activities			
Total comprehensive income			
Loss on ordinary activities before taxation		**(389,046)**	(237,333)
Adjustments for:			
Losses on investments held at fair value	10	**381,580**	252,014
Cash flow (used in)/generated from operations		**(7,466)**	14,681
Cash flow from operations			
Increase in trade and other receivables	11	**(1,779)**	(55)
(Decrease)/increase in trade and other payables	13	**(1,762)**	3,241
Net cash (outflow)/inflow from operating activities		**(11,007)**	17,867
Cash flows from investing activities			
Loans to subsidiaries		**(5,300)**	(7,103)
Loans repayment from subsidiaries		**13,598**	–
Purchase of investments at fair value through profit or loss	10	**–**	–
Net cash flow generated from/(used in) investing activities		**8,298**	(7,103)
Cash flows from financing activities			
Proceeds from issue of Ordinary Shares	14	**–**	–
Dividends paid	15	**–**	(25,956)
Cost of issue of shares	14	**–**	–
Net cash flow used in financing activities		**–**	(25,956)
Net decrease in cash and cash equivalents		**(2,709)**	(15,192)
Reconciliation of net cash flow to movements in cash and cash equivalents			
Cash and cash equivalents at the beginning of the year		**14,809**	30,001
Net decrease in cash and cash equivalents		**(2,709)**	(15,192)
Cash and cash equivalents at the end of the year	12	**12,100**	14,809

The accompanying notes below form part of these Financial Statements.

Notes to the Financial Statements

For the year ended 31 December 2024

1. 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 is tax domiciled in the United Kingdom.

The Company was incorporated on 8 January 2021 and is a public company and the ultimate controlling party of the Group. 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, following its IPO which raised gross proceeds of £300 million. A further £175 million was injected following the second equity raise on 10 June 2021 and a total of £155.2m injected following two further equity raises in 2022. It was admitted to the premium listing segment of the Official List of the Financial Conduct Authority and migrated to trading on the premium segment of the Main Market on 30 August 2022. The Company is listed on the closed-ended investment funds category of the FCA's Official List and its Ordinary Shares are traded on the London Stock Exchange's Main Market.

Following the Strategic Review and shareholder vote in March 2024 for the Company to enter into a Managed Wind-Down, the Company's principal activity is to execute the Managed Wind-Down of the Company and realise all existing assets in the Company's portfolio in an ordinary manner.

These 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.

2. BASIS OF PREPARATION

These financial statements for the year ended 31 December 2024 have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union.

Where presentational guidance set out in the AIC SORP is consistent with the requirements of IFRS as adopted by the EU, 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 Statement of Comprehensive Income between items of a revenue and capital nature has been presented alongside the total Statement of Comprehensive Income.

The functional and reporting currency is sterling, reflecting the primary economic environment in which the Company operates. Transactions in foreign currencies are translated into sterling at the rates of exchange ruling on the date of the transaction. Foreign currency monetary assets and liabilities are translated into sterling at the rates of exchange ruling at the balance sheet date.

The financial statements have been prepared on a historical cost basis, except for the following:

- Investments at fair value through profit or loss

The accounting policies adopted are consistent with those of the previous financial year.

The principal accounting policies to be adopted are set out below and will be consistently applied, subject to changes in accordance with any amendments in IFRS.

IFRS 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (an exit price). When measuring fair value, the Company takes into consideration the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date, including assumptions about risk.

The Company accounts for its investment in its wholly-owned direct subsidiary D9 Holdco at fair value. The investment in D9 Holdco which will principally comprise working capital balances and investments in Digital Infrastructure Projects, are required to be included at fair value in the carrying value of investments. Consequently, the Company does not consolidate its subsidiaries or apply IFRS 3 business combinations when it obtains control of another entity as it is considered to be an investment entity under IFRS. Instead, the Company includes its investment in its subsidiary at fair value through profit or loss.

The Company's Investment Manager and the Company's Board are currently in the process of undertaking a Managed Wind-Down of the Company and realising all existing assets in the portfolio in an orderly manner.

D9 Holdco is itself an investment entity. Consequently, the Company need not have an exit strategy for its investment in D9 Holdco.

Notes to the Financial Statements

For the year ended 31 December 2024

(a) Going Concern

Material Uncertainty

Following the recent shareholder vote at the General Meeting, the Company is now in a Managed Wind-Down. The audited Financial Statements for the year ended 31 December 2024 continue to be prepared on a going concern basis.

As part of the Strategic Review, 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. As such, whilst the Company will continue to consider and be open to all options for Arqiva which are value-accretive to shareholders, the Board has decided to defer launching a sale process for the Company's stake in Arqiva.

Given the time frame involved in the divestment of Arqiva, the Board believes that the Going Concern approach to the preparation of the Financial Statements remains appropriate.

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 becomes obligated to make such payments in the future.

At the upcoming AGM in June 2025, the Directors, as required under the Company's Articles of Association, will put to shareholders an ordinary resolution that the Company continues its business as presently constituted ("Continuation Resolution"). If the Continuation Resolution is not passed, the Directors shall put forward proposals for the reconstruction or reorganisation of the Company to shareholders as soon as reasonably practicable. Typically, companies seek to remove the requirement to propose any further continuation or discontinuation resolution required pursuant to their constitutional documents at the same time as they seek shareholder approval to amend their investment policy in order to pursue a Managed Wind-Down. However, this was omitted from the business of the Company held on 25 March 2024 and therefore the Continuation Resolution must be presented at this year's AGM in accordance with the Articles of Association. The Directors consider that the Continuation Resolution will pass as it is considered that this would be in shareholders' best interests, the Company is already in Managed Wind-Down as voted overwhelmingly in favour by shareholders in March 2024, and more recently through engagement with significant shareholders. Nonetheless, the Board recognises that this represents a material uncertainty over going concern.

The Directors have considered the cashflow assumptions for a period of 12 months following the approval of the financial statements and as part of this have considered the requirements for the Company to repay the RCF and the expected cash inflows from the divestment of assets. The Directors have also considered a number of severe, but plausible downside scenarios to these cashflow assumptions and the potential mitigating actions the Company has at its disposal to address these scenarios where required.

Given these considerations, the Directors believe that the Company and the Group have adequate resources to continue to operate for a period of at least 12 months from the date of approval of the financial statements. However, given that a degree of uncertainty exists in the timing of ongoing strategic initiatives which includes management's ability to repay the Group's existing RCF (of which c.£53 million remains at 30 April 2025), there exists a material uncertainty which may cast significant doubt over the Company's ability to continue as a going concern.

As noted in the Company's RNS announcement on 14 March 2025, the Company has agreed with the existing lenders, to extend the facility for a committed three-month term expiring 16 June 2025, and if required two further three-month extension period options expiring 16 December 2025, subject to lender agreement at that time.

The Board believes that the proceeds for agreed divestment of EMIC-1 will be received prior to 16 June 2025 (RCF expiry) however at the time of approval of the accounts these have not been received due to the procedural and administrative closing process for the transaction.

It is the Board's belief, having discussed with lenders, that should the EMIC-1 proceeds be received and used to materially repay the existing balance of the RCF ahead of its current expiry on 16 June 2025, leaving circa. £15m remaining balance at the point of maturity, existing lenders would be willing to discuss a proposal with their respective credit committees to extend the facility for a further three months to 15 September 2025. Should further extension of the RCF be required, but not agreed by the lenders, the Company would intend to pursue alternative financing until such time as sufficient divestment proceeds have been received.

As discussed elsewhere, the Company has agreed the divestment of Aqua Comms which would allow for full repayment of the remainder of the RCF, however the timing of completion of that divestment is dependent on regulatory approvals so remains uncertain. The Company is also pursuing further asset divestments, distribution of available cash from D9 portfolio companies, and portfolio company level debt raising activities that would allow for the full repayment of the RCF, however at this time no such divestments have been completed.

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For the year ended 31 December 2024

As outlined, the Board and InfraRed have been working towards effecting the Managed Wind-Down following this being mandated by shareholders in March 2024. The targeted completion of this Managed Wind-Down continues to be circa. 2028 and therefore the Directors believe that it continues to be appropriate to prepare the financial statements on a going concern basis. However, as outlined above, this assessment is dependent on the Group either completing the divestment of assets to fund the repayment of the remaining balance of the RCF due by 16 June 2025 or alternatively refinancing this debt or extending the maturity date of the RCF. These conditions indicate the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the Company were unable to continue as a going concern.

(b) Investment entities

Following the shareholder vote at the General Meeting in March 2024, 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, but 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.

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 criterion 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 criterion, the notion of an investment time frame is critical. An investment entity should not hold its investments indefinitely but should have an exit strategy for their realisation. The Company is now in a Managed Wind-Down with the intention to sell all its investments and return capital to investors.

In March 2024 the Company sold 100% of its ownership in the Verne Global group of companies, in December 2024 and post year-end in January 2025 the Company entered into a binding agreement for the divestment of its interest in EMIC-1 and Aqua Comms respectively, demonstrating the exit strategy.

The Company satisfies the third criterion 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 of 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.

The absence of any of these typical characteristics does not necessarily disqualify an entity from being classified as an investment entity. As D9 Holdco divests its investments it is inevitable it will have only one investment at some point. As the aim will be to sell that investment to generate returns for investors, this will not change the analysis as to whether the Company meets the definition of an investment entity.

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

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For the year ended 31 December 2024

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 in March 2024, 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".

(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 financial statements. The most significant of these standards are set out below:

New standards and amendments – applicable 1 January 2024

(a) Lease liability in a Sale and Leaseback (Amendment to IFRS 16)

(b) Classification of Liabilities as Current or Non-current – Amendments to IAS 1

(c) Amendments to IAS 1 Presentation of Financial Statements

- Non-current liabilities with covenants
- Deferral of Effective Date Amendment (published 15 July 2020)

(d) IAS 7 "Statement of Cash Flows" and IFRS 7 "Financial Instruments: Disclosures (Amendment – Supplier Finance Arrangements)"

FORTHCOMING REQUIREMENTS

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

(a) IFRS 17 "Insurance Contracts"

(b) Definition of Accounting Estimates – Amendments to IAS 8

(c) Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12

3. SIGNIFICANT ACCOUNTING POLICIES

(a) Financial Instruments

Financial assets and financial liabilities are recognised on the Company's Statement of Financial Position when the Company becomes a party to the contractual provisions of the instrument. Financial assets are to be derecognised when the contractual rights to the cash flows from the instrument expire or the asset is transferred, and the transfer qualifies for derecognition in accordance with IFRS 9 "Financial Instruments".

The Company did not use any derivative financial instruments during the period.

(i) Financial assets

The Company's investment in D9 Holdco comprises both equity and debt. The Company classifies its financial assets as either investments at fair value through profit or loss or financial assets at amortised cost (e.g. cash and cash equivalents and trade and other receivables). The classification depends on the purpose for which the financial assets are acquired. Management determines the classification of its financial assets at initial recognition.

(ii) Investments at fair value through profit or loss

At initial recognition, the Company measures its investments through its investment in D9 Holdco, at fair value through profit or loss and any transaction costs are expensed to the Statement of Comprehensive Income. The Company will subsequently continue to measure all investments at fair value and any changes in the fair value are to be recognised as unrealised gains or losses through profit or loss within the capital column of the Statement of Comprehensive Income.

IFRS 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (an exit price). When measuring fair value, the Company takes into consideration

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the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date, including assumptions about risk.

(iii) Financial liabilities and equity

Debt and equity instruments are measured at amortised cost and are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

All financial liabilities are classified as at amortised cost. These liabilities are initially measured at fair value less transaction costs and subsequently using the effective interest method.

(iv) Equity instruments

The Company's Ordinary Shares are classified as equity under stated capital and are not redeemable. Costs associated or directly attributable to the issue of new equity shares, including the costs incurred in relation to the Company's IPO on 31 March 2021 and its subsequent equity raises, are recognised as a deduction in equity and are charged against stated capital.

(b) Finance income

Finance income is recognised using the effective interest method. This is calculated by applying the effective interest rate to the gross carrying amount of a financial asset unless the assets subsequently became credit impaired. In the latter case, the effective interest rate is applied to the amortised cost of the financial asset. Finance income is recognised on an accruals basis.

(c) Finance expenses

Borrowing costs are recognised in the Statement of Comprehensive Income in the period to which they relate on an accruals basis.

(d) Fair value estimation for investments at fair value

The fair value of financial investments at fair value through profit or loss is based on the valuation models adjusted in accordance with the IPEV (International Private Equity and Venture Capital) valuation guidelines December 2022 to comply with IFRS 13.

The Company records the fair value of D9 Holdco by calculating and aggregating the fair value of each of the individual investments in which the Company holds an indirect investment. The total change in the fair value of the investment in D9 Holdco is recorded through profit and loss within the capital column of the Statement of Comprehensive Income.

(e) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and deposits held on call with banks. Deposits to be held with original maturities of greater than three months are included in other financial assets. Cash and cash equivalents are measured at amortised cost using the effective interest method and assessed for expected credit losses at each reporting date.

There are no material expected credit losses as the bank institution has high credit ratings assigned by international credit rating agencies.

(f) Trade and other receivables

Trade and other receivables are measured at amortised cost using the effective interest method, less any impairment. They are included in current assets, except where maturities are greater than 12 months after the reporting date, in which case they are to be classified as non-current assets.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the relevant asset's carrying amount.

Impairment provisions for all receivables are recognised based on a forward-looking expected credit loss model using the simplified approach. The methodology used to determine the amount of the provision is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. For those where the credit risk has not increased significantly since initial recognition of the financial asset, 12-month expected credit losses along with gross interest income are recognised. For those for which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

(g) Amortised costs

Assets that are held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest, are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as a separate line item in the statement of profit or loss.

(h) Trade and other payables

Notes to the Financial Statements

For the year ended 31 December 2024

Trade and other payables are classified as current liabilities if payment is due within one year or less from the end of the current accounting period. If not, they are presented as non-current liabilities. Trade and other payables are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method until settled.

(i) Segmental reporting

The Chief Operating Decision Maker (the “CODM”) being the Board of Directors, is of the opinion that the Company is engaged in a single segment of business, being investment in digital infrastructure projects.

The internal financial information to be used by the CODM on a quarterly basis to allocate resources, assess performance and manage the Company will present the business as a single segment comprising the portfolio of investments in digital infrastructure assets.

(j) Foreign currency transactions and balances

Transactions in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the Statement of Comprehensive Income as a revenue or capital item depending on the income or expense to which they relate.

All exchange differences recognised in income or expenses, except for those arising on financial instruments measured at fair value through profit or loss in accordance with IFRS 9, is on an aggregate net basis. The total amount of exchange differences recognised in income or expenses includes exchange differences recognised on subsequent settlement and retranslation to the closing rate on balances arising from foreign currency transactions.

(k) Revenue recognition

Gains and losses on fair value of investments in the Statement of Comprehensive Income will represent gains or losses that arise from the movement in the fair value of the Company’s investment in D9 Holdco.

Investment income comprises dividend income received from the Company’s subsidiary. Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

Other income is recognised to the extent that the economic benefits will flow to the Company and the income can be reliably measured. Income is measured as the fair value of consideration received or receivable, excluding discounts, rebates and value added tax. Other income comprises fees charged to Investee Companies under a Management Services Agreement. Other income is recognised 100% through revenue.

Dividend income receivable on equity shares is recognised on the ex-dividend date. Dividend income on equity shares where no ex-dividend date is quoted is brought into account when the Company’s right to receive payment is established.

(l) Dividends

Dividends payable are recognised as distribution in the financial statements in the period in which they are paid or when the Company’s obligation to make payment has been established.

(m) Expenses

Expenses are accounted for on an accruals basis. Share issue costs of the Company directly attributable to the issue and listing of shares are charged to stated capital. The Company’s investment management fee, administration fees and all other expenses are charged through the Statement of Comprehensive Income.

In order to better reflect the activities of an investment trust company and in accordance with guidance issued by the AIC SORP, supplementary information which analyses the Statement of Comprehensive Income between items of a revenue and a capital nature has been presented alongside the Statement of Comprehensive Income.

Expenses have been charged wholly to the revenue column of the Statement of Comprehensive Income, except as follows:

- expenses which are incidental to the acquisition or disposal of an investment are treated as capital;
- expenses are treated as capital where a connection with the maintenance or enhancement of the value of the investments can be demonstrated; and
- the investment management fee has been allocated 75% to revenue and 25% to capital on the Statement of Comprehensive Income in line with the Board’s expected long-term split of returns, in the form of income and capital gains respectively, from the investment portfolio.

(n) Acquisition costs and disposals

In line with SORP, acquisition costs and disposals are expensed to the capital column of the Statement of Comprehensive Income as they are incurred for investments which are held at fair value through profit or loss.

(o) Taxation

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The tax expense represents the sum of the tax currently payable and deferred tax. The tax currently payable is based on the taxable profit for the year. Taxable profit differs from net profit as reported in the Statement of Comprehensive Income because it excludes items of income or expenses that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that were applicable at the balance sheet date.

Where expenses are allocated between the capital and revenue accounts, any tax relief in respect of expenses is allocated between capital and revenue returns on the marginal basis using the Company's effective rate of corporation tax for the accounting period.

Deferred taxation is recognised in respect of all temporary differences that have originated but not reversed at the financial reporting date, where transactions or events that result in an obligation to pay more taxation in the future or right to pay less taxation in the future have occurred at the financial reporting date. This is subject to deferred tax assets only being recognised if it is considered more likely than not that there will be suitable profits from which the future reversal of the temporary differences can be deducted. Deferred tax is measured on a non-discounted basis, at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

(p) Earnings per share

The Company presents basic and diluted earnings per share ("EPS").

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company, excluding any costs of servicing equity other than Ordinary Shares; by
- the weighted average number of Ordinary Shares outstanding during the financial year, adjusted for bonus elements in Ordinary Shares issued during the year and excluding treasury shares.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after-income tax effect of interest and other financing costs associated with dilutive potential Ordinary Shares; and
- the weighted average number of additional Ordinary Shares that would have been outstanding assuming the conversion of all dilutive potential Ordinary Shares.

4. 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(b), 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 fair value of 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. For December 2024 the Board received and challenged an independent report and opinion on the Investment Manager's valuation from a third-party valuation expert on Arqiva and Elio Networks.

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 a period of up to 25 years 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.

To do this, implied multiples from the DCF analysis are calculated and considered against the multiples available for reasonably comparable quoted companies and any relevant recent sector transactions. It should be noted that finding directly comparable

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companies to Arqiva and Elio Networks is challenging and as a result no directly comparable companies have been identified. Similarly, there have been few recent transactions with publicly available information where the target is directly comparable to the businesses. As a result, whilst the market multiples approach is a useful crosscheck to the DCF analysis, less reliance should be placed upon it.

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 key risks to the portfolio are discussed in further detail in the Risk report.

Arqiva, Elio Networks and SeaEdge UK1 are 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. For this reporting period, the Company had a signed SPA for its interest in EMIC-1 and Aqua Comms. At the reporting date, these assets were held at the value of proceeds to be received under the SPA. For the Verne Earn Out the Investment Manager valued this based on its best estimation to realise value having reviewed and considered the contractual Earn Out mechanism, as well as the performance and outlook of the Verne business.

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 14.0%.

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.

We note that the December 2023 valuations are being reviewed by an independent expert as discussed in the Chair's Statement. Please refer to the Prior Year Adjustment Review subsection in the Chair's Statement for more information.

5. INCOME FROM INVESTMENTS HELD AT FAIR VALUE AND OTHER INCOME

	Year ended 31 December 2024 £'000	Year ended 31 December 2023 £'000
UK dividends	**–**	27,972
Loan interest income	**2,545**	2,617
Other income	**585**	854
	3,130	31,443

Dividends are under income from investments whist other Income comprises Management Services Fees charged to the Company's subsidiaries.

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6. INVESTMENT MANAGEMENT FEES

	Year ended 31 December 2024			Year ended 31 December 2023		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Management fees	**5,209**	**1,736**	**6,945**	6,501	2,167	8,668
Total management fees	**5,209**	**1,736**	**6,945***	6,501	2,167	8,668

* Allocated as £5.3 million due to Triple Point for 2024 fees and £0.7 million for 2025 fees (as explained below), and £840k due to InfraRed Capital Partners Limited ("InfraRed") for the period from 11 October 2024 to 31 December 2024, as the interim service agreement was in effect from 11 October 2024 to 10 December 2024, and under the Investment Management Agreement between the Company and InfraRed from 11 December 2024 to 31 December 2024. For 2024, the Company has maintained its allocation of management fees between revenue and capital. Following the change in strategy, the Board has decided to stop allocating indirect costs between capital and revenue as it is not a useful metric in a wind-down scenario.

The Company and Triple Point Investment Management LLP ("Triple Point") entered into an Investment Management Agreement on 8 March 2021 and a Side Letter dated 17 March 2021. The Company served notice of termination to Triple Point in March 2024 following the completion of the Verne Global sale, with the Triple Point investment management agreement to terminate on 31 March 2025. On 11 October 2024, the Company entered into a new Investment Management Agreement with InfraRed ("New IMA"), which became effective from 11 December 2024 at which point Triple Point's role as AIFM terminated. For the period from 11 October 2024 to 11 December 2024 (being the date on which the New IMA became effective), the Company entered into an interim support services agreement with InfraRed to work on key deliverables which had the same annual fee as the New IMA. Details of the fees are set out below.

The Investment Manager (being Triple Point up to 11 December 2024, and InfraRed from 11 December 2024), has certain roles and responsibilities which are subject to certain restrictions under their respective agreements. The investment manager has 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 also appointed to be responsible for risk management and portfolio management and is the Company's AIFM. The Investment Manager has full discretion under their 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 their investment management agreement.

With effect from 31 March 2021 until 31 March 2025, the Company was obliged to pay Triple Point a management fee (the "TP 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 year-end was £2.8 million (2023: £4.2 million) which reflects the fees from 1 July 2024 to 31 March 2025. Fees accrued to March 2025 represent the maximum amount payable to Triple Point whilst negotiations on their final fee are ongoing and are based on the published Net Asset Value.

The management fee for Triple Point, which under their Investment Management Fee they are entitled to until 31 March 2025, and has been fully accrued to that point in these accounts was calculated at the rates set out below:

Adjusted Net Asset Value	Annual Management Fee (percentage of Adjusted Net Asset Value)
On such part of the Adjusted Net Asset Value that is up to and including GBP 500 million	1.0%
On such part of the Adjusted Net Asset Value that is above GBP 500 million and up to and including GBP 1 billion	0.9%
On such part of the Adjusted Net Asset Value that exceeds GBP 1 billion	0.8%

From 11 December 2024, the Investment Manager was InfraRed, and they were entitled to receive an annual management fee on the following basis:

1. InfraRed will receive a fixed annual management fee of £3.75 million for 36 months from 11 December 2024 and a reduced management fee of £1.75 million per annum thereafter until the Group's last asset is sold.
2. 10% of the annual management fee (net of applicable taxes) will be used to acquire shares in the capital of D9 in the secondary market, unless it would be unlawful to do so. These shares will be subject to lock-in and orderly market provisions.
3. Following the sale of the final asset, a fee of £100,000 per month will be payable until the earlier of a) the Company being delisted, and b) six months from the date of completion of the sale of the final asset.

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4. To appropriately align InfraRed with shareholder outcomes, InfraRed will also be entitled to receive a performance fee based on distributions made to shareholders in excess of £225 million. InfraRed will be entitled to a performance fee of 3.5% of any distributions above £225 million, when aggregate distributions are in excess of £225 million but less than £300 million, and 4.75% of any distributions above £300 million when aggregate distributions are in excess of £300 million.

Any distributions to shareholders will be assessed only after repayment of the Group's RCF, any third-party financing and accrued liabilities of the Company. InfraRed will also be entitled to receive certain fees in the event of the termination of its appointment in prescribed circumstances.

Any performance fee payable to InfraRed will not exceed, in aggregate, £15 million.

InfraRed's appointment is terminable by either party by serving six months' notice, with such notice not to expire earlier than 24 months from 11 December 2024.

InfraRed were paid a *pro rata* fee of their annual management fee under an interim support services agreement from 11 October 2024 to 10 December 2024.

7. OTHER OPERATING EXPENSES

	Year ended 31 December 2024 £'000	Year ended 31 December 2023 £'000
Legal and professional fees	**557**	539
Auditors' fees – audit services[1]	**377**	389
Auditors' fees – non-audit services[2]	**102**	145
Directors' fees	**242**	271
Administration and company secretarial fees	**300**	208
Strategic Review costs[3]	**1,631**	2,423
Other administrative expenses	**441**	640
	3,650	4,615

1 Fees excludes audit fees on the financial statements of subsidiaries totalling £467,000 (2023: £616,000).

2 Fees for non-audit services relate to the review of interim financial statements and limited assurance on environmental, social and corporate governance.

3 Strategic Review costs also include technical advisory fees to develop contingency planning to address the Company's historical residual financial uncertainty prior to the completion of the Verne transaction.

8. EXCEPTIONAL ITEM

In the prior year, the Company incurred exceptional costs of £3.5 million in connection with the disposal of its data centre subsidiaries. The break fee incurred by the Company was under a previous transaction structure for the sale of Verne Global, which was under consideration by the Board prior to the definitive agreement reached on 27 November 2023.

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9. 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.

	Year ended 31 December 2024			Year ended 31 December 2023		
	Revenue £'000	**Capital £'000**	**Total £'000**	Revenue £'000	Capital £'000	Total £'000
Net (loss)/profit before tax	**(5,730)**	**(383,316)**	**(389,046)**	20,326	(257,659)	(237,333)
Tax at UK corporation tax standard rate of 25% (2023: 25%)	**(1,432)**	**(95,829)**	**(97,261)**	5,082	(64,415)	(59,333)
Effects of:						
Loss/(Gain) on financial assets not taxable	**–**	**95,395**	**95,395**	–	63,004	63,004
Exempt UK dividend income	**–**	**–**	**–**	(6,993)	–	(6,993)
Expenses not deductible for tax purposes	**–**	**–**	**–**	–	660	660
Excess of allowable expenses	**1,432**	**434**	**1,866**	1,911	751	2,662
Total tax charge	**–**	**–**	**–**	–	–	–

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 £25 million (2023: £18 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 £6 million (2023: £4.5 million).

10. INVESTMENTS 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 an investment at fair value through profit or loss.

Summary of the Company's valuation:

	Total £'000
Year ending 31 December 2024:	
Opening balance 1 January 2024	**676,060**
Equity investments addition in D9 Holdco	**–**
Debt investments reduction in D9 Holdco	**(8,299)**
Change in fair value of investments	**(381,580)**
As at 31 December 2024	**286,181**
Year ending 31 December 2023:	
Opening balance 1 January 2023	920,971
Equity investments addition in D9 Holdco	–
Debt investments addition in D9 Holdco	7,103
Change in fair value of investments	(252,014)
As at 31 December 2023	676,060

The Company views equity and debt instruments as one investment and measures the performance of these investments together. Therefore, the Company's equity and debt investments are presented as investments at fair value through profit or loss in the Statement of Financial Position.

Notes to the Financial Statements

For the year ended 31 December 2024

Included in debt investments as at the year-end is a loan of £27.9 million (2023: £36.2 million) due from D9 Holdco upon which interest is charged at a rate of Sterling Overnight Index Average ("SONIA") plus a 3.75% margin. Interest of £2.5 million (2023: £2.6 million) was charged during the year on the loan. The debt instrument is measured at fair value as at 31 December 2024.

Breakdown of investments in D9 Holdco between equities and debts:

	31 December 2024 £'000	31 December 2023 £'000
Equity investments	**258,272**	639,852
Debt investments	**27,909**	36,208
	286,181	676,060

During the period the Company, through its subsidiary companies, made further investments in existing subsidiaries as follows:

D9 Subsidiaries	Investments	Amount
Digital 9 Subsea Limited	EMIC-1 – progress payments for the construction of subsea cables	\$5.1m (£4.0m)

Valuation process

The valuation process for the valuation at 31 December 2024 was conducted by InfraRed Capital Partners Limited, overseen by the Board, and further supported by an independent review from a newly appointed leading accountancy firm.

In respect of the Aqua Comms and EMIC-1 disposals, the fair value of these investments equals their agreed disposal value, net of transaction costs incurred in the relevant subsidiary; completed post year end.

For the valuations as at 31 December 2023 and 30 June 2024 an independent valuer was appointed to carry out the fair valuation of the financial assets for financial reporting purposes. 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, and 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 acquired underlying investments in special purpose vehicles ("SPV") through its investment in D9 Holdco.

The Board has approved fair market valuations of Arqiva, Elio Networks, SeaEdge and the Verne Global Earn-Out as at 31 December 2024, which were prepared by InfraRed Capital Partners Limited and, for Arqiva and Elio Networks, supported by an independent review by a leading professional firm of valuers. The Directors 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 investments in Aqua Comms and EMIC-1 SPVs are valued at the net amounts expected to be received following their divestment, net of transaction costs.

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 appropriate discount rate is determined based on the Investment Manager's 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 Free Cash Flow to Equity ("FCFE") basis. The portfolio weighted average discount rate for investments valued under the FCFE discounted cash flows approach was 14.0%.
- 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 growth rate factors.
- Future foreign exchange rates of GBP against EUR.

Notes to the Financial Statements

For the year ended 31 December 2024

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 three 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 31 December 2024 and 31 December 2023:

	Date of valuation	Total £'000	Quoted prices in active markets (Level 1) £'000	Significant observable inputs (Level 2) £'000	Significant unobservable inputs (Level 3) £'000
Assets measured at fair value:					
Equity investment in D9 Holdco	31 December 2024	258,272	–	–	258,272
Debt investment in D9 Holdco	31 December 2024	27,909	–	–	27,909
Assets measured at fair value:					
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(d), 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 1% for long-term inflation and 1% for discount rate:

Unobservable inputs	Valuation if rate increases £'000	Movement in valuation £'000	Valuation if rate decreases £'000	Movement in valuation £'000
Inflation (+/- by 1%)	322,603	36,422	248,390	(37,791)
Discount rates (+/- by 1%)	256,760	(29,394)	319,006	32,825

The movement in valuation column is the movement in the value of D9 Holdco which is held on the Company's balance sheet.

11. TRADE AND OTHER RECEIVABLES

	31 December 2024 £'000	31 December 2023 £'000
Amounts due from subsidiary undertakings	**3,170**	385
Other receivables	**81**	1,086
	3,251	1,471

The Directors consider that the carrying value of trade and other receivables approximates their fair value.

Notes to the Financial Statements

For the year ended 31 December 2024

12. CASH AND CASH EQUIVALENTS

	31 December 2024 £'000	31 December 2023 £'000
Cash at bank	12,100	14,809
	12,100	14,809

The Directors consider that the carrying value of cash and cash equivalents approximates their fair value.

13. TRADE AND OTHER PAYABLES

	31 December 2024 £'000	31 December 2023 £'000
Trade payables	93	421
Accruals	4,154	5,588
	4,247	6,009

The Directors consider that the carrying value of trade and other payables approximates their fair value. All amounts are unsecured and due for payment within one year from the reporting date. £2.8 million (2023: £4.1 million) of the above accruals figure relates to fees payable to the Triple Point Investment Management in respect of management fees. £0.8 million relates to management fees for InfraRed Capital Partners Limited (2023: £Nil).

14. STATED CAPITAL

Ordinary shares of no par value

Allotted, issued and fully paid:	No of shares	Price	31 December 2023 £'000
As at 1 January 2023	**865,174,954**		**819,242**
Ordinary Shares at 31 December 2023	**865,174,954**		**819,242**
Dividends paid (Note 15)			(25,956)
Stated capital at 31 December 2023			**793,286**

Allotted, issued and fully paid:	No of shares	Price	31 December 2024 £'000
As at 1 January 2024	**865,174,954**		**793,286**
Ordinary Shares at 31 December 2024	**865,174,954**		**793,286**
Dividends paid (Note 15)			–
Stated capital at 31 December 2024			**793,286**

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.

15. DIVIDENDS PAID

	Dividend per share	Year ended 31 December 2024 £'000	Year ended 31 December 2023 £'000
Dividends period 1 October 2022 to 31 December 2022	1.5 pence	–	12,978
Dividend period 1 January 2023 to 31 March 2023	1.5 pence	–	12,978
Total dividends paid		–	25,956

Notes to the Financial Statements

For the year ended 31 December 2024

16. 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.

Name	Place of business	% Interest	Principal activity	Registered office
Digital 9 Holdco Limited	UK	100%	Holding company	The Scalpel, 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, 52 Lime Street, London EC3M 7AF
Digital 9 Fibre Limited	UK	100%	Intermediate holding company	The Scalpel, 52 Lime Street, London EC3M 7AF
Digital 9 Wireless Limited	UK	100%	Intermediate holding company	The Scalpel, 52 Lime Street, London EC3M 7AF
Digital 9 Subsea Holdco Limited	UK	100%	Intermediate holding company	The Scalpel, 52 Lime Street, London EC3M 7AF
Digital 9 Subsea Limited[1]	UK	100%	Subsea fibre optic network	The Scalpel, 52 Lime Street, London EC3M 7AF
Digital 9 Seaedge Limited[2]	UK	100%	Lease holding company	The Scalpel, 52 Lime Street, London EC3M 7AF
D9 DC Opco 2 Limited[2]	UK	100%	Intermediate holding company	The Scalpel, 52 Lime Street, London EC3M 7AF
D9 DC Opco CAN 1 Limited[9]	Canada	100%	Dormant	44 Chipman Hill Suite 1000 Saint John NB E2L 2A9 Canada
D9 Wireless Opco 1 Limited[3]	UK	100%	Intermediate holding company	The Scalpel, 52 Lime Street, London EC3M 7AF
D9 Wireless Midco 1 Limited[3]	UK	100%	Intermediate holding company	The Scalpel, 52 Lime Street, London EC3M 7AF
D9 Wireless Opco 2 Limited[4]	UK	100%	Intermediate holding company	The Scalpel, 52 Lime Street, London EC3M 7AF
Aqua Comms Designated Activity Company[1]	Ireland	100%	Holding company	The Exchange Building, 4 Foster Place, Dublin 2
Aqua Comms Connect Limited[5]	Ireland	100%	Intermediate holding company	The Exchange Building, 4 Foster Place, Dublin 2
America Europe Connect 2 Limited[5]	Ireland	100%	Subsea fibre optic network	The Exchange Building, 4 Foster Place, Dublin 2
America Europe Connect 2 Denmark ApS[5]	Denmark	100%	Subsea fibre optic network	c/o Bech-Bruun Langeline Alle 35, Copenhagen
North Sea Connect Denmark ApS[5]	Denmark	100%	Subsea fibre optic network	c/o Bech-Bruun Langeline Alle 35, Copenhagen
Aqua Comms Management (UK) Limited[5]	UK	100%	Management company	85 Great Portland Street, London W1W 7LT
Aqua Comms Denmark ApS[5]	Denmark	100%	Subsea fibre optic network	c/o Bech-Bruun Langeline Alle 35, Copenhagen
Aqua Comms (Ireland) Limited[5]	Ireland	100%	Subsea fibre optic network	The Exchange Building, 4 Foster Place, Dublin 2
America Europe Connect Limited[5]	Ireland	100%	Subsea fibre optic network	The Exchange Building, 4 Foster Place, Dublin 2
Celtix Connect Limited[5]	Ireland	100%	Subsea fibre optic network	The Exchange Building, 4 Foster Place, Dublin 2
Aqua Comms Management Limited[5]	Ireland	100%	Management company	The Exchange Building, 4 Foster Place, Dublin 2
Sea Fibre Networks Limited[5]	Ireland	100%	Subsea fibre optic network	The Exchange Building, 4 Foster Place, Dublin 2

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For the year ended 31 December 2024

Name	Place of business	% Interest	Principal activity	Registered office
Aqua Comms (IOM) Limited[5]	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[5]	UK	100%	Subsea fibre optic network	85 Great Portland Street, London W1W 7LT
Aqua Comms Services Limited[5]	Ireland	100%	Subsea fibre optic network	The Exchange Building, 4 Foster Place, Dublin 2
America Europe Connect (UK) Limited[5]	UK	100%	Subsea fibre optic network	85 Great Portland Street, London W1W 7LT
America Europe Connect 2 USA Inc[5]	USA	49%	Subsea fibre optic network	251 Little Falls Drive, Wilmington, Delaware, 19808 USA
Aqua Comms (Americas) Inc[5]	USA	49%	Subsea fibre optic network	3500 South Dupont Highway, Dover, Delaware 19901 Kent, USA
Leeson Telecom Limited[6]	Ireland	100%	Enterprise broadband	6-9 Trinity St, Dublin, D02 EY47, Ireland
Leeson Telecom One Limited[6]	Ireland	100%	Enterprise broadband	6-9 Trinity St, Dublin, D02 EY47, Ireland
Leeson Telecom Holdings Limited[7]	Ireland	100%	Enterprise broadband	6-9 Trinity St, Dublin, D02 EY47, Ireland
W R Computer Network Limited[7]	Ireland	100%	Enterprise broadband	6-9 Trinity St, Dublin, D02 EY47, Ireland
Aqua Comms (Ireland) 2 Limited[10]	Ireland	100%	Subsea fibre optic network	The Exchange Building, 4 Foster Place, Dublin 2
Arqiva Group Limited[8]	UK	48.02%	Holding company	Crawley Court, Winchester, Hampshire SO21 2QA

1 Held by Digital 9 Subsea Holdco
2 Held by Digital 9 DC Limited
3 Held by Digital 9 Wireless Limited
4 Held by D9 Wireless Midco 1 Limited
5 Held by Aqua Comms Designed Activity Company and its intermediate holding companies
6 Held by D9 Wireless Opco 1 Limited
7 Held by Leeson Telecom Limited
8 Held by D9 Wireless Opco 2 Limited
9 Held by D9 DC Opco 2 Limited
10 Held by Digital 9 Subsea Limited

The Investee Companies above are restricted in transferring cash to the Company due to the need to fulfil their capex and operational cash requirements first.

The Company is committed to fund capex totalling £7.4 million (2023: £11.3 million) for Aqua Comms Ireland 2 Limited in respect of the EMIC-1 project.

Notes to the Financial Statements

For the year ended 31 December 2024

17. TRANSACTIONS WITH THE INVESTMENT ADVISERS AND RELATED PARTY DISCLOSURE

Directors

Up to 11 June 2024, the Directors 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. This is with the exception of Eric Sanderson, who was appointed as Chair on 30 May 2024, and is entitled to receive an annual fee of £100,000. From 11 June 2024, the Directors, including Philip Braun, Andrew Zychowski and Robert Burrow, from their respective appointment dates, are entitled to receive an annual fee of £50,000. Aaron Le Cornu was also entitled to a fee of £50,000 from 11 June 2024 to 22 July 2024 when he stepped down as Non-Executive Director, such that his fees were brought in line with these revised remuneration levels. Additional fees were paid to Eric Sanderson, Philip Braun, Andrew Zychowski and Robert Burrow equivalent to their *pro rata* annual fee from the point their induction process commenced to their effective appointment date which took effect on the date that prior written confirmation of no objection of the Jersey Financial Services Commission was received due to the significant time commitment given to the Company during that interim period. Directors are entitled to recover all reasonable expenses properly incurred in connection with performing their duties as a Director.

Director	****Number of Ordinary Shares held	*Dividends received 31 December 2024	*Dividends received 31 December 2023
Aaron Le Cornu (resigned 22 July 2024)*	107,024	–	£2,693
Keith Mansfield (resigned 3 January 2024)*	294,819	–	£3,218
Charlotte Valeur (resigned 30 May 2024)*	10,000	–	£300
Gailina Liew (resigned 11 June 2024*)	–	–	–
Richard Boléat (resigned 23 March 2024)	65,000	–	–
Brett Miller (resigned 25 March 2024)	400,000	–	–
Eric Sanderson (appointed 30 May 2024)	–	–	–
Robert Burrow (appointed 12 August 2024)**	1,350,000	–	–
Philip Braun (appointed 22 July 2024)	–	–	–
Andrew Zychowski*** (appointed 22 July 2024)	2,630,000	–	–

* Dividends disclosed for the period from the date of appointment and up to the date of resignation.

** Robert Burrow's persons closely associated hold 1,350,000 shares in the Company.

*** Andrew Zychowski was appointed as a Non-Executive Director effective 22 July 2024. Andrew Zychowski and persons closely associated to him together hold 2,630,000 shares in the Company. In addition, other family members of Andrew Zychowski hold 603,000 shares in the Company.

**** For those Directors which stepped down during the year, the number of shares disclosed represents their shareholding at the date of their resignation.

Investment Manager

Up to 11 December 2024, the Company considered Triple Point as the Investment Manager to be key management personnel and therefore a related party. From 11 December 2024, the Company considers InfraRed as the Investment Manager to be 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 6.

Transaction with subsidiary undertakings

During the period, the Company received dividend income of £Nil (2023: £28 million) from Digital 9 Holdco Limited.

As per Note 19, the Company, through its subsidiary undertakings, has capital expenditure commitments totalling £7.4 million (2023: £11.3 million).

Loan to subsidiary undertaking

As at the year-end, the Company had provided a total loan of £27.9 million (2023: £36.2 million) to Digital 9 Holdco Limited. The total loan outstanding at the year-end was £27.9 million (2023: £36.2 million). This was used to assist the underlying Investee Companies with their capital expenditure requirements. Interest of £2.5 million (2023: £2.6 million) were charged on the loan during the year.

Notes to the Financial Statements

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Amounts due from subsidiary undertakings

Included within Note 11 is an amount due from subsidiary undertakings:

Subsidiary undertakings:	31 December 2024 £'000	31 December 2023 £'000
Aqua Comms DAC	121	120
D9 DC Opco 1 Limited	N/A	27
D9 DC Opco 3 Limited	N/A	51
D9 Wireless Opco 1 Limited	32	22
D9 Wireless Opco 2 Limited	194	129
Digital 9 Seaedge Limited	10	7
Digital 9 Subsea Limited	23	11
Digital 9 Holdco Limited	2,790	18
	3,170	385

18. EVENTS AFTER THE REPORTING PERIOD

Entering binding agreement for the divestment of Aqua Comms

On 17 January 2025, the Company entered into a binding agreement for the divestment of the Atlantic and Irish Sea subsea fibre business, Aqua Comms, for an equity purchase price of $54 million. The transaction is subject to multi-jurisdictional regulatory approvals, including competition & merger clearance, which are expected to take 12 months from January 2025.

19. COMMITMENTS AND CONTINGENT LIABILITIES

The Company, through its subsidiary undertakings has committed £3.5 million for capital expenditures at 31 December 2024 (2023: £11.3 million). This future capex is related to the Company's investment in EMIC-1. Upon completion of the divestment of EMIC-1, this obligation will cease.

In the prior year, the Company had entered into an SPA to sell its entire equity stake in the Verne Global group of companies. An element of the fees applicable to this transaction were contingent on the transaction being successful. As a result, at the year end the Company had not accrued £5.6 million of fees, as there was still sufficient uncertainty surrounding the closure of the deal. In March 2024, the deal successfully completed, and these fees were paid.

The Company has a contingent liability of up to £6.6 million in relation to success fees related to a third-party adviser whose contract was terminated post year ended 31 December 2024. This would be in respect of a potential Arqiva transaction should this occur within the relevant tail period of one year following termination.

Restated

The below disclosure in relation to Arqiva's Bilsdale site was not included in the prior year accounts. The disclosure contains the information that would have been disclosed in included in the accounts in the prior year.

Arqiva's Bilsdale site returned to full operation in January 2024 following the 2021 fire and subsequent restoration. The Board 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 the Group, 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. The obligation has existed since acquisition, there was no adjustment at 31 December 2023 for the VLNs as there was not sufficient detailed information to determine the value of the adjustment.

Notes to the Financial Statements

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20. FINANCIAL RISK MANAGEMENT

The Company is exposed to market risk, interest rate risk, credit risk and liquidity risk in the current and future periods. The Board oversees the management of these risks. The Board's policies for managing each of these risks are summarised below.

Market Risk

The Company's activities are exposed to a potential reduction in demand for internet, data centre or cell network service and competition for assets and services. In addition, Arqiva's cash flows are dependent upon regulatory factors such as the likely scenarios for the future of Digital Terrestrial Television ("DTT") and the renewal of the BBC Charter. The Company's exposure to market risks in data centres has been reduced following the sale of Verne in the year and the divestments of Aqua Comms and EMIC-1 have also reduced the risk associated with a reduction in demand for internet traffic. Some factors that could impact the volume of demand or the ability to provide competitive pricing includes:

- continued development and expansion of the internet as a secure communications medium and marketplace for the distribution and consumption of data and video
- continued growth in cloud-hosted services as a delivery platform
- ongoing growth in demand for access to high-capacity broadband
- continued focus on technologies, assets and services which can offer competitive pricing and high-quality reliable services
- continued partnership with suppliers to maintain and provide the most cost-effective access

Variations in any of the above factors can affect the valuation of assets held by the Company and as a result impact the financial performance of the Company.

Market risk arising from foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument translated into GBP will fluctuate because of changes in foreign exchange rates. The Company, being Digital 9 Infrastructure PLC does not hold any cash balances in different currencies, however its subsidiaries do, as detailed below.

As a result, the Company is exposed to changes in fair value in its investments, as a result of foreign currency changes. The below tables present the Company's exposure to currency risk through its subsidiaries with foreign currency cash balances.

The Group had the following foreign currency and their GBP equivalent balances at the end of the reporting period:

	USD $'000	EUR €'000	GBP £'000
Bank balances	4,570	1,296	4,726
Investment at fair value	118,283	36,300	124,603

The Company is primarily exposed to changes in USD/GBP on the proceeds of the divestments of Aqua Comms and EMIC-1 and EUR/GBP exchange rate on its investment in Leeson Telecom (Elio Networks). Following the completion of the sale of the Verne Global Group of companies, the exposure to changes in currencies is reduced. The exposure will further reduce once the proceeds of EMIC-1 and Aqua Comms are received. The sensitivity of profit or loss to changes in the exchange rates arises mainly on the fair value of investment. To demonstrate the impact of foreign currency risk (in GBP), a 10% increase / decrease in USD/GBP and EUR/GBP rates are measured as this is in line with the relevant change in the rate during the last six months. The sensitivity is performed on the carrying value of investments on the balance sheet at year end.

	Impact on post tax profit £'000	Impact on other components of equity £'000
USD/GBP and EUR/GBP exchange rates – increase by 10%	(27,703)	(27,703)
USD/GBP and EUR/GBP exchange rates – decrease by 10%	27,703	27,703

The above figures represent impacts of changes in USD/GBP and EUR/GBP exchange rates. The Company's exposure to other foreign exchange movements is not material.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company's interest rate risk on interest-bearing financial assets is limited to interest earned on cash deposit. Exposure to interest rate risk on the liquidity funds is immaterial to the Company.

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Credit risk

Credit risk is the risk that a counterparty of the Company will be unable or unwilling to meet a commitment that it has entered into with the Company. It is a key part of the pre-investment due diligence. The credit standing of the companies which we intend to lend to or invest in is reviewed, and the risk of default estimated for each significant counterparty position. Monitoring is ongoing and period end positions are reported to the Board.

Credit risk arises on the debt investments held at fair value through profit or loss; this includes loans provided to Digital 9 Holdco Limited. The Company's debt investments at fair value through profit or loss is considered to have low credit risk, and management have not recognised any loss allowance during the year.

Credit risk also arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions. The Company and its subsidiaries may mitigate their risk on cash investments and derivative transactions by only transacting with major international financial institutions with high credit ratings assigned by international credit rating agencies. The Company's cash and cash equivalents are all deposited with Barclays Bank plc which has a Fitch rating of A+.

The Company had no derivatives during the period.

The carrying value of the investments, trade and other receivables and cash represent the Company's maximum exposure to credit risk.

Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its financial obligations as they fall due. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions.

The Investment Manager and the Board continuously monitor forecast and actual cash flows from operating, financing, and investing activities to consider payment of dividends, repayment of trade and other payables or funding further investing activities. The Company ensures it maintains adequate reserves and will put in place banking facilities and it will continuously monitor forecast and actual cash flows to seek to match the maturity profiles of financial assets and liabilities. Further analysis on the Company's liquidity is included within the Basis of Preparation – Going Concern assessment.

31 December 2024	**Total £'000**	**1-3 months £'000**	**3-12 months £'000**	**1-2 years £'000**	**2-5 years £'000**	**More than 5 years £'000**
Trade payables	**93**	**93**	**–**	**–**	**–**	**–**
Accruals	**4,154**	**–**	**4,154**	**–**	**–**	**–**
	4,247	**93**	**4,154**	**–**	**–**	**–**

31 December 2023	Total £'000	1-3 months £'000	3-12 months £'000	1-2 years £'000	2-5 years £'000	More than 5 years £'000
Trade payables	421	421	–	–	–	–
Accruals	5,588	–	5,588	–	–	–
	6,009	421	5,588	–	–	–

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For the year ended 31 December 2024

21. FINANCIAL INSTRUMENTS

	Cash at bank balances at amortised cost £'000	Financial assets at amortised cost £'000	Financial liabilities at amortised cost £'000	Financial assets at fair value through profit or loss £'000	Total value £'000
Year ended 31 December 2024					
Non-current assets:					
Equity investments held at fair value through profit or loss	**–**	**–**	**–**	**258,272**	**258,272**
Debt investment held at fair value through profit or loss	**–**	**–**	**–**	**27,909**	**27,909**
Current assets:					
Trade and other receivables	**–**	**3,251**	**–**	**–**	**3,251**
Cash and cash equivalents	**12,100**	**–**	**–**	**–**	**12,100**
Total assets	**12,100**	**3,251**	**–**	**286,181**	**301,532**
Current liabilities:					
Trade and other payables	**–**	**–**	**(4,247)**	**–**	**(4,247)**
Total liabilities	**–**	**–**	**(4,247)**	**–**	**(4,247)**
Net assets	**12,100**	**3,251**	**(4,247)**	**286,181**	**297,285**
Year ended 31 December 2023					
Non-current assets:					
Equity investments held at fair value through profit or loss	–	–	–	639,852	639,852
Debt investment held at fair value through profit or loss	–	–	–	36,208	36,208
Current assets:					
Trade and other receivables	–	1,471	–	–	1,471
Cash and cash equivalents	14,809	–	–	–	14,809
Total assets	14,809	1,471	–	676,060	692,340
Current liabilities:					
Trade and other payables	–	–	(6,009)	–	(6,009)
Total liabilities	–	–	(6,009)	–	(6,009)
Net assets	14,809	1,471	(6,009)	676,060	686,331

22. CAPITAL MANAGEMENT

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to minimise the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

Notes to the Financial Statements

For the year ended 31 December 2024

23. 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:

Year ended 31 December 2024

	Revenue	Capital	Total
Calculation of Basic Earnings per share			
Net (loss)/profit attributable to ordinary shareholders (£'000)	**(5,730)**	**(383,316)**	**(389,046)**
Weighted average number of Ordinary Shares	**865,174,954**	**865,174,954**	**865,174,954**
Earnings per share – basic and diluted	**(0.66p)**	**(44.30p)**	**(44.96p)**

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.

Year ended 31 December 2023

	Revenue	Capital	Total
Calculation of Basic Earnings per share			
Net (loss)/profit attributable to ordinary shareholders (£'000)	20,326	(257,659)	(237,333)
Weighted average number of Ordinary Shares	865,174,954	865,174,954	865,174,954
Earnings per share – basic and diluted	**2.35p**	**(29.78p)**	**(27.43p)**

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.

24. 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:

	31 December 2024	31 December 2023
Net assets at end of period (£'000)	**297,285**	686,331
Number of shares in issue at end of period	**865,174,954**	865,174,954
IFRS NAV per share – basic and dilutive	**34.36p**	79.33p

25.ULTIMATE CONTROLLING PARTY

In the opinion of the Board, on the basis of the shareholdings advised to them, the Company has no ultimate controlling party.

Unaudited Alternative Performance Measures

1. ONGOING CHARGES RATIO

		31 December 2024 £'000	31 December 2023 £'000
Management fee		6,946	8,668
Other operating expenses		2,019	2,192
Total management fee and other operating expenses	(a)	8,964	10,860
Average undiluted net assets*	(b)	491,808	817,975
Ongoing charges ratio % (c = a/b)	(c)	1.82%	1.33%

* Average undiluted net assets is calculated as the average of net assets at 31 December 2023 and 31 December 2024.

2. TOTAL RETURN

		31 December 2024	31 December 2023
Closing NAV per share (pence)		34.36p	79.33p
Add back dividends paid* (pence)		–	12.00p
Adjusted closing NAV (pence)		34.36p	91.33p
Adjusted NAV per share as at the year end less adjusted NAV per share at 31 December 2023 (31 December 2022) (pence)	(a)	(34.36p-79.33p)	(91.33p-118.76p)
Adjusted NAV per share at 31 December 2023 (31 December 2022) (pence)	(b)	79.33p	118.76p
Total return % (c = a/b)	(c)	(56.69%)	(23.10%)

Total return would be different if the valuation of investments at 31 December 2023 were different. As noted in these accounts the Board has elected to appoint an independent expert to review the valuation of certain investments at 31 December 2023 which may impact the total return.

* Total cumulative dividends paid since IPO.

3. MARKET CAPITALISATION

		31 December 2024	31 December 2023
Closing share price at year end (pence)	(a)	18.9p	29.75p
Number of shares in issue at year end	(b)	865,174,954	865,174,954
Market capitalisation (c) = (a) x (b)	(c)	£163,518,066	£257,389,549

4. TOTAL SHAREHOLDER RETURN

A measure of the return based upon share price movements over the period and assuming reinvestment of dividends.

		31 December 2024	31 December 2023
Closing share price (pence)		18.9	29.75
Add back effect of dividend reinvestment (pence)		–	1.29
Adjusted closing share price (pence)	(a)	18.9	31.04
Opening share price at beginning of the year (pence)	(b)	29.75	86.40
Total shareholder return (c = (a-b)/b)	(c)	(36.47)%	(64.08)%

5. INVESTEE COMPANY FINANCIAL INFORMATION FOR THE YEAR ENDING 31 DECEMBER 2024

Financial Period	31 December 2024	31 December 2023
Revenue	£381.0m	£446.6m
% growth year on year	(15%)	10%
EBITDA	£179.2m	£197.7m
% growth year on year	(9%)	(2%)
% margin	47%	44%
Cash Flow from Operations	£166.4m	£162.0m
Capital Expenditure ("Capex")	£110.4m	£109.5m

Unaudited Alternative Performance Measures *continued*

6. DIGITAL 9 HOLDCO REVOLVING CREDIT FACILITY

Following the partial repayment and cancellation of the facility in March and April 2024, the resulting outstanding drawn amount under the facility is £53.3 million.

	30 April 2025 £'000
Revolving Credit Facility Balance	**53,288**

7. LIQUIDITY

The Group cash position comprised of the following at 31 December 2024:

Total Group Cash at 31 December 2024	**£'000**
D9 PLC Unrestricted Cash Balance	**12,100**
Subsidiary Cash Balances	**11,814**
Total Group Cash	**23,914**
Restricted Cash	
RCF Interest Reserve	**(2,736)**
EMIC-1 Escrow	**(3,453)**
Total Unrestricted Cash	**17,725**

Climate-related Financial Disclosures

INTRODUCTION

D9 is a closed-ended investment company, and therefore under Listing Rule 15.4.29R is not required to comply with Listing Rule 9.8.6R(8). The Company has, however, been voluntarily reporting using the four pillars of the Task Force on Climate-Related Financial Disclosures ("TCFD") since its 2024 Sustainability Report. TCFD is the established framework for consistent, comparable and clear reporting on a company's approach to climate-related risks and opportunities and assessing its potential impact on that company. D9's climate-related financial disclosures, set out below, cover the 12-month period to 31 December 2024 (the "Reporting Period") and satisfy the obligation of InfraRed Capital Partners Limited, as the Company's Investment Manager, to prepare a product report for the Company in accordance with section ESG 2.3.5 of the FCA Handbook.

InfraRed was appointed as the Company's Investment Manager and AIFM in charge of implementing D9's Managed Wind-Down, effective on 11 December 2024. As such, InfraRed has prepared this TCFD Report largely based on the TCFD disclosures produced by the Company for the period ending 31 December 2023 (available on the D9 website), with additions and updates of relevance to the Reporting Period or the future management of the D9 portfolio. InfraRed was not involved in the preparation or verification of any of the previously produced TCFD disclosures for the Company and thus has relied on this information in good faith. The information presented in this TCFD Report should be considered in light of this context, and stakeholders are encouraged to conduct their own review related to these disclosures.

GOVERNANCE

TCFD recommended disclosures:

- Describe the board's oversight of climate-related risks and opportunities.
- Describe management's role in assessing and managing climate-related risks and opportunities.

The Board of the Company (the "Board") and the Investment Manager recognise that climate-related risk is inherent in the operation of the Company and are committed to effective risk management to ensure that shareholder value is protected.

As an externally managed investment company, the Company outsources key services to the Investment Manager and other service providers and relies on their systems and controls. The Board has ultimate responsibility for risk management and internal controls within the Company and has convened a Risk Committee to assist it in these responsibilities.

Risks to the Company, including climate-related risks, are formally captured in the Company's Risk Register, which is owned by the Board. The Board and the Investment Manager meet regularly to review the risks facing the Company, including those related to climate change.

InfraRed, as D9's Investment Manager, is responsible for the management of climate-related risks and opportunities associated with the portfolio. The Investment Manager has a process to timely report any identified project-specific risks and opportunities related to climate change and present them to the Board for consideration.

Sustainability matters, including those related to climate risks and opportunities for portfolio companies are periodically discussed between the Investment Manager and the Board, to ensure appropriate level of oversight and consideration by the Board.

RISK MANAGEMENT

TCFD recommended disclosures:

- Describe the organisation's processes for identifying and assessing climate-related risks.
- Describe the organisation's processes for managing climate-related risks.
- Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.

The Company's approach to identifying and managing climate-related risks and opportunities historically involved a portfolio-wide assessment. This process considered both physical and transition risks across all asset types, using forward-looking analysis to identify potential future market, weather, and legislative impacts. The likelihood and impact of each risk were evaluated, along with the financial implications. Identified climate risks were recorded in a risk register for Board review and input.

Climate-related Financial Disclosures *continued*

The significance of each climate-related risk was assessed according to the Company's overall risk management framework, using a three-point scale for likelihood (low, moderate, high) and impact (low, moderate, high). The time horizon over which each risk could become material was defined as: Short-term: 0-5 years, Medium-term: 5-10 years, Long-term: over 10 years, in line with the Company's overall risk management framework. This alignment ensures that any identified risks are integrated into broader risk management and mitigation processes. Climate-related risks are documented in D9's risk register and reviewed by the Board periodically.

Over the course of 2023 and the start of 2024, the Company utilised a specialist external provider[1] to analyse and quantify the risk of physical damage to its assets resulting from climate change across nine climate hazard types. High-resolution climate models, combined with a physical model of the Earth's geology and hydrology, were used to determine the risk of physical damage to assets resulting from acute and chronic changes in climate patterns. Risk exposure was modelled under different climate scenarios as stated below.

Given the Company is in a managed wind-down, InfraRed will utilise the findings of this assessment in managing the climate-related risks and opportunities associated with each portfolio company. Further information about InfraRed's approach to climate-related risks and opportunities is available in its latest sustainability report: https://www.ircp.com/sustainability/.

STRATEGY

TCFD recommended disclosures:

- Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term.
- Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning.
- Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.

The Company recognises the potential impacts of climate change throughout its business, presenting physical risks from more extreme weather patterns, and transitional risks as governments and industries work towards a lower-carbon economy. Whilst the Company's main focus on decarbonising digital infrastructure ultimately bolsters the resiliency of its strategy, exposure to some physical and transition risks exist within its portfolio companies and their wider value chains, which are summarised in the table below.

As the table shows, the Company does not face any risks where the likelihood and financial impact are both high. Risks with high likelihood are currently assessed to have low financial impact.

1 Please note that InfraRed was not involved in this engagement and cannot assume responsibility for determinations made through this analysis as it occurred prior to InfraRed being appointed as the Company's Investment Manager. This statement also applies to the physical and transition risks and opportunities and the scenario analysis outlined below.

Climate-related Financial Disclosures *continued*

Table 1: Physical Risks

Risk	Relevant Subsector	Description and financial impact	Likelihood	Impact	Time horizon
1. Difficulty accessing wireless sites in extreme weather	Wireless	Wireless infrastructure is concentrated in high-elevation, exposed locations. During extreme weather events, when outages or disruptions are most likely to occur, these locations are difficult to access. This may result in financial losses as a result of breach of SLA conditions or due to customer compensation.	High	Low	Short term
2. Storm damage to wireless towers	Wireless	Wireless infrastructure is concentrated in high-elevation, exposed locations. This makes them susceptible to storms that may damage wireless towers, potentially resulting in increased costs to improve infrastructure resilience and financial losses because of a breach of SLA conditions.	Low	Low	Medium term
3. Surface flooding causing delays to fibre laying operations	Terrestrial fibre	Open trench cable laying is particularly weather-dependent and vulnerable to surface flooding in heavy rain. Increased frequency of rainstorms, or increased flash-flood events could reduce the number of days on which cable laying can take place leading to delayed revenues.	Moderate	Low	Medium term
4. Extreme weather impacts leading to delays and interruptions in subsea fibre cable laying and repairs	Subsea fibre	Subsea cable laying operations require extended 'weather windows' in which it is unlikely for wave heights to exceed a narrow threshold. Under more extreme weather conditions, these windows may narrow, and cable laying could be significantly delayed. This can lead to delayed revenues.	Moderate	Moderate	Long term
5. Rising sea levels causing damage to cable landing stations	Subsea fibre	Cable landing stations are necessarily located close to sea level. As sea levels rise, cable landing stations could become flooded, or access could become restricted. This may lead to increased capital costs of relocating cable landing station sites for owned sites and increased costs for relocating equipment or rerouting for leased sites.	High	Low	Long term

The physical risks identified have a low to moderate impact overall. The Company, with support from the Investment Manager, mitigates these risks through appropriate planning, developing remote fixes for common issues, reducing the need to be physically present, and conducting engineering resiliency assessments to account for more extreme future events across at-risk sites. The Investment Manager will continue to assess the appropriateness and effectiveness of these measures as it deems necessary.

Climate-related Financial Disclosures *continued*

Transition risks and opportunities

Risks

The primary transition risk identified for the Company involves the imposition of carbon pricing or taxation on carbon-intensive materials like cement and steel, resulting in higher construction and maintenance costs for portfolio companies. In the view of the Investment Manager the likelihood of this risk remains moderate to high, while its impact is still low. To mitigate this risk in expansion projects, increased costs are incorporated into planning and budgeting where possible. However, if costs rise significantly, the Company expects to be able to pass such increases on to customers.

Opportunities

Key opportunities arising from the transition to a lower-carbon economy include:

Opportunity	Relevant Subsector	Description and financial impact	Likelihood	Impact	Time horizon
On-site renewable energy	Subsea fibre	Renewable power generation could be installed at the Company's owned and operated assets for onsite renewable generation, decreasing energy expenditure and presenting an additional revenue stream. It is recognised this is currently not always a viable option.	Moderate	Low	Short term
Increased demand for subsea fibre links to areas with abundant renewable energy	Subsea fibre	Offshoring of computing power away from metro areas to regions with abundant renewable power requires subsea fibre infrastructure, increasing demands and making new routes economically viable.	Moderate	Moderate	Medium term
Increased demand for smart metering	Wireless	As the length and severity of droughts increase, water utility companies will be under increasing pressure to monitor usage and identify leaks. As requirements for grid flexibility increase, smart energy metering will become more important.	Moderate	Moderate	Medium term
Increased efficiency of wireless assets	Wireless	Re-engineering of AM radio services, or a phase-out of services, would result in a significant reduction in energy consumption. Broadcast TV remains the most energy-efficient media distribution channel, per device hour.	High	Moderate	Medium term

Climate-related Financial Disclosures *continued*

Scenario analysis

Over the course of 2023 and the start of 2024, the Company engaged a third-party adviser to conduct a scenario analysis to better understand the impact of the most significant climate-related risks and opportunities.

Climate scenarios represent possible futures with varying level of responses to, and impacts from, climate change. The two scenarios that were utilised are:

- **Net Zero**: in which warming is limited to 1.5°C by 2050, limiting physical risks but creating high transitional risk due to the introduction of strict climate policies and rapid technology change.
- **Hot House World**: in which warming reaches 4°C, as no new climate policies are introduced and technological progress is slow, limiting transitional risks but presenting significant physical risks.

A range of relevant climate metrics were considered under each of the above scenarios, including annual average temperature increase (°C) and days exceeding 25°C relative to 2020; carbon price ($/tonne), increase in 12-month drought severity, as well as 14 distinct climate hazards.

The analysis took into account the change in these climate metrics under both scenarios by 2050, as well as the potential financial impacts of each risk. These impacts were then aggregated together to give an indicative impact on Net Asset Value under each scenario. For more detail on the Climate Scenario analysis approach and outcomes please see TCFD Disclosures on pages 41-43 of D9's 2023 Sustainability Report: D9's 2023 Sustainability Report

The most significant risks and opportunities for the Company subjected to scenario analysis include:

- Physical risks: rising temperatures, frequent heatwaves, and physical damage to infrastructure[2].
- Transition risks: carbon pricing in the supply chain.
- Transition opportunities: increased demand for smart metering.

InfraRed has reviewed the findings of the analysis and shares the view that the overall impact on the Company's NAV from risks modelled through partial scenario analysis is estimated to be negligible. Although the analysis focused only on a subset of quantifiable prominent risks and opportunities, these are considered more broadly applicable and reflect the resilience of the Company's strategy against climate-related risks. The Company will continue to evolve its approach to scenario analysis in partnership with the Investment Manager in the future where that is beneficial to the efficient and responsible disbursement of assets.

As at 31 December 2024, D9 did not have any direct exposure to carbon-intensive sectors.

METRICS AND TARGETS

TCFD recommended disclosures:

- Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.
- Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas ("GHG") emissions, and the related risks.
- Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.

Given the nature of its business, the D9 does not have operational GHG emissions. Therefore, the Investment Manager is focused on emissions generated by portfolio companies, which are classified as Scope 3 (value chain) emissions for the Company, also referred to as financed emissions.

The Investment Manager uses the energy and GHG emissions data collected from portfolio companies to monitor exposure to the key identified climate risks and opportunities. Metrics are assessed at an individual portfolio company and investment portfolio level in the D9 portfolio at the end of the reporting period.

2 Please note that this risk was pertinent to Data Centres and is no longer applicable to D9 given the sale of Verne Global in March 2024.

Climate-related Financial Disclosures *continued*

Table 2: Metrics monitored for individual portfolio companies

	2023[3]					2024				
Metric	Aqua Comms	Elio Networks	Arqiva	Sea Edge UK1	Verne Global	Aqua Comms	Elio Networks	Arqiva	Sea Edge UK1	Verne Global[4]
Absolute Scope 1 (tCO_2e)	10	1	4,419	7	298	14	1	3,637	2	80
Absolute Scope 2 (tCO_2e) location-based	726	40	40,799	–	6,617	980	50	39,618	–	1,654
Absolute Scope 2 (tCO_2e) market-based	465	57	39,178	–	501	628	82	28,579	–	125
Absolute Scope 3 (tCO_2e)	4,277	462	118,090	N/A	2,977	5,775	11	111,310	N/A	779
Total Absolute GHG emissions (Scope 1, 2 & 3) market-based	4,752	520	161,687	7	3,776	6,416	94	143,526	2	984
Absolute GHG emissions intensity (Scope 1 & 2 tCO_2e / £m Revenue)	17	7	119	N/A	15	15	10	95	N/A	–

Table 3: Portfolio metrics

Metric	2024[5]
Financed Emissions – Scope 1 (tCO_2e)	443
Financed Emissions – Scope 2 (tCO_2e)	3,558
Financed Emissions – Scope 3 (tCO_2e)	17,170
Weighted Average Carbon Intensity of Investee Companies (tCO_2e / £m Revenue)	327
Carbon Footprint (tCO_2e / £m Invested)	71

As the Company enters its wind-down phase, the Investment Manager acknowledges the progress made in establishing climate-related metrics and targets. The Company previously communicated that it intends to implement decarbonisation roadmaps for all fully owned assets.

InfraRed will continue to work with portfolio companies on advancing their approaches where that is beneficial to the efficient and responsible disbursement of assets.

Wider sustainability metrics can be found in D9's SFDR periodic disclosures under Article 8, which are contained within the Company's Annual Report 2024.

3 Please note that 2023 data is as previously reported in D9's Sustainability Report or in the case of Arqiva as reported by the company in its Annual Report. InfraRed cannot confirm this data is directly comparable with the 2024 figures, due to differences in quality and availability of data.

4 Emissions for Verne Global were extrapolated from 2023 and pro-rated for the period the company was in the D9 portfolio in 2024.

5 Includes data for Aqua Comms, Arqiva, Elio Networks, Sea Edge UK1, Verne Global (on pro-rated basis). With the exception of Arqiva, data has been estimated for all other investee companies based on the 2023 actuals reported previously.

Climate-related Financial Disclosures *continued*

Data limitations and methodological notes:

Table 2: Metrics monitored for individual portfolio companies

Emissions data has been disclosed in line with relevant standards and guidelines of the GHG protocol.

2023 data for Aqua Comms and Verne Global was independently verified. For 2024, the Investment Manager has employed reasonable extrapolations derived from the 2023 data for Aqua Comms, Verne Global and Elio Networks given actual data was not readily available at the time of the preparation of this report. Scope 3 emissions include a high degree of estimation and should be treated as approximate. For Arqiva, the data was taken from the company's Annual Reports for both 2023 and 2024. The Investment Manager will continue to work with the portfolio companies on improving data quality and expanding the coverage of underlying data.

Table 3: Portfolio metrics

Portfolio metrics are calculated in line with the TCFD Implementation Guidance for Asset Managers and the PCAF standard. Portfolio footprint and GHG emissions intensity of investee companies include Scope 1, 2 and 3 emissions. These include Aqua Comms, Elio Networks, Arqiva, Sea Edge UK1 and Verne Global (for the period it was held in 2024).

Sustainable Finance Disclosure Regulation ("SFDR") – Periodic Disclosures

Periodic disclosure pursuant to Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Digital 9 Infrastructure Plc **Legal entity identifier:** 213800OQLX64UNS38U92

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It made **sustainable investments with an environmental objective:** ___%	☐ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It made **sustainable investments with a social objective:** ___%	☒ It promoted E/S characteristics, but **did not make any sustainable investments**

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Board of Directors of Digital 9 Infrastructure Plc (the "Company" or "D9") appointed InfraRed Capital Partners Limited ("InfraRed") as the Company's Investment Manager and AIFM in charge of implementing D9's Managed Wind-Down, effective on 11 December 2024. InfraRed was not involved in the preparation or verification of any of the previously produced SFDR pre-contractual or any subsequent disclosures for the Company and thus has solely relied in good faith on the information contained within the Company's Website Disclosures published on its website in April 2024. Accordingly, InfraRed is basing this disclosure on the information available to it from the investee companies since its appointment on 11 December 2024.

D9's original investment proposition was to invest in critical digital infrastructure including subsea and terrestrial fibre optic cables, wireless networks and data centres to help address the demand for global digital communications to drive an interconnected world underpinning economic growth and sustainable economic development. In pursuing this investment proposition, D9 sought to make investment decisions and manage the portfolio in a way that aligns with at least one of the following themes ("**E/S characteristics**"):

1. **Facilitating improved access to information and communication technology** through investment in infrastructure, which enhances connectivity and reduces digital shortfall;
2. **Decarbonisation of digital infrastructure** by engaging with investee companies to encourage energy-efficient and lower-carbon practices in their operations.

Sustainable Finance Disclosure Regulation ("SFDR") – Periodic Disclosures *continued*

During the reporting period, 99% of the Company's portfolio (by value) met at least one of the E/S characteristics as demonstrated by the sustainability indicators and actions outlined below. As the Company has begun its wind-down phase, InfraRed will continue to monitor the attaintment of the E/S characteristics of the Company, while also performing the efficient and responsible ongoing management and disposal of assets.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

How did the sustainability indicators perform?

The performance of the sustainability indicators for the reporting period is outlined in the table below. InfraRed has calculated this solely based on the information provided by D9 investee companies, since InfraRed was appointed as D9's Investment Manager on 11 December 2024. Further details are provided in the Notes column.

Promoted E/S characteristic	Sustainability Indicator	Units	2024	Notes
Facilitating improved access to information and communication technology	*Aqua Comms* Operational network capacity at the end of the period	Tbps	40,620	EMIC1's network was in construction at the end of the reporting period.
	Elio Networks Gross sold network capacity in the reporting period	Mbps	150,978	
	Net sold network capacity in the reporting period	Mbps	74,102	
	Arqiva UK population coverage for Freeview TV services	%	98.5	As reported by Arqiva in its annual report for the period to 30 June 2024.
	Smart meters installed (cumulative)	Number	5+ million	
	SeaEdge UK1 Installed data centre capacity	MW	12.5	
Decarbonisation of digital infrastructure	Scope 1 and 2 GHG emissions intensity	tCO_2e / £m revenue	72	The renewable energy consumption figure covers Arqiva and Aqua Comms – representing 87% (by value) of the D9 portfolio as at the end of the reporting period. Data based on information from investee companies provided to InfraRed.
	Renewable energy consumption in operations	%	94	

…and compared to previous periods?

Promoted E/S characteristic	Sustainability Indicator	Units	2023	2024	Notes
Facilitating improved access to information and	*Aqua Comms*	Tbps	**26,380**	**40,620**	EMIC1's network was in construction at the end of the reporting period.

Sustainable Finance Disclosure Regulation ("SFDR") – Periodic Disclosures *continued*

Promoted E/S characteristic	Sustainability Indicator	Units	2023	2024	Notes
communication technology	Operational network capacity at the end of the period				
	Elio Networks				
	Gross sold network capacity in the reporting period	Mbps	122,850	150,978	
	Net sold network capacity in the reporting period	Mbps	53,877	74,102	
	Arqiva				As reported by Arqiva in its annual report for the period to 30 June 2023 and 2024.
	UK population coverage for Freeview TV services	%	98.5	98.5	
	Smart meters installed (cumulative)	Number	2+ million	5 million	
	SeaEdge UK1				
	Data centre capacity	MW	12.5	12.5	
Decarbonisation of digital infrastructure	Scope 1 and 2 GHG emissions intensity	tCO_2e / £m revenue	42	72	Note that there may be differences in scope of coverage and methodology between 2023 and 2024, as quality and availability of data may differ.
	Renewable energy consumption in operations	%	82	94	

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

N/A, the Company did not make sustainableinvestments during the reporting period.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

N/A

How were the indicators for adverse impacts on sustainability factors taken into account?

N/A

Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

N/A

Sustainable Finance Disclosure Regulation ("SFDR") – Periodic Disclosures *continued*

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

How did this financial product consider principal adverse impacts on sustainability factors?

InfraRed was appointed as the Company's Investment Manager and AIFM in charge of implementing D9's Managed Wind-Down, effective on 11 December 2024. As such, InfraRed was not involved in the original investment process for any of the assets in the portfolio as at 31 December 2024 and no further investments are anticipated.

InfraRed is assessing the principal adverse impacts on sustainability factors (as defined within SFDR) for the existing portfolio of the Company on a forward-looking basis (i.e. from 11 December 2024) through a portfolio monitoring process and dialogue with investee companies. For the year ending on 31 December 2024, this has included the collection of appropriate investee company level data as at the end of 2024. The collected data will help InfraRed understand the current position of each of the investee companies with regards to sustainability-related risks, opportunities and impacts.

What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: **the year to 31 December 2024.**

Largest investments	Sector	Country
Arqiva	*Wireless*	*UK*
Aqua Comms	*Subsea fibre*	*Ireland*
*EMIC-1**	*Subsea fibre*	*Ireland*
Elio Networks	*Wireless*	*Ireland*
SeaEdge UK1	*Data centre*	*UK*
*Verne Global***	*Data centre and subsea fibre landing station*	*Iceland*

* The Board has agreed to sell the investment on 31 December 2024, with completion expected in the first half of 2025.
** The Company completed the sale of its interests in Verne Global in March 2024. The remaining value of the investment relates to a potential earn-out payment, as explained in more detail in the Investment Manager's Report.

Sustainable Finance Disclosure Regulation ("SFDR") – Periodic Disclosures *continued*

Asset allocation describes the share of investments in specific assets.

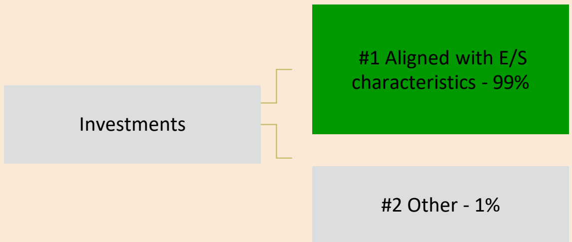
To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

What was the proportion of sustainability-related investments?

What was the asset allocation?



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

In which economic sectors were the investments made?

The Company's investments were in infrastructure assets, in the following sectors: wireless connectivity, subsea fibre, and data centres.

To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

N/A, the Company did not make sustainable investments during the reporting period.

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

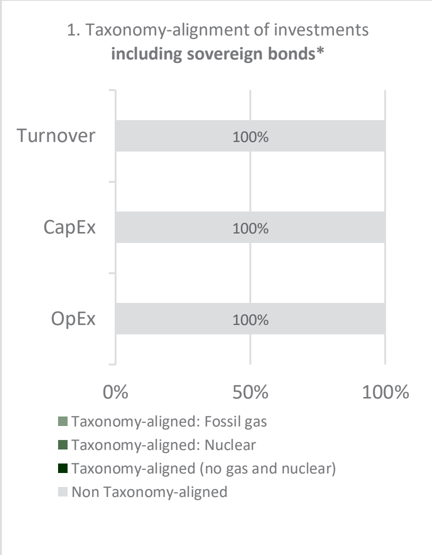
☒ No

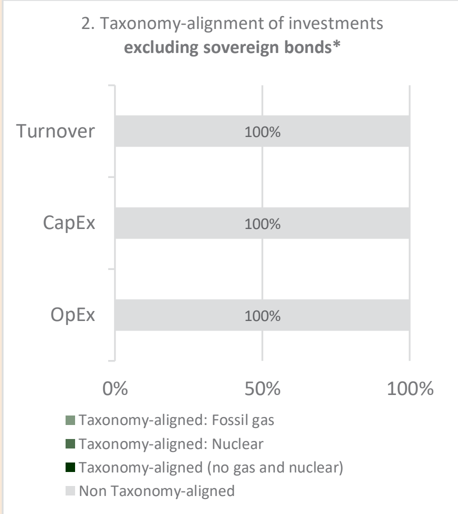
[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective – see explanatory note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Sustainable Finance Disclosure Regulation ("SFDR") – Periodic Disclosures *continued*

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** ("CapEx") showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** ("OpEx") reflecting green operational activities of investee companies.

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.





This graph represents **100%** of the total investments.

* *For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*

What was the share of investments made in transitional and enabling activities?

N/A

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

N/A

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

N/A, the Company did not make any sustainable investments in the reporting period.

What was the share of socially sustainable investments?

N/A, the Company did not make any sustainable investments in the reporting period.

What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

As at the end of this reporting period, the value of investments in Other was 1% and included a potential earn-out payment with regards to the Verne Global transaction, as explained in more detail in the Investment Manager's Report.

Sustainable Finance Disclosure Regulation ("SFDR") – Periodic Disclosures *continued*

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

During the reference period, the following actions were undertaken by D9's investee companies:

Facilitating improved access to information and communication technology

Following their respective business plans, Elio Networks and Aqua Comms continued to enhance their networks in broadband and subsea fibre, respectively, and Arqiva increased the number of smart meters provided to customers.

Decarbonisation of digital infrastructure

D9 encourages its portfolio companies to create and monitor plans that seek to improve energy efficiency and resilience, and decarbonise their operations. For example, in 2024, Arqiva secured the Board's approval for an ambitious carbon reduction plan which included actions to invest in energy-efficient technologies and work with key suppliers to reduce their GHG emissions. The business is also continuing to focus on data collection for monitoring and managing GHG emissions which will support identification of initiatives to reduce energy consumption in partnership with customers. In a similar manner, Elio Networks has started to develop its own decarbonisation plan.

As the Company has begun its wind-down phase, InfraRed will continue to monitor the attainment of the E/S characteristics of the Company, while also performing the efficient and responsible ongoing management and disposal of assets.

How did this financial product perform compared to the reference benchmark?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

N/A, no reference benchmark has been selected for the Company.

- ***How does the reference benchmark differ from a broad market index?***

N/A

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

N/A

- ***How did this financial product perform compared with the reference benchmark?***

N/A

- ***How did this financial product perform compared with the broad market index?***

N/A

SFDR Principal Adverse Impact (“PAI”) Disclosures

The Company has reported in line with all 14 mandatory PAIs and two voluntary PAIs for investee companies, and both mandatory PAIs and one voluntary PAI for real estate investments to provide a high level of transparency. All PAIs have been calculated in accordance with the requirements of Annex 1 of the SFDR Regulatory Technical Standards (“RTS”) and as indicated in the notes below.

Type: Investee Companies

Sustainability Indicator	Metric	Unit	2023	2024	Variance	Variance %	Scope of coverage
GREENHOUSE GAS EMISSIONS							
GHG emissions	Scope 1 GHG emissions	tCO_2e	637	441	-196	-31%	2023: Aqua Comms, Arqiva, Elio Networks, Verne Global. Scope 3 emissions for Arqiva have limited coverage compared to 2024. 2024: Aqua Comms, Arqiva, Elio Networks, Verne Global (on pro-rated basis). Data has been estimated for all investee companies except Arqiva based on the 2023 actuals. Data for Arqiva covers its financial year to 30 June for both periods.
	Scope 2 market-based GHG emissions	tCO_2e	6,709	3,558	-3,151	-47%	
	Scope 2 location-based GHG emissions	tCO_2e	13,195	6,459	-6,736	-51%	
	Scope 3 GHG emissions	tCO_2e	7,831	17,170	9,339	119%	
	Total market-based GHG emissions	tCO_2e	15,177	21,169	5,992	39%	
Carbon footprint	Scope 1 & 2 Carbon footprint (Scope 2 market-based)	tCO_2e/£m Portfolio Value	Not reported	13	N/A	N/A	
	Scope 3 Carbon footprint	tCO_2e/£m Portfolio Value	Not reported	58	N/A	N/A	
	Scope 1, 2 & 3 Carbon footprint (Scope 2 market-based)	tCO_2e/£m Portfolio Value	14	71	57	409%	
GHG intensity of investee companies	Scope 1 & 2 GHG intensity of investee companies (market-based)	tCO_2e/£m Revenue	Not reported	72	N/A	N/A	
	Scope 3 GHG intensity of investee companies	tCO_2e/£m Revenue	Not reported	255	N/A	N/A	
	Scope 1, 2 & 3 GHG intensity of investee companies (market-based)	tCO_2e/£m Revenue	86	327	241	280%	
Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector	%	0	0	–	0%	2023 and 2024: all investee companies in the portfolio.
Share of non-renewable energy consumption and production	Share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage	%	13%	6%	-7%	-57%	2023: Aqua Comms, Arqiva, Elio Networks, Verne Global. 2024: Aqua Comms and Arqiva. At the time of publication of the report, data was not available for Elio Networks.
Energy consumption intensity per high-impact climate sector	Energy consumption in GWh per million GBP of revenue of investee companies, per high-impact climate sector	GWh/£m	N/A	N/A	N/A	N/A	None of the D9 investee companies are in a high-impact climate sector.

SFDR Principal Adverse Impact ("PAI") Disclosures *continued*

Sustainability Indicator	Metric	Unit	2023	2024	Variance	Variance %	Scope of coverage
BIODIVERSITY							
Activities negatively affecting biodiversity-sensitive areas	Share of investments in investee companies with sites/ operations location in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas	%	0	0	–	0%	2023: Aqua Comms, Arqiva, Elio Networks, Verne Global. 2024: Aqua Comms, Arqiva, Elio Networks. Aqua Comms and Elio Networks confirmed that their businesses are not present in biodiversity-sensitive areas. Arqiva confirmed that whilst it has some proximity to areas of special scientific interest, the business does not operate in ways that could negatively affect those areas under normal working operations.
WATER							
Emissions to water	Tonnes of emissions to water generated by investee companies per million GBP invested, expressed as a weighted average	Tonnes	0	0	–	0%	None of the D9 investee companies generate emissions to water.
WASTE							
Hazardous waste ratio	Tonnes of hazardous waste generated by investee companies per million GBP invested, expressed as a weighted average	Tonnes	0	0.5	0.5	N/A	2023: Aqua Comms, Arqiva, Elio Networks, Verne Global. 2024: Arqiva, Elio Networks. At the time of publication of the report, data was not available for Aqua Comms.
SOCIAL AND EMPLOYEE MATTERS							
Violations of UN Global Compact ("UNGC") principles and Organisation for Economic Cooperation and Development ("OECD") Guidelines for Multinational Enterprises	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	%	0%	0%	–	0%	2023: Aqua Comms, Arqiva, Elio Networks, Verne Global. 2024: Aqua Comms, Arqiva, Elio Networks. In all cases as confirmed by each investee company.
Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact ("UNGC") principles and Organisation for Economic Cooperation and Development ("OECD") Guidelines for Multinational Enterprises	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD guidelines for Multinational Enterprises or grievance/complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	%	0%	0%	N/A	0%	2023: Aqua Comms, Arqiva, Elio Networks, Verne Global. 2024: Aqua Comms, Arqiva, Elio Networks. For all investee companies we have assumed that relevant policies and procedures have been carried on from 2023 to 2024.

SFDR Principal Adverse Impact ("PAI") Disclosures *continued*

Sustainability Indicator	Metric	Unit	2023	2024	Variance	Variance %	Scope of coverage
SOCIAL AND EMPLOYEE MATTERS *CONTINUED*							
Unadjusted gender pay gap	Mean unadjusted gender pay gap of investee companies	%	-2%	4%	0.07	-289%	2023: Aqua Comms, Arqiva, Elio Networks, Verne Global. 2024: Aqua Comms, Arqiva. At the time of the publication of this report, data was not available for Elio Networks.
Board gender diversity	Average ratio of female to male board members in investee companies	%	3%	18%	14%	444%	2023: Aqua Comms, Arqiva, Elio Networks, Verne Global. 2024: Aqua Comms, Arqiva, Elio Networks.
Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	Share of investments in investee companies involved in the manufacture or selling of controversial weapons	%	0%	0%	0%	N/A	None of the D9 investee companies represent exposure to controversial weapons.
HUMAN RIGHTS							
Number of identified cases of severe human rights issues and incidents	Number of cases of severe human rights issues and incidents connected to investee companies on a weighted average basis	Number	–	–	–	0%	2023: Aqua Comms, Arqiva, Elio Networks, Verne Global. 2024: Aqua Comms, Arqiva, Elio Networks.
ANTI-CORRUPTION AND ANTI-BRIBERY							
Lack of anti-corruption and anti-bribery policies	Share of investments in entities without policies on anti-corruption and anti-bribery consistent with the United Nations Convention against Corruption	%	0%	0%	0%	0%	2023: Aqua Comms, Arqiva, Elio Networks, Verne Global. 2024: Aqua Comms, Arqiva, Elio Networks.

SFDR Principal Adverse Impact ("PAI") Disclosures *continued*

Type: Real estate

Sustainability Indicator	Metric	Unit	2023	2024	Variance	Variance %	Scope of coverage
FOSSIL FUELS							Only covers Sea Edge UK1.
Exposure to fossil fuels through real estate assets	Share of investments in real estate assets involved in the extraction, storage, transport or manufacture of fossil fuels	%	0%	0%	0%	0%	
ENERGY EFFICIENCY							
Exposure to energy-inefficient real estate assets	Share of investments in energy-inefficient real estate assets	%	100%	100%	–	0%	
GREENHOUSE GAS EMISSIONS							
GHG emissions	Scope 1 GHG emissions generated by real estate assets	tCO_2e	7	2	-5.00	-71%	
	Scope 2 GHG emissions generated by real estate assets	tCO_2e	0	0	0%	0%	
	Total GHG emissions generated by real estate assets	tCO_2e	7	2	-5.00	-71%	

Glossary and Definitions

"Adjusted GAV"	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;
"AIC Code"	AIC Code of Corporate Governance produced by the Association of Investment Companies;
"AIFM"	the alternative investment fund manager of the Company being Triple Point Investment Management LLP up to 11 December 2024, and InfraRed Capital Partners Limited from 11 December 2024;
"AIFMD"	The EU Alternative Investment Fund Managers Directive 2011/61/EU;
"Board"	The Directors of the Company from time to time;
"CTA 2010"	Corporation Tax Act 2010 and any statutory modification or re-enactment thereof for the time being in force;
"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 fell within the parameters of the Company's investment policy at the time of acquisition 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;

Glossary and Definitions *continued*

"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"	Up to 11 December 2024 Triple Point Investment Management LLP (partnership number OC321250), and from 11 December 2024 InfraRed Capital Partners Limited (company number: 03364976);
"Investment Objective"	The Company's investment objective as approved by shareholders on 25 March 2024 and set out on page 6;
"Investment Policy"	The Company's investment policy as set out in the Prospectus approved by shareholders on 25 March 2024 and set out on page 6;
"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: Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation;
"Total Shareholder Return"	The increase in Net Asset Value in the period plus distributions paid in the period.

Other Information

As at the date of publication:

NON-EXECUTIVE DIRECTORS
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Robert Burrow
Andrew Zychowski
Philip Braun

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Forward-Looking Statements

The Front Section of this report (including but not limited to the Chair's Statement, Strategic Report, Investment Manager's Report and Directors' Report) has been prepared to provide additional information to Shareholders to assess the Company's strategies and the potential for those strategies to succeed. These should not be relied on by any other party or for any other purpose.

The Review Section may include statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "anticipates", "expects", "intends", "may", "will" or "should" or, in each case, their negative or other variations or comparable terminology.

These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this document and include statements regarding the intentions, beliefs or current expectations of the Directors and the Investment Manager concerning, amongst other things, the Investment Objectives and Investment Policy, financing strategies, investment performance, results of operations, financial condition, liquidity, prospects, and NAV total return and dividend targets of the Company and the markets in which it invests.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance. The Company's actual investment performance, results of operations, financial condition, liquidity, distribution policy and the development of its financing strategies may differ materially from the impression created by the forward-looking statements contained in this document.

Subject to their legal and regulatory obligations, the Directors expressly disclaim any obligations to update or revise any forward-looking statement contained herein to reflect any change in expectations with regard thereto or any change in events, conditions or circumstances on which any statement is based.

In addition, the Review Section may include target figures for future financial periods. Any such figures are targets only and are not forecasts. This Annual Report has been prepared for the Company as a whole and therefore gives greater emphasis to those matters which are significant in respect of Digital 9 Infrastructure Plc.