



INVESTMENTS
WITH PURPOSE
FOR PROFIT
BY PEOPLE
FROM TRIPLE POINT



Interim Report 2023
for the period ended 30 June 2023



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At a Glance

/ WHO WE ARE

Digital 9 Infrastructure plc (Ticker: DGI9) ("D9" or the "Company") is an investment trust listed on the London Stock Exchange with ticker DGI9. The Company invests in the infrastructure of the internet that underpins the world's digital economy: digital infrastructure.

D9 is bringing people closer together by meeting the global demand for improved speed, reliability, accessibility and learning from data. By investing in critical Digital Infrastructure, including subsea cables and data centres, D9 drives our interconnected world, promoting economic growth and sustainable development – all whilst targeting recurring income and capital growth for investors.

Our purpose-driven investment strategy targets the provision of key infrastructure for data transfer and data storage around the world, helping to address burgeoning demand for global digital communications.

Our focus is to provide Digital Infrastructure that leverages greener, cleaner power in line with the UN's Sustainable Development Goal 9 ("SDG9"): "Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation". SDG9 encourages nations and firms alike to reduce the global digital divide by increasing access to information and communications technology, while at the same time decarbonising Digital Infrastructure energy usage.

Our ambition is to become a leading investor across the Digital Infrastructure ecosystem, building a global, vertically-integrated platform that leverages our existing relationships with leading multinational and technology companies, ensuring we achieve an attractive, long-term total return for our shareholders.

The Investment Manager is Triple Point Investment Management LLP ("Triple Point" or "Investment Manager") which is authorised and regulated by the Financial Conduct Authority, with extensive experience in infrastructure, real estate and private credit, while keeping ESG principles central to its business mission. Triple Point's Digital Infrastructure team has over \$300 billion in digital infrastructure transaction experience and in-depth relationships across global tech and global telecoms companies.

/ WHAT WE DO

Critical Global Infrastructure for our Connected World

Closing the digital divide:

The internet is the lifeblood of the future. We are leading the way in carrier neutral connectivity globally and democratising access to critical digital infrastructure.



Levelling up all stakeholders:

Our team shares one core ambition; to empower societies, unleash economies, and connect investors to cutting edge opportunities that deliver stable income and capital growth.



Connecting the world:

As a major partner to the world's most connected companies, we're creating a unique, interconnected ecosystem that is bringing people together and helping to change lives on a global scale.



We seek to improve the accessibility of reliable, functional internet to billions of people worldwide – including developing countries. The assets we invest in typically comprise of future proofed, scalable platforms and technologies that facilitate communications, data transfer, interconnectivity and data storage. These assets come from the following sectors:

- Data centres;
- Subsea fibre optic networks;
- Terrestrial fibre optic networks; and
- Wireless networks.

Fuelling a better, cleaner future:

Our open-access, clean-connectivity data centre platforms harvest renewable energy to provide a more sustainable solution to exponential growth in global data demand.



Our primary focus is Digital Infrastructure investments that are already operational. These investments typically have secured medium to long-term contracts that are underpinned by investment grade counterparties or from a diversified portfolio of shorter-term contracts providing essential underlying services. We expect target acquisitions to have high cash flow visibility and resilience embedded in their business models.

Accelerating progress:

We are engaging global stakeholders on the urgent need for a cleaner solution, spearheading change in one of the world's most energy intensive industries.





SUBSEA FIBRE

Backbone of the internet:
global connectivity

98%

of the world's data is carried by subsea cables



DATA CENTRES

Brain of the internet:
processing & storage

Only

10%

of enterprise IT spending has moved to the cloud with \$600 billion a year still to move





WIRELESS NETWORKS

25bn

The number of Internet of Things ('IoT') devices forecast by 2030, an increase from 10 billion in 2021

107m

Fixed wireless access ('FWA') subscriptions globally in 2022, of which 18% were 5G. The number of subscriptions is expected to grow to 196 million by 2025, with c.51% being 5G

1bn

litres of water a day could be saved by the mid-2030s by fitting one million smart water meters in the UK each year for the next 15 years

2hr 24min

of live TV watched by the average person per day in 2022

Broadcast media remains the UK's preferred means of consuming video content

As of December 2022, 88% of BBC audience engagement time is through traditional broadcasting



TERRESTRIAL FIBRE

Only

45%

of households in the UK currently benefit from Fibre To The Home (FTTH) capability

85%

government target for households to have fibre access by 2025, providing the foundations for substantial growth



Key Highlights

IFRS NET ASSET VALUE

£866m

As at 30 June 2023

As at 31 December 2022: £950 million

IFRS NET ASSET VALUE (PENCE PER SHARE)

100.13 pence

As at 30 June 2023

As at 31 December 2022: 109.76 pence

CAPITAL DEPLOYED¹

£1,219m

As at 30 June 2023: £1,219 million

As at 31 December 2022: £1,243 million

DIVIDEND (PENCE PER SHARE)

1.5 pence

Six month period to 30 June 2023

Six month period to 30 June 2022: 3 pence

IFRS INVESTMENT VALUATION

£839m

As at 30 June 2023

As at 31 December 2022: £921 million

ANNUALISED TOTAL RETURN¹

(11.2)%

Six month period to 30 June 2023

Six month period to 30 June 2022: 10.7%

Target: 10.0%

(LOSS)/EARNINGS (PENCE PER SHARE)

(6.63) pence

Six month period to 30 June 2023

Six month period to 30 June 2022: 3.43 pence

INVESTEE COMPANY EBITDA GROWTH

5%

30 June 2023 (year-to-date)

31 December 2022 (year-to-date): 1%

¹ Alternative Performance Measure, further information on APMs can be found on pages 72 to 73.

POST BALANCE SHEET ACTIVITY

After the period end, D9 Holdco made a repayment of £7.0 million against the revolving credit facility ("RCF") from the partial repayment of the shareholder loan from Verne Global Iceland following entering into the debt facility and withdrew a total of £14.5 million for capital expenditure purposes.





The background features a dark blue grid pattern of thin, light blue lines. A large, diagonal gradient of blue and cyan covers the left side and bottom, creating a sense of depth and movement.

Interim Report

Chair's Statement



Phil Jordan, Chair

/ INTRODUCTION

I am pleased to present the Company's interim report for the six-month period to 30 June 2023. The period has been characterised by a continued challenging macroeconomic backdrop across major developed economies, with rising inflation and interest rates resulting in continued uncertainty for the capital markets. That same difficult macroeconomic environment has continued to impact the Company's liquidity and sustainable balance sheet management.

Despite these headwinds, the Company's underlying portfolio has continued to perform strongly overall and in line with management expectations, demonstrating the strength of the Investee Companies in which we have invested and the sectors in which they operate.

Notwithstanding the strong operating performance of the Investee Companies, the persistently higher interest rate and inflation environment in which the Company trades has led the Board not to declare the Q2 2023 dividend and withdraw its target dividend of 6.0 pence per Ordinary Share for the year ending 31 December 2023.

Whilst the forecast operating cash flow ("OCF") from Investee Companies remains materially unchanged since 31 December 2022, further increases in net interest costs, related to the RCF, the Arqiva Group vendor loan note ("VLN"), and the Company's share of the Arqiva Group accretion payment on its inflation-linked swaps, which expire in 2027, continue to restrict the Company's access to OCF to support the Company's dividend policy in the medium term.

Whilst cognisant of the dividend target set at IPO, the Board believes a more conservative approach to capital allocation is required in order to enhance the Company's medium term liquidity and further accelerate the deleveraging of its balance sheet in the current high interest rate environment.

/ SHARE PRICE

In the 2022 Annual Report, released in March 2023, we outlined a series of key milestones to be executed over the course of the year. We are pleased to have successfully delivered on a number of these key milestones, alongside additional portfolio activity to further improve the positioning of the Company and deliver shareholder value.

Despite this progress, the Board acknowledge these milestones have not yet delivered the expected impact on the widened share price discount to NAV. We believe the current discount is unjustified and does not reflect the inherent value and capital appreciation potential of the portfolio.

The widening discount follows a continued period of high market volatility for global equity markets, and particularly UK investment trusts, following several increases in interest rates in the UK, European and North American markets. Interest rates in the UK particularly has escalated and remain high as inflation has proven more persistent than elsewhere. We expect inflation to fall in the UK over the rest of the year, and interest rates to remain stable and subsequently start to fall over the medium term which will in turn improve the macroeconomic landscape.

In the meantime, we have mitigated our exposure to both elements through the introduction of the inflation collar on Arqiva's inflation-linked swaps, and the refinancing of Arqiva's senior debt structure, which were both announced in June and July 2023. While the

inflation collar on inflation-linked swaps significantly limits the downside risk exposure to RPI for Arqiva, the refinancing provides greater flexibility for liquidity management purposes with later maturity dates. Verne Global Iceland has also entered into an interest rate swap for its debt facility. After the period end, D9 Holdco made a repayment of £7.0 million against the RCF from the partial repayment of the shareholder loan from Verne Global Iceland following entering into the debt facility and withdrew a total of £14.5 million for capital expenditure purposes.

In addition, the Company announced in January 2023 it was exploring complementary sources of growth capital, including (i) structured long-term debt at an Investee Company level and (ii) a potential syndication of a stake in existing Investee Companies to strategic capital partners. We announced on 5 June 2023 the signing of a new \$100 million (£80 million) green term-loan debt facility with an uncommitted \$50 million (£40 million) accordion provision for Verne Global Iceland. This facility has been used to help fund Verne Global's growth capital expenditure pipeline, partly repay outstanding shareholder loans owed by Verne Global to the Company, and refinance Verne Global's pre-existing bridge loan facility.

Syndication Update

As announced on 9 March 2023, there is an ongoing competitive process to syndicate a stake in the Verne Global group of companies, including its operating sites in Iceland, Finland, and the United Kingdom to a strategic capital partner (the "Syndication").

The Company is pleased to announce it has significantly progressed the Syndication and is in receipt of several non-binding offers at or around the USD net asset value of Verne Global as at 31 December 2022. These offers, which are currently under review, comprise various proposed transaction structures, for both a co-controlling and majority stake sale, and funding solutions for the significant capital expenditure commitment for Verne Global's platform. Due to the sustained and accelerated customer demand for its facilities, from both new and existing customers, the growth capital expenditure pipeline for the Verne Global companies of £493 million reported in January 2023 has increased to £610 million.

Cash proceeds (net of costs) from the Syndication will enable D9 to pay down a significant portion of the Group's drawn RCF and cancel part of it, thereby reducing costs. As at 30 June 2023, £356 million was drawn under the Group's £375 million RCF.

In the medium term, upon Syndication completion, the incoming investor is expected to support Verne Global's growth capital expenditure pipeline which will help scale the platform's capacity to over 100 MW through pro-rata equity injections and an additional funding facility. By maintaining a direct interest in Verne Global, D9 will continue to benefit from the data centre platform's anticipated earnings growth.

Executed terms for the Syndication are now expected to be announced in Q4 2023.

Dividend Cover

OCF dividend cover reflects the Company's ability to cover its dividends from the operational cash flow generated by its Investee Companies, after deducting Investee Companies' maintenance capex and interest costs.

In the period ending 30 June 2023, there was no OCF coverage of the Company's dividend. As previously communicated, the spike in inflation resulted in the Arqiva accretion payment paid in June 2023 being significantly higher than anticipated at acquisition, which had a material adverse effect on the operating cash flow. As illustrated below, D9's share of this accretion payment was £58.5m. Since then, we have also taken out the collar on the inflation linked swaps which would effectively cap D9's share of the accretion payments at c.£40m out to 2026. The inflation-linked swaps, expire in 2027, after which point Arqiva will benefit from the incremental revenue growth from the inflationary period without the added cost of the accretion payments.

EBITDA to OCF Bridge		£'000
EBITDA		105,932
(-) Cash tax		(246)
(-) Δ Working Capital		(8,869)
(-) Maintenance Capex		(6,814)
(+) Adjustment for exceptional transaction expenses		–
(-) IFRS 16 Adjustment		(10,626)
Gross Operating Cash Flow		79,376
(-) VLN interest		(5,198)
(-) Interest Costs		(26,328)
(-) Accretion Payments*		(58,531)
Adjusted cash flow		(10,681)
(-) D9 Financing costs		(14,306)
(-) Fund Operating expenses		(5,463)
Net cash flow		(30,449)
<i>Dividends to Q2'23</i>		25,137

The forecast OCF from Investee Companies remains materially unchanged since 31 December 2022, save that the launch of EMIC-1, and therefore the receipt of cash, has been delayed by up to 6 months to Q2 2025 due to deployment restrictions in the Red Sea. The Board and Investment Manager expect operating cash flow dividend cover to be substantially achieved by 31 December 2024 as Investee Companies' operations mature. This is primarily due to:

- Verne Global Iceland, Verne Global London, and Verne Global Finland have presold existing data centre capacity, the take up of which will ramp up over time. Actual ramp up is ahead of the expected ramp up profile disclosed in the Company's 2022 Annual Report. In the 2022 Annual Report, it was reported that an additional 4.2 MW was due to be fully ramped, by December 2023. Due to additional contracts signed during the year, 6.6 MW will be fully ramped by December 2023. Of the 8.6MW which was previously reported to be ramped by December 2024, 11.5 MW is now forecast to be ramped by the same date. We expect all remaining contracted capacity reported at 31 December 2022 to be fully ramped by the end of 2026.
- As announced on 21 June 2023, Arqiva Group entered into an inflation collar on inflation-linked swaps which applies to 100% of the Retail Price Index ("RPI") exposure of the swaps and caps the impact of RPI from 2024 at c.6.0% until the swaps' expiry in 2027. This significantly limits the downside risk of inflation for Arqiva Group and D9's exposure to it. The Company expects inflation to fall significantly by March 2024, and therefore expects the Arqiva Group OCF for the period to June 2024 to materially increase.
- The launch of EMIC-1, the Group's 10,000 km fibre system from Europe to India.

While the Board and Investment Manager expect operating cash flow dividend cover to be substantially achieved by 31 December 2024, further increases in net interest costs, related to the RCF, the Arqiva VLN and the Company's share of the Arqiva Group accretion payment on its inflation-linked swaps, which expire in 2027, continue to restrict the Company's access to OCF to support the Company's dividend policy in the medium term.

The Board continue to work with the Investment Manager to evaluate other strategic portfolio management initiatives including other partial disposals to accelerate the receipt of cash by D9 from the Investee Companies.

/ INITIATION OF SHAREHOLDER CONSULTATION

In light of the above, the Board will start a formal consultation with its shareholders, starting on 2 October 2023, to determine the optimal future dividend policy and discuss the future direction of the Company, acknowledging the diverging views among the Company's shareholders regarding the Company's capital allocation policy. The Company will provide a further update following the conclusion of the shareholder consultation.

/ SHAREHOLDER RETURNS

The Company generated an annualised total return for shareholders for the period of (11.2)% (5.6)% since 31 December 2022). The Company's NAV decreased to £866 million or a NAV per share decrease of 8.8% to 100.13 pence (2022: 109.76 pence). In addition, as indicated above, the Board has elected to not declare the Q2 2023 dividend, which had an adverse impact on total returns.

The key drivers for the reduction in NAV during the period were adverse foreign exchange movements, which contributed c.4 pence of the total NAV per share reduction. Furthermore, the continued escalation of interest rates resulted in elevated borrowing costs, which in turn had a negative impact on the overall financial performance of the Company.

D9 reported a loss before tax of £57 million (2022: profit of £27 million) for the period, equal to (6.63) pence per share (2022: 3.43 pence per share) calculated on the weighted average number of shares in issue during the period. This was primarily a result of the unrealised valuation movements incurred during the period on the Company's portfolio of investments held at fair value through profit or loss.

The Company's annualised ongoing charges ratio ("OCR") was 1.2% (December 2022: 1.1%). As the Company has largely deployed its available capital since the end of 2022, we expect the OCR to decrease as economies of scale and operating efficiencies are achieved. The Board will continue to monitor the OCR closely.

/ PORTFOLIO PERFORMANCE

During the six-month period to 30 June 2023, the Company's portfolio generated aggregated revenues of £222.6 million and EBITDA of £105.9 million achieving a portfolio EBITDA margin of 48%. When compared to the same period in 2022, portfolio revenues have increased 10% with EBITDA increasing 5%.

Our diversified portfolio performed strongly during the period in line with management expectations. Consolidated Investee Company revenue was 4% above forecasts and consolidated Investee Company EBITDA was 5% above management forecasts for the six-month period to 30 June 2023.

/ BOARD AND INVESTMENT MANAGER PERSONNEL

The Board was pleased to announce the appointment of Gailina Liew on 1 July 2023 as an Independent Non-Executive Director and member of the Company's Management Engagement and Risk Committees. In line with the FCA's targets under the Listing Rules and following Lisa Harrington succeeding Keith Mansfield as Senior Independent Director on 13 February 2023, this appointment further supports the Board's commitment to gender diversity. Gailina Liew's biography can be found in the RNS announcement dated 30 June 2023.

We are also pleased to note the appointment of additional personnel to the Investment Manager team during the period, including Diego Massidda who joined as Head of Digital Infrastructure at the beginning of September 2023, the appointment of Laureen Cook as an Operating Partner and the promotion of Arnaud Jaguin to Head of investment – Digital Infrastructure. Further information on these appointments can be found in the Investment Manager's Report below.

/ ENVIRONMENTAL, SOCIAL AND GOVERNANCE

The Company has a mission to deliver a network of sustainable assets which collectively contribute to increased digital connectivity for the greatest number of people with the lowest possible carbon footprint.

The Board remain committed to the alignment of the Company to this mission, the achievement of which creates contribution to Sustainable Development Goal (SDG) 9 (Industry, Innovation & Infrastructure). The Company tracks and reports each Investee Company's progress against metrics which demonstrate alignment to SDG9 through targets 9.4 (resource efficient and environmentally sound technologies) and 9.c (increase in access to information and communication technology). This detail is reported annually, in addition to operational ESG metrics for each company (e.g. turnover, training, diversity statistics, carbon emissions, customers complaints etc.) and outcomes relative to sustainable activity improvements committed to. The current commitments, announced in our 2023 annual report, are:

- The implementation of net zero roadmaps within portfolio companies
- The implementation of biodiversity action plans
- The development of diversity and inclusion measures
- The implementation of Cyber Essentials Certification Plus, as a minimum level where IT management is in-house
- The alignment of CEO remuneration to ESG criteria

Following the period end, the Board issued a 'Dear CEO' letter to Investee Company CEOs to increase awareness of the importance of sustainability to D9, with particular emphasis on diversity and inclusion and highlighting best practice and areas of potential improvement across the portfolio. The Board continue to receive quarterly updates on ESG activity conducted by the investment manager to ensure alignment continues, resource is adequate, and progress is on track.

/ GOING CONCERN

The Directors have concluded that it is appropriate for the condensed financial statements to be prepared on a going concern basis. Full details are set out in Note 2 of the attached financial statements.

The Directors consider that the Company and the Group will have sufficient resources to continue to meet their liabilities for the foreseeable future. However, given that a degree of uncertainty exists in the timing of ongoing strategic initiatives which includes the previously announced Syndication, and management's ability to refinance the Group's £375 million RCF due in the next eighteen months (March 2025), there exists a material uncertainty which may cast significant doubt over the Company's ability to continue as a going concern.


/ OUTLOOK

The shareholder consultation announced today will provide the Board with valuable feedback, which will help determine the optimal dividend policy of the Company and shape the future direction of the Company, acknowledging the diverging views among the Company's shareholders regarding the Company's capital allocation policy.

Notwithstanding the currently challenging economic backdrop, which continues to feature high-single digit CPI growth and softening consumer confidence in the UK, we remain of the view that our Investee Companies are well positioned to weather the ongoing challenges.

Following the completion of the Syndication, we look forward to working closely with a new strategic capital partner as we embark on the next phase of Verne Global's growth journey. We are poised to harness the synergies that will drive Verne Global's evolution, enabling us to capitalise on emerging opportunities and enable the Verne Group to solidify their position as a leader in the industry.

We remain committed to enhancing the Company's medium term liquidity and further accelerating the deleveraging of its balance sheet in the current higher interest rate environment as we look to strike the optimal balance between growth, financial leverage and total return.



Phil Jordan
Chair

27 September 2023



Investment Manager's Report



Ben Beaton,
Fund Manager

/ REVIEW OF THE PERIOD

We are pleased to have executed on a number of the key milestones outlined in the Company's annual report over the first half of this year.

In January 2023 we set out a strategic plan to further enhance the depth and experience of the Investment Manager's Digital Infrastructure team, improve disclosure and reporting transparency, optimise the capital structure at Investee Company level and ultimately drive shareholder value. With the exception of the Syndication for which terms are expected to be announced in Q4 2023, all of these initiatives have been delivered successfully.

\$100 million green loan debt facility for Verne Global Iceland

In June, Verne Global Iceland completed a \$100 million (c.£80 million) green term-loan debt facility, with a \$50 million (c.£40 million) uncommitted accordion provision. The facility was the first successful step in our commitment to explore complementary sources of growth capital, including the prudent use of structured long-term debt at an Investee Company level, to create and enhance long-term shareholder value.

The facility was structured as a syndicated facility, fully underwritten by Natixis on a 5-year fixed term expiring in June 2028. Following execution, Verne Global entered into an interest rate swap for the first 3 years; the fixed rate for the tenor of the swap is 4.14% and the all-in fixed rate of 7.14%, to mitigate against continued interest rates rises. Verne Global has also signed up to a Green Financing Framework, which complies with the Green Bond Principles (International Capital Market Association) and the Green Loan Principles (Loan Market Association) and is highly aligned to the Company's UN SDG9 ambitions.

Further detail on the loan can be found in our announcements dated 5 June 2023 and 12 June 2023.

Inflation collar on Arqiva's inflation-linked swaps

In June, Arqiva Group agreed an inflation collar on its inflation-linked swaps in line with the Investment Manager's active asset management plan to optimise the Arqiva Group's capital structure.

Through annual accretion payments on these swaps, the Arqiva Group has historically been exposed to Retail Price Index ("RPI") fluctuations, with high RPI figures resulting in sizeable cash outflows. The recently implemented collar is a bespoke instrument that restricts the swaps' RPI exposure within a fixed range of 2.5% to c.6.0%. This means that if future RPI figures exceed expectations, effective RPI will be capped in each case at c.6.0%, in turn effectively capping the corresponding accretion payment at c.£40m out to 2026. This limits the downside exposure of Arqiva Group to inflation rising and improves visibility over cash flows available to D9 from Arqiva Group, and D9's future operating cash flow dividend cover.

Arqiva senior debt refinancing

Through late June and early July, Arqiva Group raised £345 million of new debt, the proceeds of which were used to repay £262 million of existing debt which was approaching maturity, whilst providing Arqiva Group with an additional £83 million for general corporate purposes. This followed £45 million of senior debt amortisations over the previous 12 months, as well as the net £175 million deleveraging of Arqiva Group's junior debt in Q3 2022. Arqiva Group's interest rate swap portfolio has also been rebalanced to maintain compliance with hedging covenants, such that increases in gilt yields continue to have no material impact on Arqiva Group's interest costs net of the pre-existing swaps portfolio.

/ APPOINTMENT OF INVESTMENT MANAGER PERSONNEL

The Company announced on 13 June 2023 the appointment of additional personnel to the Investment Manager's digital infrastructure team. This included the appointment of Diego Massidda as new Head of Digital Infrastructure, the promotion of Arnaud Jaguin as Head of Investment, Digital Infrastructure, and the appointment to the Triple Point Digital Infrastructure team's Operating Partner panel of Lauren Cook.

Triple Point and the Board thoroughly evaluated the skills and experience D9 would benefit from to complement the skillset of the existing portfolio management team, including Investee Companies' executive management, and of the Operating Partner panel at Triple Point.

Diego Massidda, Head of Digital Infrastructure

We are thrilled to have Diego on board to lead the active management of D9's portfolio to further optimise its operating and financial performance and help drive the growth and convergence of D9's platforms.

Diego is a seasoned industry veteran with over 20 years' operating experience in global telecommunications and digital infrastructure. Diego has spent 16 years with Vodafone Group plc ("Vodafone"), and was most recently CEO of Vodafone Partner Markets, responsible for all services provided by Vodafone to other mobile operators in c. 50 countries where Vodafone does not operate directly. In this role, he provided strategic guidance and operational expertise to partner market CEOs to grow revenue share, profitability, and drive operational excellence.

Until recently, Diego was also CEO of Vodafone Carrier Services, responsible for the commercial strategy and execution of Vodafone data and voice wholesale business globally, including sub-sea and terrestrial optical fibre assets. Diego spent five years as CEO of Vodafone Hungary, taking the mobile operator from number three to number two in revenue share in the market, through sustained double-digit revenue and profit growth and best customer experience. His experience in Vodafone includes leading the development and launch of a satellite/cable/IPTV broadcasting and streaming service for Vodafone Germany, and the responsibility for the development of Vodafone's fixed broadband activities globally. He was previously the CEO of Telecom Italia France and Tiscali (South Africa and later France), during which time he was responsible for the B2B hosting and co-location business of these entities based on their data centre assets. Diego started his career as a civil engineer, and later worked for McKinsey & Company. He is a qualified civil engineer and holds an MBA from INSEAD Business School.

Arnaud Jaguin, Head of Investment - Digital Infrastructure

Arnaud Jaguin was promoted to Head of Investment - Digital Infrastructure. Arnaud has been integral to D9's development since IPO in 2021, leading the origination and execution of the Company's investments into Aqua Comms, Arqiva Group and Elio Networks (formerly, Host Ireland).

Laureen Cook, Operating Partner

Laureen Cook was appointed to the Triple Point digital infrastructure team's Operating Partner panel alongside Alan Harper, Simon Beresford-Wylie and Steve Andrews. Laureen now sits on Triple Point's Digital Infrastructure

Investment Committee and, alongside an established panel of Operating Partners, will support Investee Companies' commercial development in partnership with the executive management teams.

Laureen has a leading track record of over 25 years in the wireless, fibre, subsea, towers and data centres sectors, in addition to investment expertise in emerging technologies including IoT, cloud convergence, and satellite. Laureen has deployed over \$16 billion to telecoms infrastructure projects in these sectors globally on behalf of institutional investors and was most recently the former principal of the TMT private equity investment group at the World Bank's International Finance Corporation.

/ SYNDICATION OF VERNE GLOBAL AND COMPLEMENTARY SOURCES OF GROWTH CAPITAL

Today, as set out in the Chair's statement above, the Company announced that it has significantly progressed the Syndication and is in receipt of several non-binding offers at, or around the net asset value of Verne Global as at 31 December 2022. Executed terms for the Syndication are now expected to be announced in Q4 2023.

Further to the Syndication, the Board and the Investment Manager continue to evaluate other complementary sources of growth capital to reduce the Group's leverage position and support the significant growth capital expenditure pipeline of the Investee Companies. An update on these processes will follow their completion.

/ OTHER INVESTMENT AND PORTFOLIO MANAGEMENT ACTIVITY

During the first half of the year, the Company, through its subsidiaries invested or committed c.£16.7 million into the target digital infrastructure sectors. This investment went into growth capital expenditure to fund the business plans of the Investee Companies and were made through a combination of cash held by the Group and drawdowns from its RCF.

Giggle Fibre sale process

Since July 2022, the Group has invested £4.3 million seed capital into Giggle, a development opportunity that provides affordable broadband to social housing through a revolutionary Fibre to the Home (“FTTH”) network across the city of Glasgow. Due to its identified growth capital expenditure pipeline of c.£150 million for the 5-year period to 31 December 2027, the Group has engaged a TMT Investment Bank to lead a competitive process for either a full or majority sale of Giggle, however, due to its short cash runway, it is expected that the Group’s investment in Giggle will be wound down in Q4 2023 and as such a provision has been applied against the full value of Giggle. The impact of the provision on NAV is 0.5pps.

Aqua Comms

The AEC-3 subsea cable, Aqua Comms’ third transatlantic submarine cable system, reached completion in August 2023, adding further resilience to its existing transatlantic AEC-1 and AEC-2 fibre network links. Aqua Comms is continuing the development of EMIC-1, with a launch delayed by up to 6 months to Q2 2025 due to deployment restrictions in the Red Sea. Further information can be found in the Aqua Comms section on page 33.

/ TOTAL RETURN AND NET ASSET VALUE

At IPO, the Company committed to a 10% total return target comprising dividend and capital growth. The Company has generated an annualised total return for shareholders since IPO of 6.4%, which is below the Company’s target return of 10%. The Company’s NAV decreased to £866 million as of 30 June 2023, equivalent to a NAV per share decrease of 8.8% to 100.13 pence in the six-month period (31 December 2022: 109.76 pence).

The key drivers for the reduction in NAV during the period were adverse foreign exchange movements, which contributed c.4 pence per share of the total 9 pence per share reduction. Furthermore, the continued escalation of interest rates resulted in elevated

borrowing costs, which in turn had a negative impact on the overall financial performance of the Company. The bridge chart on page 20 details out the key drivers for the reduction in NAV.

/ OUTLOOK

Throughout the year, there has been a notable shift in investor sentiment, market dynamics, and equity valuations in the sectors within which the Company operates.

In consideration of central bank strategies, the possibility of an extended period of elevated interest rates could potentially curtail valuation multiples expansion. In such a scenario, valuation dynamics would increasingly depend on a sustained earnings growth trajectory. As we look to navigate these evolving dynamics, our investment strategy remains on track to achieve growth and add value for Shareholders.

We are pleased with the progress made on the key milestones this year, as detailed further in the Chair’s Statement on pages 10 to 15. Furthermore, following the announcement of the appointment of Diego Massidda, we look forward to the pivotal role he will play in driving our portfolio management endeavours and helping to refine the strategic direction of the Company, much of which will be discussed with shareholders at the upcoming shareholder consultation. We are confident that he will contribute significantly to our commitment to delivering value to our stakeholders and achieving long-term growth objectives for the Company.

Ben Beaton Fund Manager

Triple Point Investment Management LLP

27 September 2023

/ FINANCIAL REVIEW

/ NET ASSET VALUE

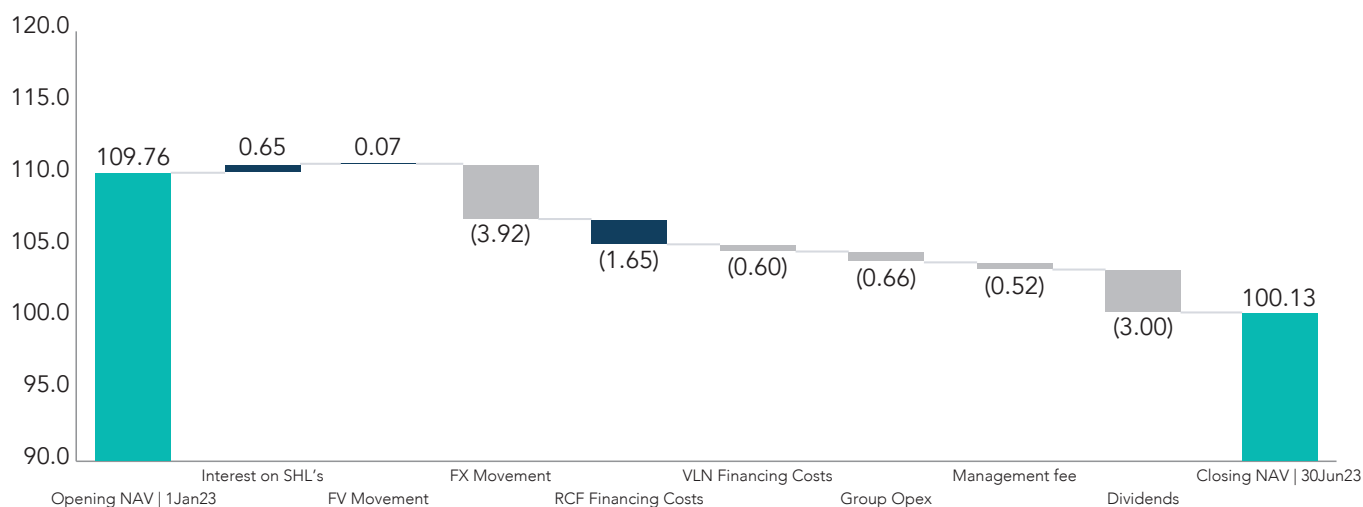
The Company's net assets were valued at £866 million at the period end (£950 million at 31 December 2022, £852 million at 30 June 2022), reflecting a decrease of 8.8% versus December 2022.

The key drivers for the reduction in NAV during the period were adverse foreign exchange movements, which contributed c.4 pence per share of the total 9 pence per share reduction. Furthermore, the continued escalation of interest rates resulted in elevated borrowing costs, which in turn had a negative impact on the overall financial performance of the Company.

The NAV per share was 100.13 pence per share at 30 June 2023 (109.76 pence at 31 December 2022, 105.13 pence at 30 June 2022), resulting in an annualised Total Return for the period of (11.2)% and 6.4% since IPO below the 10% target return. An update on the total return target will be provided following the shareholder consultation.

The bridge below shows the movement in NAV during the period and their effect on a pence per share basis.

Movement in Net Asset Value (£'m)



/ VALUATION PERFORMANCE

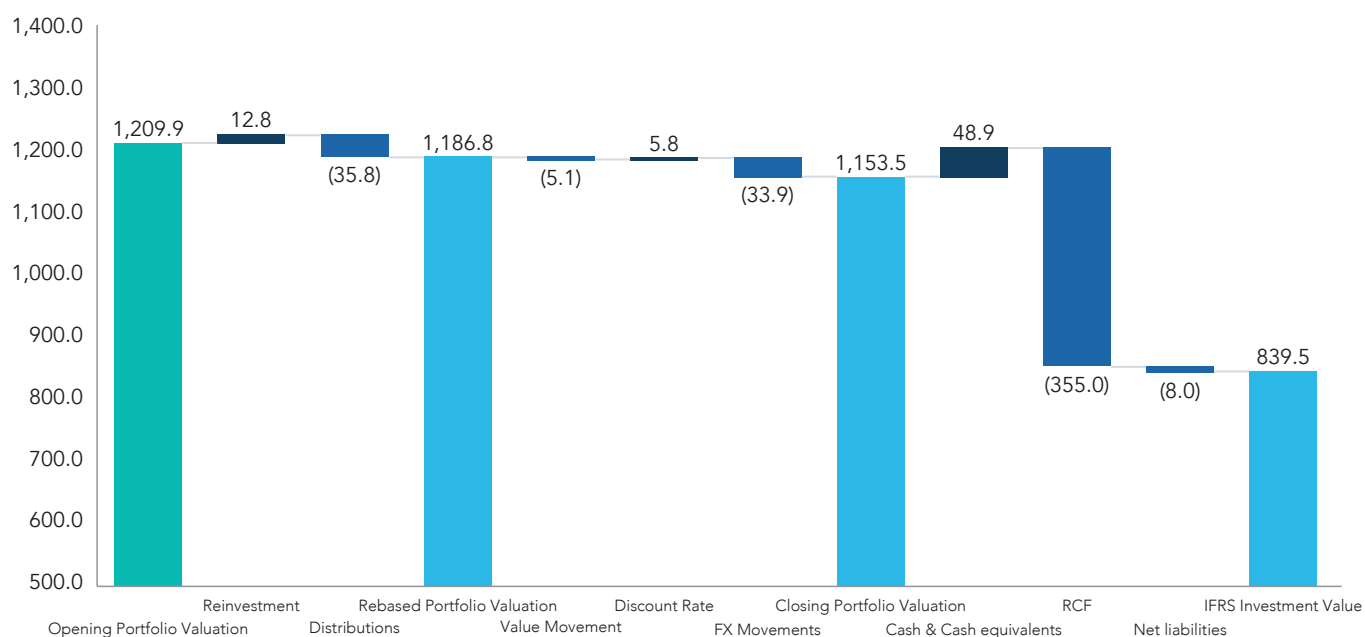
In accordance with accounting standards, 'Investments at fair value through profit or loss' as reported in the Statement of Financial Position include, in addition to the portfolio asset valuation, the cash and other net assets held within intermediate unconsolidated holding companies. A reconciliation of the portfolio valuation to IFRS Investment Valuation is set out below.

The Company's investment portfolio remained broadly stable during the reporting period, influenced by a combination of market forces and strategic decisions. Across the Investee Companies, there was a total reinvestment of £12.7 million, reflecting a continued commitment to growth opportunities. Conversely, Investee Company distributions totalled £40.4 million, with the largest receipt in the period being a Shareholder loan repayment made by Verne Global Iceland.

The portfolio's rebased valuation, accounting for these changes, was £1.18 billion. Despite the positive Revenue and EBITDA growth generated by the portfolio, the overall value movement for the period was slightly negative. The primary factor contributing to the decline in valuation over the reporting period was the impact of foreign exchange movements. Fluctuations in currency exchange rates exerted significant pressure on the overall valuation of the investment portfolio, contributing c.4% to the overall reduction in the Company's NAV.

The below chart shows the movement in portfolio valuation for the period and the key drivers of the valuation movement. A reconciliation of the portfolio valuation to the IFRS Investment Valuation held on the Company's Balance Sheet is set out below.

Total Portfolio Valuation (£'m)



The chart above bridges the combined portfolio valuation of £1,210m as at 31 December 2022 to the combined valuation of £1,153m as at 30 June 2023 (excluding IFRS movements related to the wider Company, these are reconciled to the IFRS Valuation below).

Following £12.8m of investment in the period, including EMIC-1 (£3.6m), Verne Global London (£7.9m) and Giggle Fibre (£1.3m), and distributions of £40.8m including Verne Global Iceland (£39.3m), SeaEdge (£0.6m) and Elio Networks (£0.9m), the rebased valuation of the portfolio totalled £1,187m as at 30 June 2023.

A discount rate movement of £5.8m encapsulates the combined movements in discount rates across the portfolio in light of current market conditions and our assumptions around risk free rates, betas and company specific risk premiums. In particular, Aqua Comms, Verne Global London and Elio Networks have contributed to positive movements as a result of (lower company specific premiums) whilst Verne Global Iceland and Verne Global Finland have contributed negative movements as a result of movements in higher company specific premiums.

Please see discount rate section below on page 23 for further details on discount rates.

As a result of the continued strengthening of Sterling against both the US Dollar and the Euro since January 2023, the translation of the US Dollar valuations of Aqua Comms and Verne Global Iceland, along with the translation of the Euro valuations of Elio Networks and Verne Global Finland have resulted in a combined foreign exchange loss of £33m.

/ SUMMARY OF PORTFOLIO VALUATION METHODOLOGY

Investment valuations are calculated at the financial half-year (30 June) and the financial year-end (31 December) periods. Investments are reported at the Directors' estimate of fair value at the relevant reporting date.

The valuation principles are based on International Private Equity and Venture Capital ('IPEV') guidelines, generally using a discounted cash flow ('DCF') approach, which the Investment Manager considers to be the most appropriate valuation methodology for unquoted infrastructure equity investments.

Where the DCF methodology is used, the resulting valuation is checked against other valuation benchmarks relevant to each investment, including EV / EBITDA trading multiples for publicly traded comparable and recent transactions.

In using a DCF, fair value is estimated by deriving the present value of the investment using reasonable assumptions for future cashflows and the appropriate terminal value and date. A risk-adjusted discount rate is applied to quantify the inherent risk of the investment, which is built up on first principles applying the capital asset pricing model.

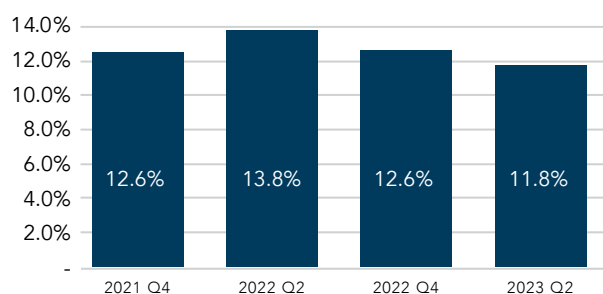
Further information on the Company's approach to valuation can be seen in Note 7 on pages 65 to 67.

Discount rates

During the first half of the year, the weighted average discount rate decreased from 12.6% to 11.8%, as shown in the chart below. Higher risk-free rates have been offset over the course of the year by lower risk premiums applied in line with comparatives, whilst also adopting a static discount rate approach, compared to the previous approach to evolve the discount rate over time as the investee companies mature.

Across the portfolio, the beta used in the Capital Asset Pricing Model (CAPM), derived by looking at a basket of comparable companies, has reduced consequently lowering the implied cost of equity. It is important to highlight that this adjustment has effectively counterbalanced the impact of a 0.5% rise in risk-free rates on the UK 10-year gilt yield, resulting in a marginal net increase in the cost of equity.

Weighted average discount rate by valuation period, (%)



/ LIQUIDITY

As at the period end, the Group held total cash of £78.3 million, of which £47.0 million relates to unrestricted cash available for use. At the Reporting date, the Company had £29.5 million of available cash.

At period-end, the RCF was £356.2 million drawn, with a further £18.8 million available to draw. At the time of writing, the Group had £12.5 million available to draw.

/ INFLATION

Whilst power price inflationary pressures have subdued this year compared to last, high inflation rates, and particularly sticky inflation in the UK, remains a prevalent theme. The ability to pass cost inflation to customers varies by Investee Company so a granular approach was taken to model the effects of inflation. The Company has used inflation forecasts provided by an independent third party, and we expect to maintain this approach going forward.

In the UK, CPI is forecast to end the year at 4.4% and reduce further to 2.0% by the end of 2024.

For RPI, we expect a drop to 5.3% by March 2024, and a further drop to 3.5% by March 2025, thereafter reducing gradually by 50bps per year and stabilising at 2.0% in 2028.

As set out in the Chair's Statement, on page 12, Arqiva has been negatively impacted from a cash flow perspective due to the recent increased levels of inflation and the impact this has on the existing inflation linked swaps held on their balance sheet. While these have a negative impact on cash outflows over the short term, it should be highlighted that over the longer term this is positive for Arqiva's enterprise value.

This plays out in two ways, 1) higher revenues in the future as a result of the compounding effect of inflation on their revenues and 2) a larger EBITDA used in any exit assumptions. Furthermore, the RPI cap & collar entered into in June 2023, will cap accretion payments from June 2024 at 6.0%. More information on Arqiva can be found on pages 40 to 41.

The Investment Manager aims to construct and maintain a portfolio that generates year-on-year revenue growth on a progressive basis. The Investment Manager does not aim to construct and maintain a portfolio of investments purely with direct inflation-linked returns, however it targets any potential portfolio downside inflation impact to be broadly offset through revenue growth over the medium to long-term.

/ DEBT FINANCING

As set out in the IPO Prospectus, gearing will only be used by the Company to finance acquisitions and growth capital expenditure on a short-term basis, with longer-term gearing likely to be applied at an asset level.

As at 30 June 2023, the Group had unrestricted cash of £47.0 million and an undrawn RCF balance of £18.8m, providing £65.8 million in potential liquidity. In aggregate, excluding Investee Companies and including undrawn RCF, D9 had gross debt of £544.8 million, comprising of the VLN and RCF as at 30 June 2023 which is 44.0% of Adjusted GAV and below the 50% maximum permitted in the Company's Investment Policy. This gives the Company headroom under this restriction of £74.1 million.

The Company takes a conservative approach to monitoring its gearing ratio and the calculation of Adjusted GAV. In calculating Adjusted GAV the Company does not include the VLN in the calculation, which would have the impact of increasing the denominator and reducing the leverage percentage. If the VLN were included in the calculation, leverage would reduce from 44% to 39%.

Debt Metrics

Gearing Ratio (at 30 June 2023)	£'m	Leverage as a % of Adjusted GAV
Drawn RCF (as at 30 June 2023)	356.2	28.8
Total RCF (excluding accordion)	375.0	30.3
RCF and VLN	544.8	44.0

As at 30 June 2023, the Company's Net Debt / EBITDA position has marginally increased since December 2022 as a result of the PIK loan notes on the VLN being capitalised at 30 June 2023 and the inclusion of the Verne Iceland \$100 million loan facility which was completed during the period.

Net Debt/EBITDA	Proforma June 2023	December 2022
Drawn RCF	363.7	331.2
VLN*	169.8	163.0
Cash & Equivalents (inc. restricted cash)	(78.3)	(73.6)
Net Debt	455.2	420.6
Annualised Portfolio EBITDA	208.8	206.3
Net Debt/EBITDA	2.2x	2.0x
Arqiva debt (pro-rated for D9 ownership)	769.5	754.0
Verne Global debt	78.8	–
Adjusted Net Debt	1,303.5	1,174.6
Adjusted Net Deb/EBITDA	6.2x	5.7x

* The increase in the VLN balance includes PIK interest, which was capitalised into the balance of the loan on 30 June 2023.

The Arqiva figures have been adjusted for the impact of their refinancing which completed on 5 July 2023.

Revolving Credit Facility

As at the reporting date, the Company had a £375 million bespoke RCF in place with an international syndicate of four banks. As at the beginning of the year, the Company had drawn £331.2 million. During the first 6 months of the year the Company drew a further £25 million and £7.5 million in the post-balance sheet period bringing total drawn amounts to £364 million as at the date of signing this report.

The RCF has been instrumental to enable the Company to fund the acquisition of Arqiva, whilst also providing capital towards Aqua Comms and the Verne Global platform to meet their growth capital expenditure requirements. However, given the current landscape in the UK characterised by high interest rates with SONIA trading around the 5% mark, the Company has sought to de-lever its balance sheet in order to reduce its financing costs and preserve shareholder value. As set out in the Chair's statement on pages 11 to 12, the Company has progressed the competitive process to sell a stake in the Verne Global group of companies, which will enable D9 to pay down and part-cancel a significant portion of the Group's RCF.

The Company's debt structure is under permanent review by the Board and the Investment Manager.

VLN

The Group part-financed the £463 million acquisition of a 48.02% equity stake in Arqiva with the use of a £163 million non-recourse VLN which is listed on the International Stock Exchange ("TISE"). The VLN is due to mature in 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 D9 has the choice either to settle each payment in cash or to accrue it. For the period ending 30 June 2023, the Company elected to accrue the interest, increasing the VLN's outstanding balance from £163m to £170m.

Accrued interest must be repaid in full before distributions can be made to the Group. After the fourth anniversary of the VLN, the Group can only receive distributions if the entirety of the VLN principal and any rolled up interest has been repaid in full. The Company expects Arqiva's future cashflows to cover D9's VLN interest payments. The Investment Manager expects that the VLN will be refinanced prior to its fourth anniversary in October 2026, as was anticipated at acquisition.

Investee Company Leverage

As at 30 June 2023, only two of the Investee Companies had asset level debt; Arqiva and Verne Global Iceland.

Arqiva:

As of 30 June 2023, Arqiva's pro forma debt balance is £1,487 million (including project debt), of which the Company's share is £770 million. The pro forma adjustment accounts for the senior refinancing, which completed in early July 2023.

Verne Global Iceland:

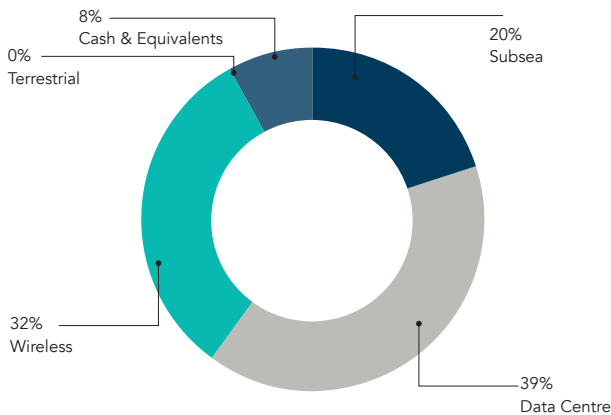
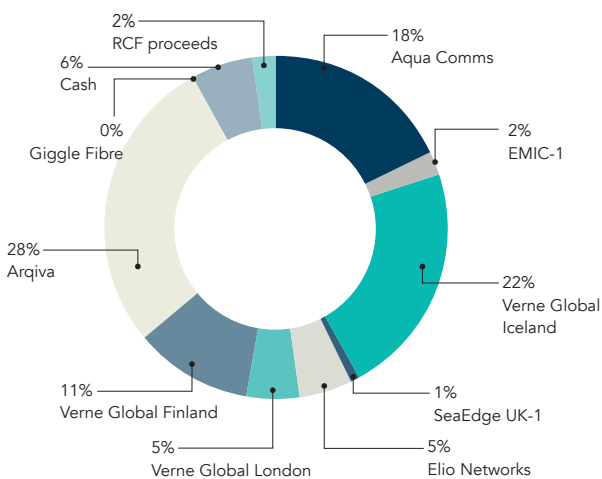
As previously outlined, the Company has explored the deployment of asset level financing into selected Investee Companies in the form of long-term structured debt. Earlier this year, the Company achieved this through Verne Global Iceland who agreed a \$100 (c.£80) million green term loan facility.

The Facility is structured as a syndicated facility, fully underwritten by Natixis and with a fixed term of 5 years maturing in June 2028. The interest rate payable in the first 3 years of the facility is 3% per annum over the Secured Overnight Financing Rate ("SOFR"), stepping up to 3.25% per annum and 3.5% per annum, in fourth and fifth year, respectively. Verne Global Iceland has also put in place an interest rate swap for the first three years of the facility to manage longer-term fluctuations in interest rates. The fixed rate for the tenor of the swap is 4.14% per annum and the all-in fixed rate including the applicable margin is 7.14% per annum.

/ PORTFOLIO SUMMARY AND KEY VALUE DRIVERS

The Company's portfolio now consists of eight⁴ attractive and complimentary investments, with four high-quality platforms comprising best in sector operators, benefitting from accretive convergence value throughout the portfolio. We have invested across the four target sub-sectors: Data Centres, Subsea Fibre, Terrestrial Fibre and Wireless networks. The below table shows the portfolio's asset and sector concentration levels comprising valuations as at 30 June 2023.

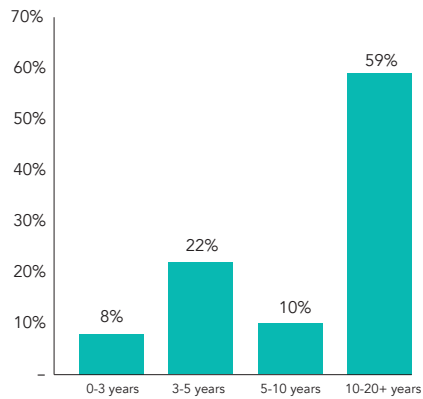
Portfolio asset and sector concentration (% of GAV)



High revenue visibility with balanced and stable currency mix:

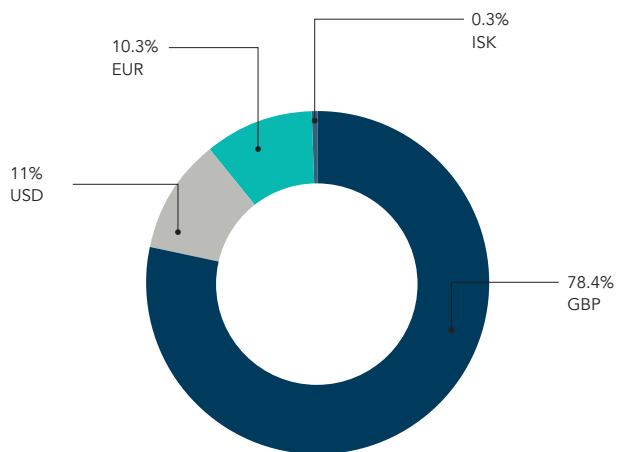
We have invested in businesses with high revenue visibility, with a weighted average remaining contract term for recurring revenue of 7.1 years across the Investee Companies. This is reflective of our investment approach, with investments underpinned by a combination of diversified and long-term contract stacks with high quality counterparties.

7.1 years



Balanced and stable currency mix

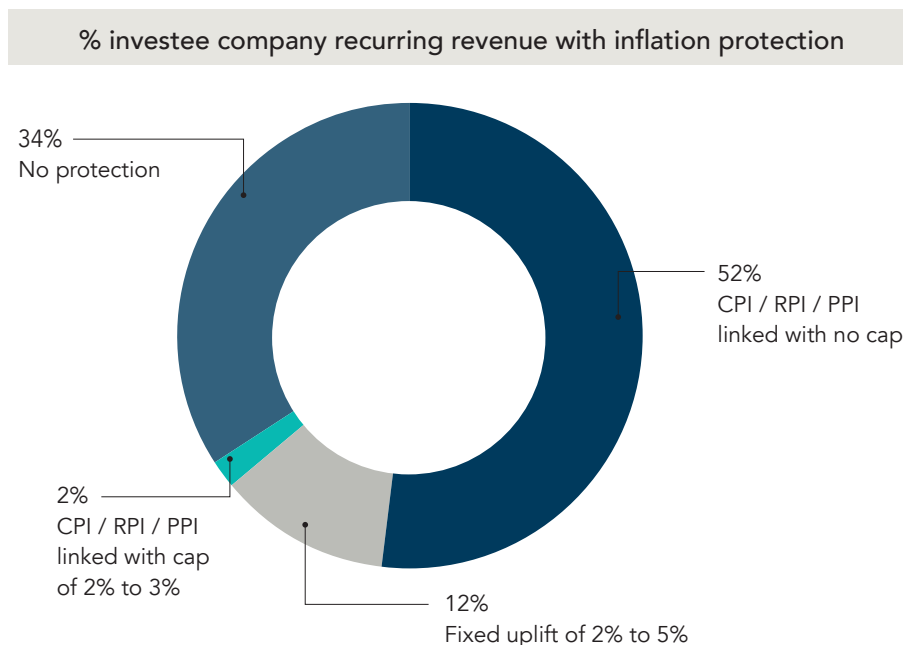
Currency markets have fluctuated as central banks respond to rising inflation by increasing interest rates and adopting a contractionary monetary policy. The Company has over 99% exposure to major currencies (GBP, USD, EUR), offering a balanced currency mix to major economies.



² A competitive process for the sale of Giggle is ongoing, however, due to its short cash runway, a provision has been applied against the full value of the Company.

Inflation protection³:

Amidst an economic backdrop of record inflation levels not seen in decades, we believe D9 is well positioned to cope with the risks arising from rising inflation with 66% of recurring revenues benefitting from a form of inflation protection at underlying contract level.



³ A portion of the inflation protection from Arqiva is subject to swaps. Note, Arqiva has predominantly uncapped, 0% floor, RPI-linked escalators within its core customer contracts. Taking advantage of the favourable and high proportion of inflation-linked revenue in the underlying business, Arqiva has inflation-linked swaps whose payments are financed by the inflation-linked customer contracts that run beyond 2027.





ARQIVA

Investment: £300 million
Location: UK
IPO pipeline asset?: No



VERNE GLOBAL ICELAND

Investment: £231 million
Location: Nordics
IPO pipeline asset?: Yes



AQUA COMMS

Investment: £170 million
Location: Ireland
IPO pipeline asset?: Yes



ELIO NETWORKS

Investment: £51 million
Location: Ireland
IPO pipeline asset?: No



AEC-3
Developed alongside:
 Microsoft



SUBSEA FIBRE



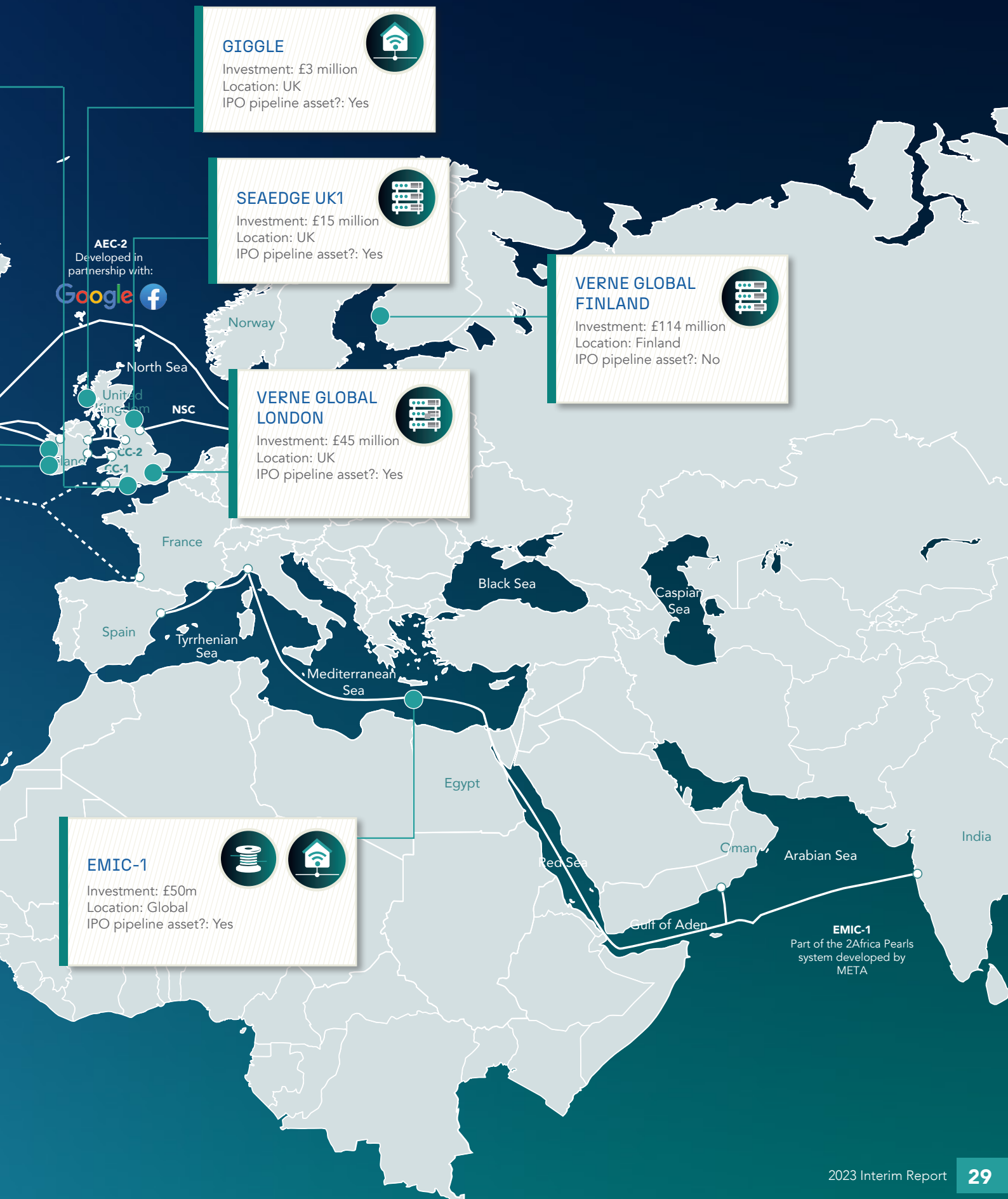
TERRESTRIAL FIBRE



DATA CENTRES



WIRELESS NETWORKS



GIGGLE

Investment: £3 million
 Location: UK
 IPO pipeline asset?: Yes



SEAEDGE UK1

Investment: £15 million
 Location: UK
 IPO pipeline asset?: Yes



VERNE GLOBAL FINLAND

Investment: £114 million
 Location: Finland
 IPO pipeline asset?: No



VERNE GLOBAL LONDON

Investment: £45 million
 Location: UK
 IPO pipeline asset?: Yes



EMIC-1

Investment: £50m
 Location: Global
 IPO pipeline asset?: Yes



EMIC-1
 Part of the 2Africa Pearls system developed by META

Review of portfolio

/ PORTFOLIO FINANCIAL PERFORMANCE



	2023 YTD	2022 (YTD Comparative)	2022	2021
Revenue	£222.6 million	£202.0 million	£406.1 million	£398.3 million
% Growth	10%	–	2%	1%
EBITDA⁴	£105.9 million	£101.1 million	£201.8 million	£202.9 million
% Growth	4%	–	(1)%	(3)%

On a consolidated basis, the Company's Investee Companies generated £222.6 million in revenue and £105.9 million in EBITDA, over the first half of the year. This reflects an increase of 10% and 5% respectively on the previous 6 months.

⁴ The Company is now presenting EBITDA excluding Infrastructure as a Service ("IaaS") revenue at the data centre level for Verne Global, which passes through the profit & loss statement as a cost after EBITDA. This is a more prudent measure when looking at the Investee Companies' financial performance. The Company previously reported EBITDA on a reported EBITDA basis, including IaaS revenue. The comparable figure for 2022 would be £225 million, and £216 million for 2021.



/ AQUA COMMS (INCLUDING EMIC-1)

 AQUACOMMS (including EMIC-1)	
Sector	 Subsea
Currency	USD
Date invested	April 2021
Ownership	100%
SDG9 alignment	Connectivity
Revenue (to 30 June 2023)	£14.3 million
Initial investment	£170 million
Total capex funded to date	£29 million
Total investment to date	£199 million
Closing value (30 June 2023)	£227 million
Valuation Movement (from 31 December 2022) %	(3.3)%
EBITDA (to 30 June 2023)	£4.7 million

Aqua Comms has established itself as a leading subsea fibre operator in the transatlantic market with two of the most modern systems in AEC-1 and AEC-2. In August 2023 we launched the AEC-3 system, on schedule and on budget, providing further network connectivity between the US and UK. The cable provides up to 20 TB of capacity bringing Aqua Comms' total capacity to c.60 TB across its operational subsea cables. The cable is the first to directly connect Boston to Europe and Bordeaux to North America, spanning 6,783 km.

AEC-3 on Aqua Comms' network, adds a third high-capacity system to their transatlantic footprint offering enhanced diversity in both the US and Europe and delivering the latest technology to their customers.

Aqua Comms is also managing the EMIC-1 system with its development continuing through 2023 before launch in 2025.

In May 2023, Jim Fagan joined as CEO, following Nigel Bayliff standing down from the role. Jim's appointment follows a competitive recruitment and selection process, and the Investment Manager continues to support the leadership transition period closely. Jim brings 25 years' leading industry experience in Asia-Pacific, North America and EMEA, including executive roles with Global Cloud Xchange, Rackspace, and Pacnet (later acquired by Telstra).

Aqua Comms remains one of the Company's cornerstone investment platforms since IPO and the Investment Manager is very confident of the ability to create accretive organic growth as well as seeking out potential additional pipeline acquisitions in subsea fibre.

	2023 YTD	2022 YTD	2022	2021
Revenue	£14.3 million	£14.0 million	£27.3 million	£25.9 million
% growth	3%	–	5%	8%
EBITDA	£4.7 million	£7.3 million	£12.8 million	£16.1 million
% growth	(36)%	–	(5)%	(1)%
% margin	41%	52%	46%	62%

/ VERNE GLOBAL ICELAND

 	
Verne Global Iceland	
Sector	 Data centre
Currency	USD
Date invested	September 2021
Ownership	100%
SDG9 alignment	Decarbonisation
Revenue (YTD)	£11.4 million
Initial investment	£231 million
Total capex funded to date	£50 million*
Total investment to date	£281 million
Closing value (30 June 2023)	£275 million
Valuation Movement (from 31 December 2022) %	(6.4)%*
EBITDA (YTD)	£4.1 million

* The Company has contributed a total of £50m into Verne Global Iceland since acquisition by way of Shareholder loans. During the period Verne Global Iceland repaid £39 million of this loan which includes an element of interest accrued.

Verne Global Iceland (“**Verne Global**”) is a leading data centre platform based in Iceland. It provides highly scalable data centre capacity to its enterprise customers in a geographically optimal environment, powered by 100% baseload renewable energy. Energy is sourced exclusively from local, stable and predictable hydroelectric and geothermal power generation which is secured with a 10-year fixed-price supply contract, enabling customers to reduce their carbon footprint significantly. Verne Global’s year-round, free-air cooling capabilities make it one of the most energy-efficient data centres in the world and reaffirms the Company’s ambition to decarbonise digital infrastructure in line with UN SDG9.

At 30 June 2023, Verne Global had 99% of recurring revenue benefitting from fixed annual uplifts ranging from 2% to 5% offering strong revenue inflation protection generated from c.40 leading global High-Performance Computing, supercomputing and enterprise customers. This delivers long-term, inflation-protected income in a variety of sectors including automotive, artificial intelligence and financial services.

In light of increased global temperatures, increasing ESG reporting requirements, along with the recent power pricing and availability crisis in Northern Europe, enterprises are focused on sustainable data centre solutions, which benefit from low-cost, long-term, renewable power, and that bring stability, availability and scalability to support their rapidly increasing high performance compute needs.

As a result, Verne Global is experiencing accelerated customer demand for its facilities from both new and existing customers and has booked and sold the majority of its remaining capacity. Due to this level of demand, Verne Global has identified a substantially increased growth capital expenditure pipeline in its latest 5-year business plan, with capital expenditure pipeline in 2023 increasing to \$115 million (£95 million). Furthermore, its capital expenditure pipeline for the five years to 31 December 2027 increased from \$208 million (£172 million) in its 2021 plan to c.\$472 million (£391 million).

This capital expenditure will fund the expansion of capacity from an existing 40 MW in operation or development to a total of 94 MW out of a potential of more than 100 MW on the site. At 30 June 2023, the Group had funded c.\$60 million, (c.£50.0 million) of capital expenditure in Verne Global since its acquisition for £231 million in September 2021. The Group has not currently committed to any further capital expenditure for 2023 onwards.

As previously noted, Verne Global drew a \$100 million (c.£80 million) green term-loan debt facility in June 2023 and subsequently put in place an interest rate swap for the first three years of the facility applying an all-in fixed interest rate of 7.14% to the facility. The proceeds have been used to:

- Fund additional capacity under construction and development in 2023
- Refinance Verne Global's existing bridge loan facility

for \$26 million (£21 million)

- Repay \$50 million (£40 million) of the \$62 million (£49.5 million) shareholder loan owed to the Group by Verne Global

The Company's Investment Policy includes a restriction that the Company will not invest more than 25% of Adjusted Gross Asset Value in any single asset or Investee Company (measured at the time of any investment into such asset or Investee Company) and therefore the Group cannot currently materially increase its exposure to Verne Global.

The Company and the Investment Manager continue to believe in Nordic data centres as a significant differentiator for the Company's investment proposition, giving exposure to the fastest growing market for low-carbon, low-cost data centre services.

	2023 YTD	2022 YTD	2022	2021
Revenue	£11.4 million	£11.7 million	£20.1 million	£18.5 million
% growth	(2)%	–	30%	25%
EBITDA	£4.1 million	£3.4 million	£7.1 million	£6.0 million
% growth	22%	–	18%	69%
% margin	36%	29%	35%	32%



/ VERNE GLOBAL FINLAND

 	
Verne Global Finland	
Sector	 Data centre
Currency	EUR
Date invested	July 2022
Ownership	100%
SDG9 alignment	Decarbonisation
Revenue (YTD)	£6.3 million
Initial investment	£114 million
Total capex funded to date	£5 million
Total investment to date	£119 million
Closing value (30 June 2023)	£136 million
Valuation Movement (from 31 December 2022) %	3.2%
EBITDA (YTD)	(£1.5) million

Verne Global Finland is a leading Finnish data centre and cloud services platform. It has ultra-modern infrastructure, spread across three campuses (The Air, The Rock and The Deck) with industry-leading sustainability credentials and surplus heat distribution, offering a full suite of cloud infrastructure, connectivity and cybersecurity services. Verne Global Finland has existing buildings capable of providing up to 23 MW.

Verne Global Finland was acquired in July 2022. This acquisition expands D9's Nordic data centre portfolio and continues to deliver on our strategy of sustainable data storage.

As part of the 5-year business plan, Verne Global Finland identified a growth capital expenditure pipeline of £92 million for the 5-year period to 31 December 2027. This is to realise the potential to expand existing resilient fit out capacity from 7.4 MW to 17 MW; the Group has not yet committed to underwrite any of this expenditure.

	2023 YTD	2022 YTD	2022	2021
Revenue	£6.3 million	£6.1 million	£12.6 million	£11.1 million
% growth	3%	–	14%	33%
EBITDA	£1.5 million	£1.6 million	£3.5 million	£2.4 million
% growth	(1%)	–	46%	226%
% margin	24%	25%	28%	22%

/ VERNE GLOBAL LONDON

 	
Verne Global London	
Sector	 Data centre
Currency	GBP
Date invested	April 2022
Ownership	100%
SDG9 alignment	Connectivity
Revenue (YTD)	£6.7 million
Initial investment	£45 million
Total capex funded to date	£17 million
Total investment to date	£62 million
Closing value (30 June 2023)	£69 million
Valuation Movement (from 31 December 2022) %	8.3%
EBITDA (YTD)	£1.6 million

Verne Global London wholly owns and operates a hyper-connected data centre in Farringdon, central London, providing up to 6 MW of colocation services. The London facility is a fully accredited hub for connectivity and content distribution to networks across the UK and worldwide and is in an ideal location for latency-sensitive workloads.


Since acquisition, the data centre has been integrated into the Verne Global platform. We remain focused on expanding the facility towards its full capacity of 6 MW, with development expected to be completed in the first half of 2024.

We will continue to promote convergence value across our various data centre strategies, including our broader Nordic data centre platform, as we educate UK customers on the benefits of shifting energy-intensive, latency insensitive data workloads into the Nordics.

	2023 YTD	2022 YTD	2022	2021
Revenue	£6.7 million	£3.7 million	£9.0 million	£6.9 million
% growth	83%	–	30%	25%
EBITDA	£1.6 million	£(1.4) million	£(0.7) million	£0.9 million
% growth	n/a	–	(182%)	128%
% margin	24%	(38)%	(8)%	13%

/ SEAEDGE UK1

SEAEDGEUK1

Sector	 Data centre
Currency	GBP
Date invested	December 2021
Ownership	100%
SDG9 alignment	Connectivity & Decarbonisation
Revenue (YTD)	£0.5 million
Initial investment	£16 million
Total capex funded to date	Nil
Total investment to date	£16 million
Closing value (30 June 2023)	£18 million
Valuation Movement (from 31 December 2022) %	1.5%
EBITDA (YTD)	£4.7 million



D9 owns the underlying real estate of the SeaEdge UK1 (also known as Stellium DC1) data centre asset and subsea fibre landing station, located on the UK's largest purpose-built data centre campus in Newcastle. It is the UK's only landing station for the North Sea Connect subsea cable, which improves connectivity in northern England and forms part of the North Atlantic Loop subsea network, which includes D9's Aqua Comms' AEC-1 and AEC-2 cables.

The asset is leased on fully repairing and insuring terms to the tenant and operator, Stellium Data Centres Limited, via a 25-year occupational lease with over 23 years remaining. Stellium continues to meet its payment obligations under the lease, delivering on the Company's target yield at acquisition.



	2023 YTD	2022 YTD	2022	2021
Revenue	£0.5 million	£0.5 million	£1.3 million	£0.8 million
% growth	-	-	61%	-
EBITDA	£0.5 million	£0.5 million	£1.0 million	£0.8 million
% growth	7%	-	21%	-

/ ELIO NETWORKS

 Elio Networks	
Sector	 Wireless
Currency	EUR
Date invested	April 2022
Ownership	100%
SDG9 alignment	Connectivity
Revenue (YTD)	£4.0 million
Initial investment	£51 million
Total capex funded to date	£0 million
Total investment to date	£51 million
Closing value (30 June 2023)	£58 million
Valuation Movement (from 31 December 2022) %	(2.5)%
EBITDA (YTD)	£2.3 million

Elio Networks is a leading enterprise broadband provider that owns and operates the highest capacity licensed Fixed Wireless Access (“FWA”) network in Greater Dublin, connecting c.1,600 enterprise customers with high-quality wireless access across c.50 base stations.

Elio Networks continued its growth in high-quality wireless connectivity operations in 2023, with unique customer connections of c.2,800 in June 2023.

The Company 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, they have grown to become the largest wireless Internet Service Provider (“ISP”) in the greater Dublin region. This was D9’s first investment into wireless infrastructure and is in line with the Company’s focus on supporting the SDG9, by providing lower cost and lower latency connectivity to Irish businesses.

As part of its 5-year business plan, Elio Networks has identified a growth capital expenditure pipeline of c.€8 million (c.£7 million) for the period to 2027, including €1.3 million (£1.1 million) in 2023. At 31 December 2022, the Group had not funded any growth capital expenditure in Elio Networks since its acquisition for £51 million in April 2022.


In line with its strategic growth plans, Elio Networks completed a re-branding exercise and launched under its new name in February 2023. Furthermore, the network launched in Cork city in early 2023, reaffirming its position as a leading connectivity player.

D9 believe Elio Networks continues to provide an attractive entry point to Ireland’s extensive FWA network and represents a growth platform for further geographical expansion throughout Ireland and internationally.

	2023 YTD	2022 YTD	2022	2021
Revenue	£4.0 million	£3.8 million	£7.7 million	£7.3 million
% growth	6%	–	6%	7%
EBITDA	£2.2 million	£2.0 million	£4.7 million	£4.9 million
% growth	(11)%	–	(4)%	26%
% margin	47%	49%	61%	67%

/ ARQIVA



Sector	 Wireless
Currency	GBP
Date invested	October 2022
Ownership	48.02%
SDG9 alignment	Connectivity
Revenue (YTD)	£179.2 million
Initial investment	£300 million
Total capex funded to date	£0 million
Total investment to date	£300 million
Closing value (30 June 2023)	£345 million
Valuation Movement (from 31 December 2022) %	(3.0)%
EBITDA (YTD)	£91.2 million

Arqiva is the sole provider of national terrestrial TV and radio broadcasting infrastructure in the UK. It serves as a key strategic asset for the nation, owning c.1,450 broadcast transmission sites and reaching 98.5% of UK households. The breadth of its broadcasting network aligns Arqiva well with D9's goal to improve connectivity for consumers. Arqiva also operates a state-of-the-art smart metering platform, which covers c.12 million premises and delivers c.50 million data points every day.

Arqiva is a large, robust business with c.1,300 employees and predictable earnings underpinned by long-term, inflation-linked contracts, strong market positions, diverse revenue streams and long-life assets. Arqiva has a healthy balance sheet consisting of long-term senior and junior debt, which is supported by interest rate swaps and inflation-linked swaps to hedge and manage its exposure to interest rates.

Arqiva's revenue is supported by long-term contracts with blue-chip customers including the BBC, ITV, Channel 4, Sky, Discovery, the DCC and Thames Water. Revenue contracts benefit from inflation protection, with an estimated 65-70% of forecast recurring revenue for the financial year ending 30 June 2023 linked to the Consumer Price Index (CPI) or the Retail Price Index (RPI). Arqiva's operational cash flow will generally benefit from an inflationary environment. However, inflation-linked swaps (in place until April 2027) offset the positive inflationary effect on operational cash flow. Therefore, while Arqiva will benefit from an inflationary environment in the longer term, the overall effect in the short-to-medium term is negative.



Vendor loan note interest accrual

D9's 2022 acquisition of a 48.02% equity stake in Arqiva consisted of £300 million paid in cash and a £163 million non-recourse vendor loan note (VLN) issued by the vendor. The VLN is due to mature in 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 D9 has the choice either to settle each payment in cash or to accrue it. For the period ending 30 June 2023, the Company elected to accrue the interest, increasing the VLN's outstanding balance from £163m to £170m.


Accrued interest must be repaid in full before distributions can be made to the Group. After the fourth anniversary of the VLN, the Group can only receive distributions if the entirety of the VLN principal and any rolled up interest has been repaid in full. The Company expects Arqiva's future cashflows to cover D9's VLN interest payments. The Investment Manager expects that the VLN will be refinanced prior to its fourth anniversary in October 2026, as was anticipated at acquisition.

Details of the inflation collar on the Arqiva inflation-linked swaps and senior debt refinancing can be found on page 17.

	2023 YTD	2022 YTD	2022	2021
Revenue	£179.2 million	£162.1 million	£328.1 million	£327.8 million
% growth	11%	–	0%	(3)%
EBITDA	£91.3 million	£87.9 million	£177.0 million	£174.5 million
% growth	4%	–	1%	(6)%
% margin	51%	54%	54%	53%

/ GIGGLE BROADBAND



Sector	 Terrestrial
Currency	GBP
Date invested	July 2022
Ownership	100%
SDG9 alignment	Connectivity
Initial investment	£0 million
Total capex funded to date	£4.3 million
Total investment to date	£4.3 million
Closing value 30 June 2023	£0.0 million

An update on the Giggle fibre sale process can be found on page 18.





Key Performance Indicators

In order to track the Company and/or Group's progress, the following key performance indicators are monitored:

KPI AND DEFINITION	RELEVANCE TO STRATEGY	PERFORMANCE	COMMENT
1. DIVIDENDS PER SHARE (PENCE)			
Dividends paid and declared on every ordinary outstanding share in relation to the period.	The dividend reflects the Company's ability to deliver a growing income stream from the portfolio.	The Company has paid or declared dividends of 1.5 pence per share in respect of the six months to 30 June 2023 (30 June 2022: 3 pence per share, or 6 pence per share on an annualised basis).	The Board has elected not to pay a 1.5 pence per share in respect of Q2 2023 and the Board will start a formal consultation with its shareholders, starting on 2 October 2023, to determine the optimal future dividend policy. Further details can be found in the Chair's Statement on page 13.
2. TOTAL RETURN (%)⁵			
The change in NAV in the period and dividends paid per share in the period.	The total return highlights the underlying performance of the portfolio's investment valuations, including dividends paid.	6.4% annualised since IPO ((11.2)% annualised for the six month period to 30 June 2023; 10.7% for the six month period to 30 June 2022).	A medium-term total return target of 10% per annum was set out at IPO.
3. TOTAL SHAREHOLDER RETURN (%)⁵			
The change in share price and dividends paid per share.	The total return highlights the share price movements, including re-investment of dividends.	(26.1)% for the period six-month period to 30 June 2023.	The decrease was driven primarily by the fall in the share price from 86.4 pence per share on 31 December 2022 to 61.2 pence per share on 30 June 2023.
4. 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 investments including valuation increases.	(6.63) pence per share for the six-month period to 30 June 2023 (see Note 14) (3.43 pence per share for the six-month period to 30 June 2022).	The main driver for the loss per share during the period was the fair value movement of the Company's investment in D9 HoldCo. The drivers to this reduction in value are explained on page 20.

⁵ Alternative Performance Measure, further information on APMs can be found on pages 72 to 73.

KPI AND DEFINITION	RELEVANCE TO STRATEGY	PERFORMANCE	COMMENT
5. NAV PER SHARE			
NAV divided by number of shares outstanding as at the period end.	The NAV per share reflects the Company's ability to grow the portfolio and to add value to it throughout the life cycle of its assets.	100.13 pence per share (31 December 2022: 109.76, 30 June 2022: 105.13) (see Note 15).	This is a decrease of 8.8% compared to December 22 and 4.3% compared to June 2022. due to the fair value movement of the Company's investment in D9 HoldCo. The drivers to this reduction in value are explained on page 20.
6. OPERATING CASH DIVIDEND COVER⁵			
Operational cashflow divided by dividends paid to shareholders during the year.	The operating cashflow dividend cover reflects the Company's ability to cover its dividends from the operational cash flow generated by its Investee Companies, after deducting Investee Companies' maintenance capex and interest costs.	Operational cashflow dividend cover for the period to 30 June 2023 was 0.0x. Operating cash dividend cover is measured as total dividends paid and payable at 30 June 2023, as a percentage of total operating cashflows for the Investee Companies (see page 12).	The Board and Investment Manager expect operating cash flow dividend cover to be substantially achieved by 31 December 2024. For more detail on dividend cover please see the Chair's Statement on pages 12 to 13.
7. ONGOING CHARGES RATIO⁵			
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.	1.2% annualised for the six-month period to 30 June 2023 (30 June 2022: 1.09%).	A key measure of our operational performance. As the Group has acquired more investments, the Group structure has become more complex. As a result, audit costs and professional fees have increased.

KPI AND DEFINITION	RELEVANCE TO STRATEGY	PERFORMANCE	COMMENT
8. POINTS OF PRESENCE (POPS)			
A Point of Presence is a discrete geographic location within the Investee Company network, containing Investee Company owned exchange equipment and allows for connection into the wider network.	Points of presence represent a physical demonstration of the fibre networks distribution to a wider set of customers. We seek growth in this value over time.	58 at 31 December 2022 ⁶ .	POPs, with kilometres of fibre and growth in network capacity provide a picture of the connectivity provided by the Company. These KPIs are intended to be tracked over time and their growth demonstrates an increase in connectivity as a result of the Company's investments. The number of Points of Presence grew significantly during the reporting year due to the acquisition of Elio Networks, a fixed wireless provider with a large network.
9. KILOMETRES OF FIBRE			
The total length of fibre (operational and in development) owned or part-owned by portfolio companies ⁷ .	Kilometres of fibre represent a physical demonstration of the fibre networks presence. We seek growth in this value over time.	32,000 at 31 December 2022 ⁶ .	Kilometres of fibre, with POPs and growth in network capacity provide a picture of the connectivity provided by the Company. These KPIs are intended to be tracked over time and their growth demonstrate an increase in connectivity as a result of the Company's investments.
10. GROWTH IN NETWORK CAPACITY			
The increase in sold capacity across fibre networks, between two points in time.	Growth in network capacity represents the network's ability to respond to and deliver on demand for more connectivity. We seek a positive percentage growth year on year.	13% at 31 December 2022 ⁶ .	Growth in network capacity, with kilometres of fibre and POPs provide a picture of the connectivity provided by the Company. These KPIs are intended to be tracked over time and their growth demonstrates an increase in connectivity as a result of the Company's investments.

⁷ Total kilometres of fibre owned or part-owned 32,000 km (14,250 km operational; 17,750 km in development (including EMIC-1)).

KPI AND DEFINITION	RELEVANCE TO STRATEGY	PERFORMANCE	COMMENT
11. POWER USAGE EFFECTIVENESS (PUE)			
<p>PUE is the total energy entering a datacentre divided by the energy used by IT equipment inside the datacentre.</p>	<p>PUE is a measure of our energy efficiency and represents the decarbonisation of our investments either through targeting assets with the most advanced energy efficiency practices, or through improvements of existing systems. The decarbonisation measure reflects the Company's success in aligning to SDG9, target 9.4.</p>	<p>1.33 as at 31 December 2022⁶.</p>	<p>PUE is applicable to Data Centre assets and represents an important measure in the environmental sustainability of an asset. Efficiency and increases in efficiency can contribute to a lower carbon emission and better use of natural resource. Industry average is commonly reported to be 1.3 in cold air temperature locations and 1.4 in warm air temperature locations.</p>



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.

1. LIQUIDITY RISK – INABILITY TO RAISE CAPITAL FOR FUTURE INVESTMENTS AND/OR INSUFFICIENT CASH GENERATION TO MEET DIVIDEND EXPECTATIONS

Risk Impact	Risk Mitigation	Impact
The current portfolio requires ongoing investment in capital expenditure in order to generate future cashflow.	As set out in the 2022 Annual Report, and subsequent announcements, the Board and Investment Manager reviewed the sources of funding available for its working capital requirements and dividends. Two initiatives were undertaken to support this, being the Verne debt raise and the Syndication. Please refer to the Chair's Statement on pages 10 to 15.	Moderate-to-High
Without sufficient and ongoing access to capital, the Investment Manager will be unable to execute the Company's investment strategy.		Likelihood
This would significantly impair the Company's ability to pay dividends to shareholders at the targeted rate.		High
		Change in Period
	Debt is in place at both the Company and in the Investee Companies in Verne and Arqiva to support portfolio and cashflow obligations. Further information on the debt facilities can be found in the Investment Manager's Report on pages 25 to 27.	Stable

2. PERSISTENT, NEGATIVE MARKET SENTIMENT LEADING TO INCREASED ACTIVISM

Risk Impact	Risk Mitigation	Impact
There are a number of drivers behind the market sentiment to include: wider macroeconomic and market conditions, investment manager personnel changes, as well as the Group's leverage position. This had led to the share price trading at discount to the Company's NAV.	The Board is in regular contact with its shareholders to canvass feedback and, where possible, address these within the Company's forward-looking strategy. The Board will start a formal consultation with shareholders to determine the optimal future dividend policy and discuss the future direction of the Company on 2 October 2023.	Moderate-to-High
		Likelihood
		High
		Change in Period
	Details of all initiatives and updates during and post-period end can be found in the Chair's Statement and Investment Manager's Report on pages 10 to 15 respectively.	Increase

3. INFORMATION SECURITY BREACH

Risk Impact	Risk Mitigation	Impact
Digital and physical security is crucial for the successful delivery of services by each of our Investee Companies. A breach of security can lead to a significant disruption in trading activities and/or exposure to wider fraudulent activities.	<p>All Investee Companies have a core suite of controls for the mitigation of information security risks and where possible companies are working to comply with ISO 27001. Cyber security is a regular feature in Risk and Audit Committee monitoring/discussions.</p> <p>The Investee Companies are subject to a new assurance activity in this regard, which will support future assessment of this risk and ensure minimum standards are maintained.</p>	Moderate-to-High
		Likelihood
		Moderate-to-High
		Change in Period
		New

4. RELIANCE ON KEY INVESTEE COMPANY LEADERSHIP

Risk Impact	Risk Mitigation	Impact
Loss of Investee Company key personnel would impact the individual company performances, impacting market perception and ultimately NAV.	<p>Where appropriate the following mitigating actions have been completed:</p> <ul style="list-style-type: none"> - strategic changes and enhancements to the leadership teams across each of the Investee Companies, - management succession plans are in place, and - long term incentive plans in place to ensure retention. 	Moderate
		Likelihood
		Moderate
		Change in Period
		New

5. RELIANCE ON INVESTMENT MANAGER AND DEPENDENCE ON KEY PERSONNEL

Risk Impact	Risk Mitigation	Impact
<p>The Company relies on the Investment Manager's services, its knowledge, expertise, and reputation in the Digital Infrastructure market.</p> <p>The loss of key personnel in the Investment Team could impact the performance of the Investee Company therefore adversely impacting the NAV of the Company.</p>	<p>The Board will regularly review and monitor the Investment Manager's performance. In addition, the Board meets regularly with the Investment Manager to ensure that a positive working relationship is maintained.</p> <p>Unless there is a default, either party may terminate the Investment Management Agreement by giving not less than 12 months' written notice, with such notice not to expire before the fourth anniversary of the date of admission.</p> <p>Triple Point, as the Investment Manager has appointed a new Head of Digital Infrastructure that will provide additional expertise, knowledge and bandwidth to the leadership team. Within the broader team the Investment Manager ensures that there are retention and succession plans in place for all key individuals, with incentive schemes and market compensation packages for key personnel.</p>	Moderate
		Likelihood
		Moderate
		Change in Period
		Decrease

6. INTERRUPTIONS OR POOR-QUALITY SERVICES TO CUSTOMERS AS A RESULT OF FAILURE OF INFRASTRUCTURE, EQUIPMENT AND/OR THIRD-PARTY NETWORKS

Risk Impact	Risk Mitigation	Impact
<p>D9's Investee Companies rely on infrastructure and technology to provide their customers with a highly reliable service. There may be a failure to deliver this level of service because of numerous factors. Failure to deliver may breach performance conditions in contracts with customers and therefore affect revenue streams, which in turn could impact the performance of D9 and therefore adversely impact the NAV.</p>	<p>The Digital Infrastructure Investments in which the Group invests use proven technologies, typically backed by manufacturer warranties, when installing applicable machinery and equipment.</p> <p>Investee Companies hire experts with the technical knowledge and seek third party advice where required.</p> <p>Where appropriate, there are insurances in place to cover issues such as accidental damage and power issues.</p>	Moderate-to-High
		Likelihood
		Low-to-Moderate
		Change in Period
		Stable

7. FAILURE TO COMPLY WITH UK AND INTERNATIONAL REGULATIONS

Risk Impact	Risk Mitigation	Impact
<p>Failure of Investee Companies to comply with their regulatory obligations and/or maintain a relevant permit or licence may result in sanctions from the applicable regulator including fines and/or the revocation of its authorisation to provide services. This could result in the relevant infrastructure ceasing to be operable and possibly subject to decommissioning requirements which may in turn, have a material adverse effect on the performance of the Company, the NAV, the Company's earnings and returns to Shareholders.</p>	<p>Experts are engaged to ensure compliance with all relevant regulations.</p> <p>Thorough due diligence is carried out prior to completing on investments to assess the regulatory environment and how compliance is maintained.</p> <p>After completion, the Investment Manager and Investee Companies maintain a frequent and ongoing dialogue on the subject to ensure compliance and preparedness for any change. This includes a number of compliance KPIs which form part of regular portfolio monitoring meetings.</p>	Moderate-to-High
		Likelihood
		Low-to-Moderate
		Change in Period
		Stable

8. AN INVESTEE COMPANY COUNTERPARTY MAY BECOME INSOLVENT, BE UNABLE TO MAKE CONTRACTUAL PAYMENTS OR TERMINATE A CONTRACT EARLY

Risk Impact	Risk Mitigation	Impact
<p>Issues may arise with Investee Companies' counterparties that could affect their ability to make contractual payments or result in the early termination of such projects due to counterparty insolvency.</p> <p>This could result in a material effect on the Group's revenue stream, resulting in a material adverse effect on the performance of the Company, the NAV, the Company's earnings and returns to Shareholders.</p>	<p>Prior to investing in a Digital Infrastructure Investment, the Investment Manager will undertake due diligence to assess the material contracts in place, including termination provisions and whether any such contracts are close to termination. Where possible, the Investment Manager will seek to build in suitable mechanisms to protect the Group's income stream, including the diversification of its investments.</p> <p>Further, the number of counterparties in respect of a particular Digital Infrastructure Investment may be significantly diversified so as to reduce the impact of a counterparty terminating an agreement at will or deciding not to renew such contract on expiry.</p>	Moderate-to-High
		Likelihood
		Low-to-Moderate
		Change in Period
		Increase

/ EMERGING RISKS

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

The global ambition for a more sustainable future has never been greater, particularly in light of recent events such as Covid-19 and various climate-related events across the globe. There is increasing pressure for governments and authorities to enforce green-related legislation. This could materially affect organisations which are not set up to deal with such changes in the form of financial penalties, operational and capital expenditure to restructure operations and infrastructure, or even ceasing of certain activities.

As part of D9's purpose-driven investment strategy and thorough ESG due diligence process, the Investment Manager will continue to actively seek acquisitions that deliver on sustainability targets and are aligned with D9's ambition to decarbonise Digital Infrastructure.

Increasing power prices/Supply chain disruption

Russia's invasion of Ukraine and the disruption to power supplies (particularly gas), has resulted in significant increases in power prices across Europe, and across the Nordic countries, expected to be a short-term increase which persists long-term. The Investment Manager is constantly monitoring the situation and, where possible, ensuring that D9's Investee Companies can pass on power price increases to their customers.

Development of disruptive technology

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

/ OTHER INFORMATION

Going Concern

The Directors have concluded that it is appropriate for the condensed financial statements to be prepared on a going concern basis. Full details are set out in Note 2 of the attached financial statements.

/ DIRECTORS' RESPONSIBILITY STATEMENT

The Directors confirm that to the best of their knowledge this condensed set of financial statements has been prepared in accordance with IAS 34 as adopted by the European Union and that the operating and financial review on pages 22 to 39 includes a fair review of the information required by DTR 4.2.7 and DTR 4.2.8 of the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority namely:

- an indication of important events that have occurred during the period and their impact on the condensed financial statements and a description of the principal risks and uncertainties for the remaining six months of the financial year; and
- material related party transactions in the period as disclosed in Note 11.

A list of the Directors is shown on page 78.

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

Approval

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



Phil Jordan
Chair

27 September 2023

Independent review report to Digital 9 Infrastructure plc

/ REPORT ON THE CONDENSED INTERIM FINANCIAL STATEMENTS

Our conclusion

We have reviewed Digital 9 Infrastructure plc's condensed interim financial statements (the "interim financial statements") in the Interim Report of Digital 9 Infrastructure plc for the 6 month period ended 30 June 2023 (the "period").

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

The interim financial statements comprise:

- the Condensed Statement of Financial Position as at 30 June 2023;
- the Condensed Statement of Comprehensive Income for the period then ended;
- the Condensed Statement of Cash Flows for the period then ended;
- the Condensed Statement of Changes in Shareholders' Equity for the period then ended; and
- the explanatory notes to the interim financial statements.

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

Basis for conclusion

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

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

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

Material uncertainty related to going concern

In forming our conclusion on the interim financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1 to the interim financial statements concerning the company's ability to continue as a going concern. The Company's going concern assessment is dependent on the wider Digital 9 Group (the "Group") completing on various strategic initiatives such as the syndication of the Verne Global Group and refinancing the Group's £375 million Revolving Credit Facility due in the next eighteen months (March 2025). While the discussions around these transactions are progressing, there still remains uncertainty around the timing of and value that will be achieved from the Verne syndication. These conditions, along with the other matters explained in note 2 to the interim financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going

concern. The interim financial statements do not include the adjustments that would result if the company were unable to continue as a going concern.

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for conclusion section of this report, nothing has come to our attention to suggest that the directors have inappropriately applied the going concern basis of accounting in the preparation of the interim financial statements.

/ RESPONSIBILITIES FOR THE INTERIM FINANCIAL STATEMENTS AND THE REVIEW

Our responsibilities and those of the directors

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

Our responsibility is to express a conclusion on the interim financial statements in the Interim Report based on our review. Our conclusion is based on procedures that are less extensive than audit procedures, as described in the Basis for conclusion paragraph of this report. This report, including the conclusion, has been prepared for and only for the company for the purpose of complying with the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority and for no other purpose. We do not, in giving this conclusion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

PricewaterhouseCoopers LLP
Chartered Accountants
London

27 September 2023









Financial Statements

Financial Statements

Condensed Statement of Comprehensive Income

For the six months period ended 30 June 2023

	Note	Half-year 2023 (unaudited)			Half-year 2022 (unaudited)		
		Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Income							
Income from investments held at fair value		27,972	–	27,972	1,404	–	1,404
(Losses)/gains on investments held at fair value	7	–	(81,520)	(81,520)	–	30,007	30,007
Interest income		1,211	–	1,211	–	–	–
Other income		433	–	433	–	–	–
Total income		29,616	(81,520)	(51,904)	1,404	30,007	31,411
Expenses							
Investment management fees	5	(3,365)	(1,121)	(4,486)	(2,514)	(838)	(3,352)
Other operating expenses		(977)	–	(977)	(682)	–	(682)
Total operating expenses		(4,342)	(1,121)	(5,463)	(3,196)	(838)	(4,034)
Operating profit/(loss)		25,274	(82,641)	(57,367)	(1,792)	29,169	27,377
Finance expense		–	–	–	(1)	–	(1)
Profit/(loss) on ordinary activities before taxation		25,274	(82,641)	(57,367)	(1,793)	29,169	27,376
Taxation	6	–	–	–	–	–	–
Profit/(loss) and total comprehensive income/(expense) attributable to shareholders		25,274	(82,641)	(57,367)	(1,793)	29,169	27,376
Earnings/(loss) per ordinary share – basic and diluted (pence)	14	2.92p	(9.55p)	(6.63p)	(0.22p)	3.65p	3.43p

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

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

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

The accompanying notes on pages 60 to 71 form part of these Condensed Interim Financial Statements.

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Condensed Statement of Financial Position

As at 30 June 2023

	Note	30 June 2023 (unaudited) £'000	31 December 2022 (audited) £'000
Non-current assets			
Investments at fair value through profit or loss	7	839,451	920,971
Total non-current assets		839,451	920,971
Current assets			
Trade and other receivables		801	1,417
Cash and cash equivalents		29,489	30,001
Total current assets		30,290	31,418
Total assets		869,741	952,389
Current liabilities			
Trade and other payables		(3,443)	(2,769)
Total current liabilities		(3,443)	(2,769)
Total net assets		866,298	949,620
Equity attributable to equity holders			
Stated capital	8	793,287	819,242
Capital reserve		51,253	133,894
Revenue reserve		21,758	(3,516)
Total Equity		866,298	949,620
Net asset value per ordinary share – basic and diluted	15	100.13p	109.76p

The Condensed Interim Financial Statements were approved and authorised for issue by the Board on 27 September 2023 and signed on its behalf by:



Philip Jordan

Chair
27 September 2023

Financial Statements

Condensed Statement of Changes in Shareholders' Equity

For the six months ended 30 June 2023

	Stated capital £'000	Capital reserve £'000	Revenue reserve £'000	Total equity £'000	
Balance as at 1 January 2022	717,547	38,600	(291)	755,856	
<i>Transactions with owners</i>					
Ordinary shares issued	95,201	–	–	95,201	
Share issue costs	(1,865)	–	–	(1,865)	
Dividends paid	(24,318)	–	–	(24,318)	
Profit/(loss) and total comprehensive income/(expense) for the period	–	29,169	(1,793)	27,376	
Balance as at 30 June 2022	786,565	67,769	(2,084)	852,250	
	Note	Stated capital £'000	Capital reserve £'000	Revenue reserve £'000	Total equity £'000
Balance as at 31 December 2022		819,242	133,894	(3,516)	949,620
<i>Transactions with owners</i>					
Ordinary shares issued		–	–	–	–
Share issue costs		–	–	–	–
Dividends paid	9	(25,955)	–	–	(25,955)
Profit/(loss) and total comprehensive income/(expense) for the period		–	(82,641)	25,274	(57,367)
Balance as at 30 June 2023		793,287	51,253	21,758	866,298

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

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Condensed Statement of Cash Flows

For the six months ended 30 June 2023

	Note	Half-year 2023 £'000	Half-year 2022 £'000
Cash flows from operating activities			
(Loss)/profit on ordinary activities before taxation		(57,367)	27,376
<i>Adjustments for:</i>			
Losses/(gains) on investments held at fair value	7	81,520	(30,007)
Cash flow used in operations		24,153	(2,631)
Decrease in trade and other receivables		616	152
Increase in trade and other payables		674	441
Net cash outflow from operating activities		25,443	(2,038)
Cash flows from investing activities			
Purchase of investments at fair value through profit or loss	7	–	(48,409)
Net cash flow used in investing activities		–	(48,409)
Cash flows from financing activities			
Proceeds from issue of Ordinary Shares	8	–	95,201
Dividends paid	9	(25,955)	(24,318)
Cost of issue of shares		–	(1,879)
Net cash flow generated from financing activities		(25,955)	69,004
Net (decrease)/increase in cash and cash equivalents		(512)	18,557
Reconciliation of net cash flow to movements in cash and cash equivalents			
Cash and cash equivalents at the beginning of the half-year		30,001	11,311
Net (decrease)/increase in cash and cash equivalents		(512)	18,557
Cash and cash equivalents at end of the half-year		29,489	29,868

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

Financial Statements

Notes to the Condensed Financial Statements

For the period six months ended 30 June 2023

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

The Company's principal activity is investing in a diversified portfolio of critical digital infrastructure assets which contribute to improving global digital communications whilst targeting sustainable income and capital growth for investors.

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

2. BASIS OF PREPARATION OF HALF-YEAR REPORT

The condensed interim financial statements for the half-year reporting period ended 30 June 2023 have been prepared in accordance with International Accounting Standard 34 as adopted by European Union ("IAS 34 Interim Financial Reporting").

The interim report does not include all the notes of the type normally included in the annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 31 December 2022 and any public announcements made by the Company during the interim reporting period.

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

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

A. INVESTMENT ENTITIES

The sole objective of the Company and through its subsidiary D9 Holdco or, together with its subsidiaries (the "Group"), is to acquire Digital Infrastructure Projects, via individual corporate entities. D9 Holdco will issue equity and loans to finance its investments in the Digital Infrastructure Projects.

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 need 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:

1. It obtains funds from one or more investors for the purpose of providing these investors with professional investment management services;
2. 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
3. It measures and evaluates the performance of substantially all its investments on a fair value basis.

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

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

The Company's Investment Manager, and the Company's Board will regularly review the market and consider whether any disposals should be made.

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

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

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

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

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

The investments made during the period and changes in the group structure have not impacted the management's judgement and conclusion over the IFRS 10 investment entity application and the Company has applied the same accounting policies described.

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

B GOING CONCERN

GOING CONCERN PERIOD AND BASIS

The Company's going concern assessment covers the period to 30 September 2024 ("the going concern period"). The period chosen considers at least 12 months from the date of signing of this report, but also gives consideration to the re-financing of the Group's revolving credit facility ("RCF") which is due in March 2025. The going concern assessment uses the forecast that incorporates historical performance and the Group's future strategy. The assessment also considers a severe but plausible downside case.

The Group utilises its RCF for committed capital expenditure financing and aims to maximise cash flow from Investee Companies and strategic initiatives to support its projects. Financial resources are carefully managed to meet project commitments and Group working capital requirements.

As a result of these considerations, at the time of approving the interim financial statements, the Directors consider that the Company and the Group will have sufficient resources to continue to meet their liabilities for the foreseeable future. However, given that a degree of uncertainty exists in the timing of ongoing strategic initiatives which includes the previously announced syndication of the Verne Global Group, and management's ability to refinance the Group's £375 million Revolving Credit Facility due in the next eighteen months (March 2025), there exists a material uncertainty in relation to the going concern basis adopted in the preparation of the interim financial statements.

MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

Whilst the Directors and the Investment Manager remain confident that the scenario laid out in the Company's Going Concern assessment will be successfully achieved, this scenario includes the completion of the Syndication of the Verne Global Group. The timing and value of the transaction remains outside of management's control and consequently a material uncertainty exists which may cast significant doubt over the Company's ability to continue as a going concern.

The Syndication has received considerable investor interest and the Investment Manager is targeting terms of the Syndication to be announced shortly. The Board remains focused on an outcome that will best enhance value for shareholders.

Despite the uncertainty regarding assumptions made in respect of the timing of ongoing strategic initiatives, the Directors acknowledge the progress made on these transactions, and therefore maintain confidence in reaching a successful resolution. As a result, they have chosen to base the preparation of these interim financial statements on the assumption that the company will continue to operate as a going concern.

The interim financial statements do not contain the adjustments that would result if the Company were unable to continue as a going concern.

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Notes to the Condensed Financial Statements

For the period six months ended 30 June 2023

C. NEW AND AMENDED STANDARDS ADOPTED BY THE COMPANY

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

- (a) IFRS 17 *Insurance Contracts*
- (b) *Disclosure of Accounting Policies – Amendments to IAS 1 and IFRS Practice Statement 2*
- (c) *Definition of Accounting Estimates – Amendments to IAS 8*
- (d) *Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12.*

FORTHCOMING REQUIREMENTS

The following standards and interpretations had been issued but were not mandatory for annual reporting periods ending on 31 December 2023.

- (a) *International Tax Reform – Pillar Two Model Rules – Amendments to IAS 12*
- (b) *Supplier Finance Arrangements – Amendments to IAS 7 and IFRS 7*
- (c) *Lack of Exchangeability – Amendments to IAS 21.*

3. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

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

(A) SIGNIFICANT ACCOUNTING JUDGEMENTS

(I) INVESTMENT ENTITY

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

(B) KEY SOURCES OF ESTIMATION UNCERTAINTY

The estimates and underlying assumptions underpinning our investments are reviewed on an ongoing basis by both the Board and the Investment Manager. Revisions to any accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

(I) FAIR VALUE MEASUREMENT OF INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

The fair value of investments in Digital Infrastructure Projects is calculated by discounting at an appropriate discount rate the 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.

Estimates such as the forecasted cash flows of the investments are believed to be reasonable, the results of which form the basis of making judgements about the fair value of assets not readily available from other sources. Discount rates used in the valuation represent the Investment Manager's and the Board's assessment of the rate of return in the market for assets with similar characteristics and risk profile.

The discounted cash flow from revenue is forecasted over an 8-15 year period followed by a terminal value based on a long-term growth rate or exit multiples. The discounted cash flow comprises a bottom-up analysis of the weighted average cost of capital over time, using unobservable inputs, and calculation of the appropriate beta based on comparable listed companies.

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:

INFLATION

A long-term inflation sensitivity of plus and minus 1% is presented in Note 7.

INTEREST RATES

The valuations are sensitive to changes in interest rates; a sensitivity of 1% has been applied to interest rates applicable to the floating rate debt across the Company's portfolio.

DISCOUNT RATES

The Investment Manager considers a variance of plus or minus 1% to be a reasonable range of alternative assumptions for discount rates.

The Company has also carried out sensitivity analysis of these unobservable inputs, the results of which are disclosed in Note 7.

4. SIGNIFICANT CHANGES IN THE CURRENT REPORTING PERIOD

The Company has reviewed its exposure to climate related and other emerging business risks, but has not identified any risks that could impact the financial performance or position of the Company and its subsidiaries as at 30 June 2023.

5. INVESTMENT MANAGEMENT FEES

	Half-year 2023 (unaudited)		Total £'000
	Revenue £'000	Capital £'000	
Management fees	3,365	1,121	4,486
Total management fees	3,365	1,121	4,486

	Half-year 2022 (unaudited)		Total £'000
	Revenue £'000	Capital £'000	
Management fees	2,514	838	3,352
Total management fees	2,514	838	3,352

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

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

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

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

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

The total amount accrued and due to Triple Point at the period end was £2 million.

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

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

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

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

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

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Notes to the Condensed Financial Statements

For the period six months ended 30 June 2023

6. TAXATION

The Company is registered in Jersey, Channel Islands but resident in the United Kingdom for taxation. The standard rate of corporate income tax currently applicable to the Company is 25% (2022 - 19%).

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% (2022 - 19%). The differences are explained below.

	Revenue £'000	Half-year 2023 Capital £'000	Total £'000
Net (loss)/profit before tax	25,274	(82,641)	(57,367)
Tax at UK corporation tax standard rate of 25% (2022 - 19%)	6,319	(20,660)	(14,341)
Effects of:			
Gain/Loss on financial assets not taxable	-	20,380	20,380
Exempt UK dividend income	(6,993)	-	(6,993)
Excess of allowable expenses	674	280	954
Total tax charge	-	-	-

	Revenue £'000	Half-year 2022 Capital £'000	Total £'000
Net (loss)/profit before tax	(1,793)	29,169	27,376
Tax at UK corporation tax standard rate of 25% (2022 - 19%)	(341)	5,542	5,201
Effects of:			
Gain/Loss on financial assets not taxable	-	(5,701)	(5,701)
Exempt UK dividend income	(267)	-	(267)
Excess of allowable expenses	608	159	767
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 £16 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 £4 million (30 June 2022 - £1 million). The Finance Act 2021 received Royal Assent on 10 June 2021 and the rate of Corporation Tax of 25% effective from 1 April 2023 has been used to calculate the potential deferred tax asset.

7. FINANCIAL ASSET AT FAIR VALUE THROUGH PROFIT OR LOSS

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

Summary of the Company's valuation:

At 31 December 2022:	Total £'000
Opening balance 1 January 2022	746,229
Investments in D9 Holdco ¹ additions	48,409
Debt investments in D9 Holdco additions	29,105
Change in fair value of investments	97,228
As at 31 December 2022	920,971

Analysis of financial assets:

Equity investments in D9 Holdco	891,866
Debt investments in D9 Holdco	29,105
As at 31 December 2022	920,971

At 30 June 2023:

Opening balance 1 January 2023	920,971
Investments in D9 Holdco additions	–
Debt investments in D9 Holdco additions	–
Change in fair value of investments	(81,520)
As at 30 June 2023	839,451

Analysis of financial assets:

Equity investments in D9 Holdco	810,346
Debt investments in D9 Holdco	29,105
As at 30 June 2023	839,451

¹ D9 Holdco was incorporated as a 100% subsidiary undertaking and the amount reflects the Company's investments through D9 Holdco

VALUATION PROCESS

The Investment Manager includes a team that is responsible for carrying out the fair valuation of financial assets for financial reporting purposes, including level 3 fair valuations. This valuation is presented to the Board for its approval and adoption. The valuation is carried out on a six-monthly basis as at 30 June and 31 December each year and is reported on to Shareholders in the annual report and financial statements.

VALUATION METHODOLOGY

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

The Investment Manager has carried out fair market valuations of the SPV investments as at 30 June 2023 and the Directors have 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 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 Investment Manager uses its judgement in arriving at the appropriate discount rate using a capital asset pricing model to calculate a pre-tax rate that reflects current market assessment. This is based on its knowledge of the market, considering intelligence gained from its bidding activities, discussions with financial advisers in the appropriate market and publicly available information on relevant transactions. The bottom-up analysis of the discount rate and the appropriate beta is based on comparable listed companies. Investments are valued using a discounted cash flow approach, on a Free Cash Flow to Equity ("FCFE") basis. Where Investee Companies do not have leverage, for the FCFE model, the Investment Manager has used its knowledge of the market; combined with the ability of the Investee Companies' cash flows to support leverage on their balance sheets to apply an appropriate level of debt over the period. A cost of equity has been used as the discount rate. The portfolio weighted average cost of equity for investments valued under the FCFE discounted cash flows approach is 11.8%. The cost of equity could decline further in the future as the portfolio companies benefit from lower operational risk as they execute on their growth plans.

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Notes to the Condensed Financial Statements

For the period six months ended 30 June 2023

- To calculate portfolio NAV, 98% of total NAV from investment companies is valued using the FCFE discounted cash flows approach with the remaining 2% of investments being valued at cost whilst they were under construction.
- 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.
- Foreign exchange rates of GBP against USD, EUR and ISK

FAIR VALUE MEASUREMENTS

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

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

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

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

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

The following table presents the Company's financial assets and financial liabilities measured and recognised at fair value at 30 June 2023 and 31 December 2022:

	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	30 June 2023	810,346	–	–	810,346
Debt investment in D9 Holdco	30 June 2023	29,105	–	–	29,105
Assets measured at fair value:					
Equity investment in D9 Holdco	31 December 2022	891,866	–	–	891,866
Debt investment in D9 Holdco	31 December 2022	29,105	–	–	29,105

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

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

FAIR VALUE MEASUREMENTS USING SIGNIFICANT UNOBSERVABLE INPUTS (LEVEL 3)

As set out within the significant accounting estimates and judgements in note 3(b), the valuation of the Company's financial asset is an estimation uncertainty. The sensitivity analysis was performed based on the current capital structure and expected performance of the Company's investment in D9 Holdco. For each of the sensitivities, it is assumed that potential changes occur independently of each other with no effect on any other base case assumption, and that the number of investments in the SPVs remains static throughout the modelled life. The following table summarises the quantitative information about the

significant unobservable inputs used in level 3 fair value measurement and the changes to the fair value of the financial asset if these inputs change upwards or downwards by 1%:

	Valuation if rate increases by 1% £'000	Movement in valuation £'000	Valuation if rate decreases by 1% £'000	Movement in valuation £'000
Unobservable inputs				
Discount rate	719,997	(119,454)	982,921	143,470
Inflation	865,188	25,737	801,184	(38,267)
Interest rates	805,735	(33,716)	873,029	33,578

8. STATED CAPITAL

Ordinary shares of no par value Allotted, issued and fully paid:	No of shares	Price	31 December 2022 £000's
As at 1 January 2022	722,480,620	n/a	717,547
Allotted during the period			
28 January 2022	88,148,880	108.0p	95,201
8 July 2022	54,545,454	110.0p	60,000
Ordinary Shares at 31 December 2022	865,174,954	n/a	872,748
Dividends paid (Note 9)			(50,274)
Share issue costs			(3,232)
Stated capital at 31 December 2022			819,242

Allotted, issued and fully paid:	No of shares	Price	30 June 2023 £000's
As at 1 January 2023	865,174,954	n/a	819,242
Ordinary Shares at 30 June 2023	865,174,954	n/a	819,242
Dividends paid (Note 9)			(25,955)
Stated capital at 30 June 2023			793,287

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

9. DIVIDENDS

	Dividend per share	Six months ended 30 June 2023 £'000	Year ended 31 December 2022 £'000
Dividends period 1 October 2021 to 31 December 2021	1.5 pence	–	12,159
Dividend period 1 January 2022 to 31 March 2022	1.5 pence	–	12,159
Dividend period 1 April 2022 to 30 June 2022	1.5 pence	–	12,978
Dividend period 1 July 2022 to 30 September 2022	1.5 pence	–	12,978
Dividends period 1 October 2022 to 31 December 2022	1.5 pence	12,977	–
Dividend period 1 January 2023 to 31 March 2023	1.5 pence	12,978	–
Total dividends paid		25,955	50,274

Financial Statements

Notes to the Condensed Financial Statements

For the period six months ended 30 June 2023

10. 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	1 King William Street, London EC4N 7AF

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

Digital 9 DC Limited	UK	100%	Intermediate holding company	1 King William Street, London EC4N 7AF
Digital 9 Fibre Limited	UK	100%	Intermediate holding company	1 King William Street, London EC4N 7AF
Digital 9 Wireless Limited	UK	100%	Intermediate holding company	1 King William Street, London EC4N 7AF
Digital 9 Subsea Holdco Limited	UK	100%	Intermediate holding company	1 King William Street, London EC4N 7AF
Digital 9 Subsea Limited ¹	UK	100%	Subsea fibre optic network	1 King William Street, London EC4N 7AF
Digital 9 Seaedge Limited ²	UK	100%	Leaseholding company	1 King William Street, London EC4N 7AF
D9 DC Opco 1 Limited ²	UK	100%	Intermediate holding company	1 King William Street, London EC4N 7AF
D9 DC Opco 2 Limited ²	UK	100%	Intermediate holding company	1 King William Street, London EC4N 7AF
D9 DC Opco CAN 1 Limited ¹⁴	Canada	100%	Dormant	44 Chipman Hill Suite 1000 Saint John NB E2L 2A9 Canada
D9 DC Opco 3 Limited ²	UK	100%	Intermediate holding company	1 King William Street, London EC4N 7AF
D9 Wireless Opco 1 Limited ³	UK	100%	Intermediate holding company	1 King William Street, London EC4N 7AF
D9 Wireless Midco 1 Limited ³	UK	100%	Intermediate holding company	1 King William Street, London EC4N 7AF
D9 Wireless Opco 2 Limited ⁴	UK	100%	Intermediate holding company	1 King William Street, London EC4N 7AF
D9 Wireless Opco 3 Limited ³	UK	100%	Dormant	1 King William Street, London EC4N 7AF
D9 Fibre Opco 1 Limited ¹³	UK	100%	Dormant	1 King William Street, London EC4N 7AF
D9 Fibre Opco 2 Limited ¹³	UK	100%	Intermediate holding company	1 King William Street, London EC4N 7AF
Giggle Fibre Limited ¹⁶	UK	100%	Intermediate holding company	1 King William Street, London EC4N 7AF
Giggle Broadband Limited ¹⁵	Scotland	100%	Fibre broadband services	Floor 2, Framework Building, 124 St Vincent Street, Glasgow Scotland G2 5HF
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 Langelinie Alle 35, Copenhagen
North Sea Connect Denmark ApS ⁵	Denmark	100%	Subsea fibre optic network	c/o Bech-Bruun Langelinie Alle 35, Copenhagen
Aqua Comms Management (UK) Limited ⁵	UK	100%	Management company	85 Great Portland Street, London W1W 7LT

Name	Place of business	% Interest	Principal activity	Registered office
Aqua Comms Denmark ApS ⁵	Denmark	100%	Subsea fibre optic network	c/o Bech-Bruun Langelinie 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
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, United States
Verne Holdings Limited ²	UK	100%	Holding company	1 King William Street, London EC4N 7AF
Verne Global GmbH ¹⁷	Germany	100%	Data centre solutions	Äußere Sulzbacher Straße 118, 90491 Nürnberg
Verne Global hf. ⁶	Iceland	100%	Data centre operation	Valhallarbraut 868, 262 Reykjanesbaer, Iceland
Verne Global Ltd ¹⁷	UK	100%	Data centre solutions	1 King William Street, London EC4N 7AF
Verne Global Inc. ¹⁷	USA	100%	Data centre solutions	1825 Washington Street, Canton MA 02021 USA
GADData Holdings Limited ⁷	Jersey	100%	Holding company	28 Esplanade, St Helier, Jersey JE3 3QA
Volta Data Centres Limited ⁸	UK	100%	Data centre operator	36-43 Great Sutton Street London EC1V 0AB
GSS Propco Limited ⁸	Jersey	100%	Property investment	28 Esplanade, St Helier, Jersey JE3 3QA
Leeson Telecom Limited ⁹	Ireland	100%	Enterprise broadband	6-9 Trinity St, Dublin, D02 EY47, Ireland
Leeson Telecom One Limited ⁹	Ireland	100%	Enterprise broadband	6-9 Trinity St, Dublin, D02 EY47, Ireland
Leeson Telecom Holdings Limited ¹⁰	Ireland	100%	Enterprise broadband	6-9 Trinity St, Dublin, D02 EY47, Ireland
W R Computer Network Limited ¹⁰	Ireland	100%	Enterprise broadband	6-9 Trinity St, Dublin, D02 EY47, Ireland
Ficolo Oy ¹¹	Finland	100%	Data centre operator	Konepajaranta 4, 28100 Pori, Finland
Arqiva Group Limited ¹²	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 Verne Holdings Limited

⁷ – Held by D9 DC Opco 1 Limited

⁸ – Held by GADData Holdings Limited

⁹ – Held by D9 Wireless Opco 1 Limited

¹⁰ – Held by Leeson Telecom Limited

¹¹ – Held by D9 DC Opco 3 Limited

¹² – Held by D9 Wireless Opco 2 Limited

¹³ – Held by Digital 9 Fibre Limited

¹⁴ – Held by D9 Opco 2 Limited

¹⁵ – Held by Giggle Fibre Limited

¹⁶ – Held by D9 Fibre Opco 2 Limited

¹⁷ – Held by Verne Global hf

Financial Statements

Notes to the Condensed Financial Statements

For the period six months ended 30 June 2023

11. TRANSACTIONS WITH THE INVESTMENT MANAGER AND RELATED PARTY DISCLOSURE

DIRECTORS

Directors are remunerated for their services at such rate as the directors shall from time to time determine. The Directors are each paid an annual fee of £40,000 other than the Chair of the Audit Committee and Chair of the Risk Committee who is entitled to an additional £5,000 and the Chair of the Company who is entitled to receive an annual fee of £75,000.

Director	Number of Ordinary shares held	*Dividends paid 30 June 2023	*Dividends paid 31 December 2022
Jack Waters (resigned 23 May 2022)	70,000	–	£1,050
Philip Jordan (from 23 May 2022)	94,611	£2,838	£1,518
Aaron Le Cornu (from 1 April 2022)	62,031	£1,343	£2,437
Lisa Harrington	38,604	£1,158	£2,316
Keith Mansfield	128,135	£3,218	£3,934
Monique O'Keefe (resigned 23 May 2022)	10,000	–	£150
Charlotte Valeur	10,000	£300	£600

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

INVESTMENT MANAGER

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

12. EVENTS AFTER THE REPORTING PERIOD

After the period end, D9 Holdco made a repayment of £7.0 million against the RCF from the partial repayment of the shareholder loan from Verne Global Iceland following entering into the debt facility and withdrew a total of £14.5 million for capital expenditure purposes.

13. CONTINGENT LIABILITIES

There were no contingent liabilities at 30 June 2023.

14. 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:

Calculation of Basic Earnings per share	Period ended 30 June 2023		
	Revenue	Capital	Total
Net profit attributable to ordinary shareholders (£'000)	25,274	(82,641)	(57,367)
Weighted average number of ordinary shares	865,174,954	865,174,954	865,174,954
Earnings per share – basic and diluted	2.92p	(9.55p)	(6.63p)

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

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

Calculation of Weighted Average Number of Shares in Issue	1 January 2023	30 June 2023
No of days	181	181
Ordinary Shares		
No. of shares		
Opening Balance	865,174,954	865,174,954
New Issues	–	–

Calculation of Weighted Average Number of Shares in Issue	1 January 2023	30 June 2023
Closing Balance	865,174,954	865,174,954
Weighted Average	865,174,954	865,174,954

Period ended 30 June 2022:

Calculation of Basic Earnings per share	Revenue	Capital	Total
Net profit attributable to ordinary shareholders (£'000)	(1,793)	29,169	27,376
Weighted average number of ordinary shares	797,480,220	797,480,220	797,480,220
Earnings per share – basic and diluted	(0.22p)	3.65p	3.43p

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.

Calculation of Weighted Average Number of Shares in Issue	1 January 2022	28 January 2022	30 June 2022
No of days	181	154	181
Ordinary Shares			
No. of shares			
Opening Balance	722,480,620	722,480,620	810,629,500
New Issues	–	88,148,880	–
Closing Balance	722,480,620	810,629,500	810,629,500
Weighted Average	722,480,620	74,999,600	797,480,220

15. 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:

	30 June 2023	31 December 2022
Net assets at end of period (£'000)	£866,298	£949,620
Shares in issue at end of period	865,174,954	865,174,954
IFRS NAV per share – basic and dilutive	100.13p	109.76p

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Unaudited Alternative Performance Measures

For the period six months ended 30 June 2023

1. ONGOING CHARGES RATIO

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

	Period to 30 June 2023 £'000		Annualised to 31 December 2023 £'000	Annualised to 31 December 2022 £'000
Management fee	4,486		8,972	7,736
Other operating expenses	976		1,952	1,645
Total management fee and other operating expenses	5,462	(a)	10,924	9,381
Average undiluted net assets*	–	(b)	907,959	852,738
Ongoing charges ratio % (c = a/b)(%)		(c)	1.20%	1.10%

* Average undiluted net assets has been calculated as the average of net asset value at 1 January 2023 of £950 million and net asset value as at 30 June 2023 of £866 million.

Annualised expenses are the estimate of the annual cost of management fee and other operating expenses based on the six months' cost in the period to 30 June 2023.

2. TOTAL RETURN

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

	30 June 2023		31 December 2022
Closing NAV per share (pence)	100.13p		109.76p
Add back dividends paid (pence)	12.00p		9.00p
Adjusted closing NAV (pence)	112.13p		118.76p
Adjusted NAV per share as at the period end less NAV per share at 31 Dec 2022	(112.13p – 118.76p) (a)		(118.76p – 107.62p)
NAV per share at 31 Dec 2022	118.76p (b)		107.62p
Total return % (c = a/b)(%)		(5.58)% (c)	10.40%

The above is for the six month period to 30 June 2023, this equates to annualised total return of (11.16)%.

3. MARKET CAPITALISATION

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

	30 June 2023		31 December 2022
Closing share price at period end	(a) 61.20p		86.4p
Number of shares in issue at period end	(b) 865,174,954		865,174,954
Market capitalisation (c) = (a) x (b)	(c) £529,487,072		£747,511,160

4. CAPITAL DEPLOYED

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

	Deployed	Committed fund	30 June 2023 £'000	31 December 2022 £'000
Aqua Comms DAC	£176,077	£13,487	£189,564	£189,564
EMIC-1	£26,186	£21,188	£47,374	£47,374
Verne Holdings Limited	£256,595	–	£256,595	£292,441
SeaEdge UK1	£16,355	–	£16,355	£16,355
Leeson Telecom	£50,807	–	£50,807	£50,807
Volta Data Centres	£61,531	£4,000	£65,531	£61,418
Ficolo Oy	£118,927	–	£118,927	£118,927
Arqiva	£469,830	–	£469,830*	£462,998*
Giggle	£4,340	–	£4,340**	£3,000
Total deployment	£1,180,648	£38,675	£1,219,323	£1,242,884

* - Includes £169 million Vendor Loan Notes issued by D9 Wireless Opco 2 Limited

** - Giggle fair value was written down to £Nil during the period

5. TOTAL SHAREHOLDER RETURN

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

		30 June 2023	31 December 2022
Closing share price (pence)		61.20	86.40
Add back effect of dividend reinvestment (pence)		2.64	5.14
Adjusted closing share price (pence)	(a)	63.84	91.54
Opening share price (pence)	(b)	86.40	113.80
Total shareholder return (c = (a-b)/b) (%)	(c)	(26.11)%	(19.56)%

The above return is for the period to 30 June 2023 (31 December 2022 – year to 31 December 2022).



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Information

Glossary and Definitions

"Aqua Comms"	Aqua Comms Designation Activity Company, a private company limited by shares incorporated and registered in Ireland;
"AIFM"	the alternative investment fund manager of the Company being Triple Point Investment Management LLP;
"Board"	the directors of the Company from time to time;
"D9" or "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;
"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;
"EPS"	Earnings per share;
"ESG"	Environmental, Social and Governance;
"FAANGs"	global content providers such as Meta, Amazon, Apple, Netflix, Google;
"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;
"Internet of Things" or "IoT"	the network of physical objects (things) that are embedded with technologies such as sensors or software for the purpose of connecting and exchanging data with other devices and systems via the internet;
"Investee Company"	a company or special purpose vehicle which owns and/or operates Digital Infrastructure assets or projects in which the Group invests or acquires;
"Investment Manager"	Triple Point Investment Management LLP (partnership number OC321250);
"Investment Objective"	the Company's investment objective as set out in the Prospectus dated 8 March 2021;
"Investment Policy"	the Company's investment policy approved by shareholders on 14 February 2022 in a general meeting, as set out in the notice of the general meeting dated 26 January 2022;
"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;
"SDG9"	the UN's Sustainable Development Goal 9; and
"Total Shareholder Return"	the increase in share price in the period and dividends paid per share in the period.

Shareholder Information

NON-EXECUTIVE DIRECTORS

Phil Jordan (Chair)
Keith Mansfield
Lisa Harrington
Charlotte Valeur
Aaron Le Cornu
Gailina Liew

REGISTERED OFFICE

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Channel Islands

INVESTMENT MANAGER

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Channel Islands

COMPANY SECRETARY

Ocorian Secretaries (Jersey) Limited
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DELEGATED COMPANY SECRETARY

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REGISTRAR

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BY PEOPLE
FROM TRIPLE POINT

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For further information about Triple Point
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www.triplepoint.co.uk

Triple Point is the trading name for the Triple Point Group which includes the following companies and associated entities: Triple Point Investment Management LLP registered in England & Wales no. OC321250, authorised and regulated by the Financial Conduct Authority no. 456597, Triple Point Administration LLP registered in England & Wales no. OC391352 and authorised and regulated by the Financial Conduct Authority no. 618187, and TP Nominees Limited registered in England & Wales no.07839571, all of 1 King William Street, London, EC4N 7AF, UK.

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