Arqiva Financing No 2 Limited

Registered number 06137899

Annual Report and Financial Statements

For the year ended 30 June 2023

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Strategic report

The Directors, in preparing this Strategic report, have complied with section 414C of the Companies Act 2006.

Business model, environment and strategy

The principal activity of Arqiva Financing No 2 Limited (the 'Company') throughout the year has been that of an intermediate holding company within the Arqiva Group Limited ('AGL') group of companies (the 'Group'). The Company holds an investment in an operational sub-group of companies which it funds via intercompany debt.

Financial position, performance and key performance indicators ('KPIs')

The Company has made a loss for the financial year of £1,011,053,000 (2022: £12,091,000). The Company has net assets of £2,310,281,000 (2022: £3,321,333,000). The loss for the year is principally driven by an impairment in the Company's investment. See note 11 of these financial statements for further information on the impairment recognised.

Key performance indicators ('KPIs')
Given the straightforward nature of the Company's activities, the Directors are of the opinion that analysis using KPIs is not necessary for the understanding of the development, performance or position of the business.

The KPIs of the Group are managed as a whole and are discussed within the annual report and consolidated financial statements of AGL, a copy of which is available from the address in note 21 of these financial statements or the Group's website at www.arqiva.com.

Risk management

Principal risks and uncertainties facing the business
From the perspective of the Company, the principal risks and uncertainties arising from its activities as an intermediate holding company are integrated with the principal risks of the Group and are not managed separately. Accordingly, the principal risks and uncertainties of the Group, which include those of the Company, are discussed within the annual report and consolidated financial statements of AGL, a copy of which is available from the address in note 21 of these financial statements or the Group's website at www.arqiva.com.

Future developments and outlook

It is the intention of the Company to continue to hold investments in a group of operating companies.

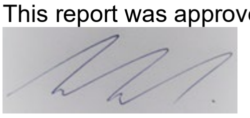
Section 172 Statement

The Companies Act 2006 sets out a set of general duties owed by directors to a company, including a list of matters to which the Directors must have regard, which are set out in s.172(1)(a) to (f). During the year, in continuing to exercise their duties, the Directors have had regard to these matters, as well as other factors, in considering proposals from the management team and continuing to govern the Company on behalf of its shareholders.

From the perspective of the Company the s.172 factors are considered as a whole by the Directors across the Group. How these factors have been addressed, are discussed within the Annual Report and Consolidated Financial Statements of AGL on pages 44 and 45, a copy of which can be obtained from the address in note 21 of these financial statements or the Group's website at www.arqiva.com.

Stakeholder engagement
Throughout the year, the Board has continued to ensure engagement with relevant stakeholders both in day to day business, and as part of key developments. How this has been achieved is discussed within the Annual Report and Consolidated Financial statements of AGL on pages 44 and 45, a copy of which can be obtained from the address in note 21 of these financial statements or the Group's website at www.arqiva.com.

This report was approved by the Board of directors on 24 October 2023 and signed on its behalf by:



Scott Longhurst
Director

Directors' report and statement of Directors' responsibilities

The Directors of Arqiva Financing No 2 Limited, registered company number 06137899, (the 'Company') submit the following annual report and audited financial statements (the 'financial statements') in respect of the year ended 30 June 2023. The Company's registered office is Crawley Court, Winchester, Hampshire, SO21 2QA.

Business review and strategy

The Company acts as an intermediate holding company within the Arqiva Group Limited ('AGL') group of companies ('the Group'). It holds an investment in a group of operating companies which it continued to fund during the year from intercompany debt.

The Company has made a loss for the financial year of £1,011,053,000 (2022: £12,091,000). The Company has net assets of £2,310,281,000 (2022: £3,321,333,000). The loss for the year is principally driven by an impairment in the Company's investment. See note 11 of these financial statements for further information on the impairment recognised.

In September 2022, the Company completed its drawdown of a new Junior debt facility of £450,000,000. This debt has a floating interest rate and maturity in March 2028. Interest rate swaps have also been entered into at this date to fix the interest rate at 9.9%. £19,000,000 of directly attributable issue costs were incurred by the Company on this refinancing.

The proceeds from this new facility, along with cash held by the Company, have been utilised to repay £625,000,000 of loans due to other group entities representing the back-to-back passthrough of previous Junior debt from Arqiva Broadcast Finance plc ('ABF').

Future developments

It is the intention of the Directors of the Company to continue to act as an intermediate holding company.

Principal risks and uncertainties

Details of the principal risks and uncertainties are included in the Strategic report on page 2.

Financial risk management

The Company's operations expose it to a variety of financial risks that include the effects of credit risk, liquidity risk and interest rate risk. The Company's overall risk management programme seeks to minimise potential adverse effects as noted below.

Liquidity risk
The Company is funded through reserves and external junior debt. The Company's capital requirements are managed by the Group's treasury team. The maturity of the Company's borrowings is shown in note 16. The Group carefully manages the credit risk on liquid funds and derivative financial instruments with balances currently spread across a range of major financial institutions which have satisfactory credit ratings assigned by international credit rating agencies.

Interest rate risk
The Company is exposed to interest rate risk due to borrowing variable rate bank debt. The Company maintains a hedging policy to manage interest rate risk and to ensure the certainty of future interest cash flows and compliance with debt covenants. It currently has fixed rate hedging, split between interest rate swaps and inflation-linked interest rate swaps. Interest rate swaps convert variable rate interest costs to fixed rate interest costs while inflation swaps convert fixed rate interest costs to RPI-linked costs, which fluctuate in line with the RPI index as do a significant proportion of the Group's revenue contracts. Intercompany loan balances are interest free or at fixed interest rates. The Company has a policy of ensuring that it is not exposed to changing interest rates and as such it ensures that the fixed or floating rate nature of any debt raised is matched with similar intercompany loans to other Group companies or that external swap instruments are taken out as described above.

Credit risk
The Company is exposed to credit risk to the extent of external junior loan balance. The levels of credit risk are monitored through the Group's on-going risk management processes, which include a regular review of the credit ratings. Risk in this area is limited further by setting a maximum level and term for deposits with any single counterparty.

The Company is otherwise exposed to credit risk in respect of intercompany balances within the Group. It does not have an external customer base. The intercompany debt is covered by an intercompany agreement. The intercompany receivable balance is with a fellow wholly owned subsidiary of the Group. The Directors have assessed that the credit risk is low.

Dividends and transfers to reserves

The Company has not declared any dividends for the year (2022: £nil). The loss for the year of £1,011,053,000 (2022: £12,091,000) was transferred to reserves.

Events after the reporting period
There have been no events since the balance sheet date which would have a material impact on the Company and require disclosure within the financial statements.

Going concern
In determining the appropriate basis of preparation of the financial statements, the Directors are required to consider whether the Company can continue in operational existence for the foreseeable future. As the principal activity of the Company is to conduct financing activities for the benefit of fellow group undertakings, its ability to continue as a going concern is dependent on the operational performance of the Group and whether there is sufficient cash generated to service the debt obligations.

The Group performs a review of going concern through a review of forecasting including cash flow forecasts and considering the requirements of capital expenditure and debt repayments and including any severe but plausible downside scenarios.

The Company adopts the going concern basis in preparing its financial statements, based on the support from its ultimate parent undertaking, the future cash flow forecasts of the Group and Company and available facilities, which lead the Directors of the Company to be confident that the Company will have adequate resources to continue in operational existence and continue to meet debt and interest payments as they fall due.

The group has provided a letter of support which confirms that Arqiva Group Limited will, to the extent is it able, provide such financial assistance to all its wholly owned (directly and indirectly held) subsidiaries in order to meet liabilities as they fall due for a period of 12 months from the date of signing the 30 June 2023 financial statements.

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

- Sally Davis (Resigned 31 January 2023)
- Thorsten Johnsen (Resigned 21 November 2022)
- Neil King (Resigned 18 October 2022)
- Nathan Luckey (Resigned 30 June 2022)
- Batiste Ogier (Resigned 18 October 2022)
- Michael Patron (Resigned 1 February 2023)
- Christian Seymour (Resigned 17 January 2023)
- Mike Darcey
- Susana Leith-Smith (Appointed 13 May 2023)
- Paul Donovan (Appointed 1 July 2023)
- Maximilian Fieguth (Appointed 6 December 2022)
- Arnaud Jaguin (Appointed 5 December 2022)
- Scott Longhurst (Appointed 1 February 2023)
- Andrew Macleod (Appointed 1 July 2023)
- Matthew Postgate (Appointed 17 November 2022)
- David Stirton (Appointed 2 February 2023)

Company Secretary
Nicola Phillips was appointed as Company Secretary on 28 July 2023 (previously Sean West being appointed on 6 December 2022 and resigning on 28 July 2023 and Katrina Dick being appointed on 6 April 2022 and resigning on 6 Dec 2022).

Directors' indemnities
The Company has provided an indemnity for its Directors and the Company Secretary, which is a qualifying third party indemnity provision for the purposes of the Companies Act 2006. The indemnity was in force during the full financial year and up to the date of approval of the financial statements.

Independent auditors
The independent auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the Group Annual General Meeting.

Statement of Directors' responsibilities in respect of the financial statements

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law).

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

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

The Directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

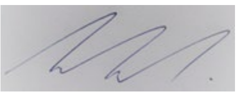
The Directors are responsible for the maintenance and integrity of the Company's financial statements published on the Ultimate Parent Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors' confirmations

In the case of each director in office at the date the Directors' report is approved:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

On behalf of the Board



Scott Longhurst
Director

24 October 2023

Independent auditors' report to the members of Arqiva Financing No 2 Limited

Report on the audit of the financial statements

Opinion

In our opinion, Arqiva Financing No 2 Limited's financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 June 2023 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: Statement of financial position as at 30 June 2023; the Income statement; and the Statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

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

Independence

We remained independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Company's ability to continue as a going concern.

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

Reporting on other information

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

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

With respect to the Strategic report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the year ended 30 June 2023 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' report.

Responsibilities for the financial statements and the audit

Responsibilities of the Directors for the financial statements

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

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

Auditors' responsibilities for the audit of the financial statements

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

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

Based on our understanding of the Company and industry, we identified that the principal risks of non-compliance with laws and regulations related to the Companies Act 2006 and UK Tax law, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries. Audit procedures performed by the engagement team included:

- Discussions with management and Directors, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Challenging assumptions and judgements made by management and considering risk of management bias in their significant accounting judgements and estimates;
- Identifying and testing unexpected journal entries, including any journal entries posted with unusual account combinations;
- Reviewing minutes of meetings of those charged with governance; and
- As required by ISA 240, incorporating an element of unpredictability into our audit testing.

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

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

Use of this report

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Other matter

The financial statements for the year ended 30 June 2022, forming the corresponding figures of the financial statements for the year ended 30 June 2023, are unaudited.

N. Comello

Nigel Comello (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
24 October 2023

Income statement

	Note	Year ended 30 June 2023 (audited) £'000	Year ended 30 June 2022 (unaudited) £'000
Operating expenses	5	(77)	(91)
Operating loss		**(77)**	**(91)**
Impairment on investment	11	(989,242)	-
Finance income	7	188,358	181,294
Finance costs	8	(216,060)	(196,130)
Other losses	9	(3,093)	-
Loss before taxation		**(1,020,114)**	**(14,927)**
Tax	10	9,061	2,836
Loss for the financial year		**(1,011,053)**	**(12,091)**

All results are from continuing operations.

The Company has no other Comprehensive income other than the loss for the year stated above and therefore no separate statement of comprehensive income has been presented.

The notes on pages 12 to 23 form part of these financial statements.

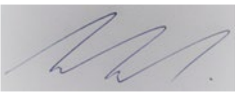
Statement of financial position

	Note	30 June 2023 (audited) £'000	30 June 2022 (unaudited) £'000
Non-current assets			
Investments	11	2,504,019	3,493,261
Receivables	12	2,061,528	1,873,372
Deferred tax	14	872	-
		4,566,419	**5,366,633**
Current assets			
Receivables	12	30,703	22,107
Cash and cash equivalents	13	1,045	230,521
		31,748	**252,628**
Total assets		**4,598,167**	**5,619,261**
Current liabilities			
Payables	15	(1,806,412)	(1,627,774)
		(1,806,412)	**(1,627,774)**
Net current liabilities		**(1,774,664)**	**(1,375,146)**
Non-current liabilities			
Borrowings	16	(478,381)	(670,154)
Derivative financial instruments	17	(3,093)	-
		(481,474)	**(670,154)**
Total liabilities		**(2,287,886)**	**(2,297,928)**
Net assets		**2,310,281**	**3,321,333**
Equity			
Share capital	18	50	50
Capital reserves		3,301,637	3,301,637
(Accumulated losses)/ Retained earnings		(991,406)	19,647
Total equity		**2,310,281**	**3,321,334**

The notes on pages 12 to 23 form part of these financial statements.

The Directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of financial statements.

These financial statements and related notes on pages 9 to 23 were approved by the Board of Directors on 24 October 2023 and were signed on its behalf by:



Scott Longhurst

Director

Statement of changes in equity

	Share capital[1]	Retained earnings/ (Accumulated losses)	Capital reserve[2]	Total equity
	£'000	£'000	£'000	£'000
Balance at 1 July 2021 (unaudited)	**50**	**31,738**	**3,301,637**	**3,333,425**
Loss for the year (unaudited)	-	(12,091)	-	(12,091)
Balance at 30 June 2022 (unaudited)	**50**	**19,647**	**3,301,637**	**3,321,334**
Loss for the year (audited)	-	(1,011,053)	-	(1,011,053)
Balance at 30 June 2023 (audited)	**50**	**(991,406)**	**3,301,637**	**2,310,281**

[1] Comprises 50,002 (2022:50,002) authorised, issued and fully paid ordinary shares of £1 each.

[2] The capital contribution reserve arose from the release of intercompany loans due to the Company's immediate parent. This reserve is non-distributable in accordance with section 830 of the Companies Act 2006.

Notes to the financial statements

1 General Information

Arqiva Financing No 2 Limited (the 'Company') is a private company, limited by shares, incorporated in England, United Kingdom ('UK') under the Companies Act under registration number 06137899. The address of the registered office is Crawley Court, Winchester, Hampshire, SO21 2QA.

The nature of the Company's operations and its principal activities are set out in the Strategic Report on page 2.

2 Adoption of new and revised Standards

New and revised Standards
The following new and revised Standards and Interpretations have been adopted in the current year. Their adoption has not had any significant impact on the amounts reported in these financial statements.

Initial Application of IFRS 17 and IFRS 9 (Amendments to IFRS 17)	Comparative Information about financial assets presented on initial application of IFRS 17.
Amendments to IAS 1 and IFRS Practice Statement 2	Disclosure of Accounting Policies
Amendments to IAS 8	Definition of Accounting Estimates
Amendments to IAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction
	International tax reform - pillar two model rules

At the date of authorisation of these financial statements, the Group has not applied the following new and revised IFRS Standards that have been issued but are not yet effective:

Amendment to IFRS 16	Leases on sale and leaseback
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
Amendments to IAS 1	Classification of Liabilities as Current or Non-current

None of the above are expected to have a material impact on the Company.

3 Principal accounting policies

Basis of preparation

The financial statements of the Company have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' ('FRS 101'). The financial statements have been prepared under the historical cost convention, except for the valuation of financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below, and in accordance with the Companies Act 2006. The Group's consolidated financial statements are available online at www.arqiva.com.

The requirements have been applied in accordance with the requirements of the Companies Act 2006.

In the prior year the financial statements were unaudited due to the exemption from audit under section 476A of the Companies Act 2006 relating to subsidiary companies.

The following disclosure exemptions, as permitted by paragraph 8 of FRS 101, have been taken in these Company financial statements and notes:

IFRS 7 Financial Instruments: Disclosures	All disclosure requirements.
IFRS 13 Fair Value Measurement	The requirements of paragraphs 91 to 99.

IAS 7 Statement of Cash Flows	All disclosure requirements.
IAS 24 Related Party Disclosures	The requirements of paragraph 17; the requirement to disclose related party transactions entered into between two or more members of a Group, provided that any subsidiary party to the transaction is wholly owned by such a member and key management personnel.
IAS 1 Presentation of financial statements	The requirements of paragraph 38; comparative information in respect of paragraph 79(a)(iv) of IAS 1;
IAS 1 Presentation of financial statements	The requirements of paragraphs 10(d), 10(f), 16, 38A, 38B to D, 40A to D, 111 and 134 to136.
IAS 8 Accounting policies, changes in accounting estimates and errors	The requirements of paragraphs 30 and 31.

The following accounting policies have been applied consistently in relation to the Company's financial statements:

(a) Exemption from consolidation

The Company is a wholly owned subsidiary of Arqiva Broadcast Parent Limited ('ABPL') and of its ultimate parent, AGL. It is included in the consolidated financial statements of AGL which are publicly available. Therefore the Company is exempt by virtue of section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements.

These financial statements are separate financial statements.

(b) Going concern

In determining the appropriate basis of preparation of the financial statements, the Directors are required to consider whether the Company can continue in operational existence for the foreseeable future. As the principal activity of the Company is to conduct financing activities for the benefit of fellow group undertakings, its ability to continue as a going concern is dependent on the operational performance of the Group.

The Group performs a review of going concern through a review of forecasting including cash flow forecasts and considering the requirements of capital expenditure and debt repayments and including any severe but plausible downside scenarios.

The Company adopts the going concern basis in preparing its financial statements, based on the support from its ultimate parent undertaking, the future cash flow forecasts of the Group and Company and available facilities, which lead the Directors of the Company to be confident that the Company will have adequate resources to continue in operational existence and continue to meet debt and interest payments as they fall due.

The group has provided a letter of support which confirms that Arqiva Group Limited will, to the extent is it able, provide such financial assistance to all its wholly owned (directly and indirectly held) subsidiaries in order to meet liabilities as they fall due for a period of 12 months from the date of signing the 30 June 2023 financial statements.

(c) Taxation and deferred taxation

The charge for taxation is based on the result for the year and takes into account taxation deferred due to timing differences between the treatment of certain items for taxation and accounting purposes. Deferred taxation is provided fully in respect of all timing differences using the liability method for timing differences where there is an obligation to pay more tax, or a right to pay less tax, in the future. The provision is calculated using the rates expected to be applicable when the asset or liability crystallises, based on current tax rates and laws that have been enacted or substantively enacted at the balance sheet date.

A deferred tax asset is regarded as recoverable and therefore recognised only when it is more likely than not that there will be sufficient taxable profits against which to recover carried forward tax losses and from which the future reversal of timing differences can be deducted. Deferred tax is not recognised on revalued fixed assets until a binding agreement is in place to sell such assets and the resulting gain or loss has been recognised in the financial statements. Deferred tax is measured on an undiscounted basis.

(d) Investments in subsidiaries and joint ventures

Investments in subsidiaries and joint ventures are shown at cost less provision for impairment.

(e) Impairment of non-financial assets

At each reporting period date, the Company reviews the carrying amounts of its investments to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell, and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit or loss unless the impairment relates to goodwill, in which case it cannot be reversed.

(f) Interest

Interest income and expense are brought to account on an accruals basis and comprise amounts receivable and payable on intercompany balances.

(g) Financial instruments

Financial assets and financial liabilities are recognised in the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the income statement, presented as an 'other gain or loss'.

All financial assets are recognised and derecognised on a trade date where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the timeframe established by the market concerned.

Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities' according to the substance of the contractual arrangements entered into.

Borrowings
Obligations for borrowings are recognised when the Company becomes party to the related contracts and are measured initially at the fair value of consideration received less directly attributable transaction costs. After initial recognition, interest bearing borrowings are subsequently measured at amortised cost using the effective interest rate method.

Interest-bearing bank loans and overdrafts are recorded at the proceeds received, net of direct issue costs. Finance charges, including premiums payable on settlement or redemption and direct issue costs, are accounted for on an accruals basis to the income statement using the effective interest method and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

Derivative financial instruments
The Company enters into a variety of derivative financial instruments to manage the Group's exposure to interest rate, including interest rate swaps.

Derivative financial instruments are recognised at fair value at the date the derivative contract is entered into and are revalued at fair value at each balance sheet date. The fair value of these instruments is determined from the expected future cash flows discounted at a risk-adjusted rate. The future cash flows are estimated based on forward (interest/inflation/exchange) rates observable from rates and yield curves at the end of the reporting period, and contract rates. The difference between the fair value at the risk-adjusted rate and the fair value at the risk-free rate is used to determine the debit valuation adjustment and/or credit valuation adjustment to these instruments. The Group does not apply hedge accounting principles.

A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not expected to be realised or settled within 12 months. Otherwise derivatives are presented as current assets or current liabilities. Where derivatives have an amortising profile, the fair value of the element (i.e. the notional principal) that matures within 12 months is presented as a current asset or current liability.

Effective interest method
The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL.

4 Critical accounting estimates and judgements

In the application of the Group's accounting policies, which are described in note 3, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

The judgements, estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these judgements, estimates and assumptions.

The judgements, estimates and underlying assumptions are reviewed on an on-going basis. Revisions are recognised in the period in which the estimate is revised.

Critical judgements and key sources of estimation uncertainty in applying the Group's accounting policies

The following are the critical judgements and those involving estimations that the Directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in financial statements and could reasonably be expected to change materially in the next 12 months.

Impairment of investments

Key estimates:
The calculation of impairment of investments held is considered to be a critical accounting estimate, as the value of the Company's investment in Arqiva Broadcast Intermediate Limited is sensitive to future cash flow projections, specifically in relation to the debt financing operations of the Group. Reductions identified in the future cash flows of this subsidiary would result in a further impairment of the investment. An impairment of £989,242,000 has been recognised in the year. See note 11 for further information.

A sensitivity analysis on the applied rates indicates that in increase to the discount rate of 0.1% would impact our assessment of the impairment by £61.9m (2022: £87.6m), and that a decrease to the terminal growth rate of 0.1% would impact our assessment of the impairment by £50.7m (2022: £73.9m).

5 Operating expenses

The Company's audit fee for the year was £30,000 (2022: £nil) and this was borne by Arqiva Limited, a fellow Group company, and was not recharged. There were no non-audit fees in the year.

The Company has received a £5,000 (2022: £,5000) management recharge in respect of senior executive management costs within the group, from a fellow Group company. The management recharge is included within operating expenses within the income statement.

6 Employees and Directors

Employees
The Company has no employees during the year (2022: none).

Directors
There are no recharges (2022: £nil) made to the Company in respect of any remuneration for any Directors, as their duties in respect of the Company are incidental to their normal duties on behalf of their employer companies.

The Directors are either representatives of the ultimate UK parent undertaking's shareholders or other Group companies and their individual remuneration reflects the services they provide to the Company and other Group companies. It is not possible to make an accurate apportionment of each Director's emoluments in respect of their services to the Company. Accordingly, no emoluments in respect of these Directors services have been disclosed.

7 Finance income

	Year ended 30 June 2023 (audited) £'000	Year ended 30 June 2022 (unaudited) £'000
Interest receivable from other group entities	188,358	181,294
Total finance income	**188,358**	**181,294**

8 Finance costs

	Year ended 30 June 2023 (audited) £'000	Year ended 30 June 2022 (unaudited) £'000
Amortisation of debt issue costs	2,648	3,594
Other loan interest	7,504	280
Interest on loans	30,514	-
Interest payable to other group entities	175,394	192,256
Total finance costs	**216,060**	**196,130**

9 Other losses

	Year ended 30 June 2023 (audited) £'000	Year ended 30 June 2022 (unaudited) £'000
Fair value loss on derivative financial instruments	3,093	-
Total other gains and losses	**3,093**	**-**

10 Tax

	Year ended 30 June 2023 (audited) £'000	Year ended 30 June 2022 (unaudited) £'000
UK Corporation tax		
- Current year	(8,189)	(2,836)
Total current tax	(8,189)	(2,836)
Deferred tax (see note 14)		
Origination and reversal of temporary differences	(773)	-
Recognition of previously unrecognised deferred tax asset	(99)	-
	(872)	-
Total tax credit for the year	**(9,061)**	**(2,836)**

UK corporation tax is calculated at the blended rate of 20.5% (2022: 19.0%) of the taxable loss for the year.

The credit for the year can be reconciled to the loss in the income statement as follows:

	Year ended 30 June 2023 (audited) £'000	Year ended 30 June 2022 (unaudited) £'000
Loss before tax	**(1,020,114)**	**(14,927)**
Tax at the UK Corporation tax rate of 20.5% (2022: 19.0%)	(209,123)	(2,836)
Tax effect of expenses that are not deductible in determining taxable profit	202,794	-
Deemed interest on intercompany balances	(2,494)	-
Recognition of previously unrecognised deferred tax asset	(99)	-
Impact of change in tax rate	(139)	-
Total tax credit for the year	**(9,061)**	**(2,836)**

The current year UK corporation tax credit (2022: credit) represents the payment received from other Group companies for the provision of tax losses by way of group relief.

The average blended rate of UK corporation tax was 20.5% during the year. In the Finance Act 2022 it was enacted that the main rate of UK corporation tax would be increased to 25.0% from 1 April 2023. UK deferred tax has been valued at 25%.

11 Investments

	Investments in subsidiaries £'000
Cost	
At 1 July 2022 and 30 June 2023	**3,493,261**
Accumulated impairment	
At 1 July 2022 (unaudited)	**-**
Impairment	989,242
At 30 June 2023 (audited)	**989,242**
Net book value	
At 30 June 2023 (audited)	**2,504,019**
At 30 June 2022 (unaudited)	**3,493,261**

The Directors consider the carrying value of the Company's investments in its subsidiaries on an annual basis, or more frequently should indicators arise, and believe that the carrying values of the investments are supported by the underlying trade and net assets.

The recoverable amounts is determined from value-in-use calculations ('VIU').

The key assumptions for the VIU calculations are those regarding the discount rates, growth rates and expected changes to cash flows during the year for which management has detailed plans.

Management estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the Group. Growth rates are based on internal and external growth forecasts. Changes to cash flows are based on past practices and expectations of future changes in the market.

Projected cash flows and the 'recoverable amount'
The value in use of each CGU is determined from the cash flow forecasts derived from the most recent financial forecasts approved by the Board for the next five years. They reflect management's expectations of revenue, EBITDA growth, capital expenditure and working capital based on past experience and future expectations of performance.

Discount rate
The pre-tax discount rate applied to the Group's cash flow forecasts are derived using the capital asset pricing model for comparable businesses. The assumptions used are benchmarked to externally available data. The pre-tax discount rate used is 8.7% (2022: 8.3%).

This discount rate does not represent the weighted average cost of capital (WACC) for Arqiva, but instead is an industry and comparative company-based capital asset pricing model (CAPM) derived discount rate, utilising current spot rates at the time of calculation.

Terminal growth rates
The terminal growth rate is determined based on the long-term growth rates of the markets in which the CGU operates (2023: 1.9%; 2022: 2.0%). The growth rate has been benchmarked against externally available data.

During the year the Company incurred an impairment charge of £989,242,000 relating to a direct subsidiary of the Company, Arqiva Broadcast Intermediate Limited. This calculation is considered to be a critical accounting estimate, as the value of the Company's investment in Arqiva Broadcast Intermediate Limited is sensitive to future cash flow projections, specifically in relation to the debt financing operations of the Group. Reductions identified in the future cash flows of this subsidiary would result in a further impairment of the investment.

The Company's investments (held indirectly unless stated), are shown below:

Company	Country of incorporation	Principal activities	Year end	Percentage of ordinary shares held
Arqiva Broadcast Intermediate Limited	United Kingdom	Holding company	30-Jun	100% (held directly)
Arqiva Financing No. 1 Limited	United Kingdom	Holding company	30-Jun	100%
Arqiva Financing Plc	United Kingdom	Financing vehicle	30-Jun	100%
Arqiva Group Intermediate Limited	United Kingdom	Holding company	30-Jun	100%
Arqiva Group Parent Limited	United Kingdom	Holding company	30-Jun	100%
Arqiva Senior Finance Limited	United Kingdom	Financing vehicle	30-Jun	100%
ABHL Digital Limited	United Kingdom	Holding company	30-Jun	100%
ABHL Digital Radio Limited	United Kingdom	Holding company	30-Jun	100%
ABHL Multiplex Limited	United Kingdom	Dormant company	30-Jun	100%
Arqiva Muxco Limited	United Kingdom	Transmission services	30-Jun	100%
Arqiva (Scotland) Limited	United Kingdom	Transmission services	30-Jun	100%
Arqiva Communications Limited	United Kingdom	Dormant company	30-Jun	100%
Arqiva Defined Benefit Pension Plan Trustees Limited	United Kingdom	Pension company	30-Jun	100%
Arqiva Group Holdings Limited	United Kingdom	Holding company	30-Jun	100%
Arqiva Holdings Limited	United Kingdom	Holding company	30-Jun	100%
Arqiva Inc.	USA	Satellite transmission services	30-Jun	100%
Arqiva Limited	United Kingdom	Transmission services	30-Jun	100%
Arqiva Limited	Ireland	Transmission services	30-Jun	100%
Arqiva Media Limited	United Kingdom	Dormant company	30-Jun	100%
Arqiva Mobile TV Limited	United Kingdom	Transmission services	30-Jun	100%
Arqiva No. 10 Limited	United Kingdom	Dormant company	30-Jun	100%
Arqiva No. 11 Limited	United Kingdom	Dormant company	30-Jun	100%
Arqiva Pension Trust Limited	United Kingdom	Pension company	31-Mar	100%
Arqiva PP Financing Plc	United Kingdom	Financing vehicle	30-Jun	100%
Arqiva Pte Limited	Singapore	Satellite transmission services	30-Jun	100%
Arqiva Public Safety Limited	United Kingdom	Dormant company	30-Jun	100%
Arqiva SAS	France	Satellite transmission services	30-Jun	100%
Arqiva SRL	Italy	Satellite transmission services	30-Jun	100%
Arqiva Telecoms Investment Limited	United Kingdom	Holding company	30-Jun	100%
Arqiva UK Broadcast Holdings Limited	United Kingdom	Holding company	30-Jun	100%
Capablue Limited	United Kingdom	Dormant company	30-Jun	100%
Cast Communications Limited	United Kingdom	Dormant company	30-Jun	100%
Connect TV (Scotland) Limited	United Kingdom	Dormant company	30-Jun	100%
Connect TV Limited	United Kingdom	Dormant company	30-Jun	100%
Digital One Limited	United Kingdom	Transmission services	30-Jun	100%
Inmedia Communications (Holdings) Limited	United Kingdom	Dormant company	30-Jun	100%
Inmedia Communications Group Limited	United Kingdom	Dormant company	30-Jun	100%

Company	Country of incorporation	Principal activities	Year end	Percentage of ordinary shares held
Inmedia Communications Limited	United Kingdom	Dormant company	30-Jun	100%
J F M G Limited	United Kingdom	Spectrum services	30-Jun	100%
Macropolitan Limited	United Kingdom	Dormant company	30-Jun	100%
Now Digital (East Midlands) Limited	United Kingdom	Transmission services	30-Jun	80%
Now Digital (Oxford) Limited	United Kingdom	Dormant company	30-Jun	100%
Now Digital (Southern) Limited	United Kingdom	Transmission services	30-Jun	100%
Now Digital Limited	United Kingdom	Transmission services	30-Jun	100%
NWP Spectrum Holdings Limited	United Kingdom	Holding company	30-Jun	100%
Scanners (Europe) Limited	United Kingdom	Dormant company	30-Jun	100%
Scanners Television Outside Broadcasts Limited	United Kingdom	Dormant company	30-Jun	100%
Selective Media Limited	United Kingdom	Dormant company	30-Jun	100%
South West Digital Radio Limited	United Kingdom	Transmission services	30-Jun	66.67%
Spectrum Interactive (UK) Limited	United Kingdom	Dormant company	30-Jun	100%
Spectrum Interactive Limited	United Kingdom	Holding company	30-Jun	100%

With the following exceptions, the registered office of each of the subsidiary companies listed was Crawley Court, Winchester, Hampshire, SO21 2QA:

Company	Registered office
Arqiva Inc.	c/o The Corporation Trust Company, Corporation Trust Centre, 1209 Orange Street, Wilmington, DE19801, United States of America.
Arqiva Pte Limited	8 Marina Boulevard #05-02, Marina Bay Financial Centre, 018981, Singapore.
Arqiva SAS	Tour Vendome 204, Rond Point du Pont De Sevres, 92100, Boulogne, France.
Arqiva SRL	c/o Studio Bandini & Associati, Via Calabria 32, Rome, Italy.
Arqiva (Scotland) Limited	c/o Morton Fraser, Quartermile 2, 2 Lister Square, Edinburgh, EH3 9GL, Scotland.

In addition to the subsidiary undertakings the Company indirectly holds the following interests in associates and joint ventures:

Company	Country of incorporation	Principal activities	Registered office	Year end	Percentage of ordinary shares held
Joint ventures					
Sound Digital Limited	United Kingdom	Ownership and operation of UK DAB radio multiplex licence	Media House Peterborough Business Park, Lynch Wood, Peterborough, United Kingdom, PE2 6EA	31-Dec	40.0%
Associate undertakings:					
Muxco Limited	United Kingdom	Bidding for UK DAB digital radio multiplex licences	96a, Curtain Road, London, EC2A 3AA	31-Dec	25.0%
UK Digital Radio Limited	United Kingdom	Support delivery of a digital future for radio	55 Oxford Street, 6th floor, London, WC1A 1BS	31-Mar	10.0%

12 Receivables

	30 June 2023 (audited) £'000	30 June 2022 (unaudited) £'000
Amounts receivable from other group entities	30,394	22,103
Prepayments and other receivables	309	4
Total current receivables	**30,703**	**22,107**
Amounts receivable from other group entities	2,061,528	1,873,372
Total non-current receivables	**2,061,528**	**1,873,372**

Amounts receivable from other group entities are unsecured. Interest has been charged on £1,565,081,000 at 9.5% (2022: £1,387,558,000) and £496,447,000 (2022: £507,917,000) was interest free.

As part of the Group's refinancing, the majority of the balances with group undertakings have been formalised under a single subordinated loan agreement with a subsidiary company which has a maturity date in 2033.

13 Cash and cash equivalents

	30 June 2023 (audited) £'000	30 June 2022 (unaudited) £'000
Cash and cash equivalents	**1,045**	**230,521**

14 Deferred Tax

The balance of deferred tax recognised at 30 June 2023 is an asset of £872,000 (2022: nil). The movement in deferred income tax assets and liabilities during the year is as follows:

	Tax losses £'000	Derivative financial instruments £'000	Total £'000
Deferred tax assets			
At 30 June 2022 (unaudited)	**-**	**-**	**-**
Credited to the income statement	99	773	872
At 30 June 2023 (audited)	**99**	**773**	**872**

The corporation tax rate was increased to 25% from 19% effective from 1 April 2023; the deferred tax asset is therefore recognised at the 25% tax rate.

Deferred tax assets are not recognised unless it is probable that there will be sufficient taxable profits against which they will be realised. The Company has an unrecognised deferred tax asset of £297,000 (2022: £395,000) in respect of losses at the substantively enacted UK corporation tax rate of 25.0% (2022: 25.0%).

15 Payables

	30 June 2023 (audited) £'000	30 June 2022 (unaudited) £'000
Amounts payable to other group entities	1,792,724	1,627,704
Accrued interest	13,688	70
Total payables	**1,806,412**	**1,627,774**

Amounts owed to other group entities are unsecured. Interest has been charged on £1,782,312,000 (2022: £1,572,704,000) at 9.5% and £10,413,000 (2022: £55,000,000) was interest free and repayable on demand.

As part of the Group's refinancing, balances with group undertakings have been formalised under a single subordinated loan agreement with the direct parent company which has a long-term maturity date of 28 February 2033. These balances are included within borrowings. Accrued interest on these intercompany loan balances are included as amounts payable to other group entities within payables. The balances cannot be recalled earlier than the final maturity date other than with the agreement of the borrower. Interest can be deferred if the borrower does not have sufficient available cash flow.

16 Borrowings

	30 June 2023 (audited) £'000	30 June 2022 (unaudited) £'000
Amounts payable to other group entities	45,154	670,154
External loans: Junior loan	450,000	-
Less: issue costs	(16,773)	-
Total borrowings	**478,381**	**670,154**

The amounts payable to group entities at 30 June 2022 included £625,000,000 which represented the junior debt raised from the issuance of notes by ABF Plc, a subsidiary within the Group. These notes had a fixed interest rate of 6.75%. In September 2023, the Company raised a new £450m term facility with an expected maturity date of March 2028. The proceeds from this new facility were utilised to repay the previous £625,000,000 amounts payable to group entities.

The remaining amounts payable to other group entities relate to balances formalised under a single subordinated loan agreement with the direct parent company which has a long term maturity date of 2033. In addition, further funds have been advanced by parent undertakings on a subordinated basis which facilitated the repayment of previous bank facilities.

17 Financial Instruments

Derivative financial instruments
The Company operates as part of the Group's management of the exposures of its debt payment obligations through the use of interest rate swaps.

In September 2022, the company completed a £450m term debt raising activity. The proceeds, alongside the cash balances held, were utilised to fully redeem the previous £625.0m bonds within the Group. The new term loan was originally at a floating rate with a margin of 5% over SONIA. During the year £138.9m of the loan was restructured to fixed rate at an average interest rate of 9.1%.

At the year end, the company held interest rate swaps with a notional amount of £450m (2022: nil) which hedges interest obligations of the £450m term loan that was originally drawn at floating rate and pays a fixed rate of 5.2%. Throughout the financial year a portion of the loan was restructured to fixed rate and therefore the Group has entered £138.9m notional of corresponding fixed to floating overlay interest rate swaps to align the cash flow characteristics of the underlying fixed rate debt and the original floating to fixed interest rate swaps.

The fair value of the junior interest rate swaps portfolio at 30 June 2023 is a liability of £3.1m (2022: nil). This fair value is calculated using a risk-adjusted discount rate.

The following table details the fair value of financial instruments recognised on the statement of financial position:

	30 June 2023 (audited) £'000	30 June 2022 (unaudited) £'000
Within non-current liabilities		
Interest rate swaps	(3,093)	-
	(3,093)	-
Total	**(3,093)**	**-**
Change in fair value recognised in the income statement:		
- Attributable to changes in market conditions	(3,093)	-
- Attributable to changes in perceived credit risk	-	-
Total loss recognised in the income statement	**(3,093)**	**-**
Total change in fair value	(3,093)	-

18 Share capital

	30 June 2023 (audited) £	30 June 2022 (unaudited) £
Allotted, called up and fully paid:		
50,002 (2022: 50,002) ordinary shares of £1 each	**50,002**	**50,002**

19 Related party transactions

The Company has applied the provisions within FRS 101 to be exempt from the disclosure of transactions entered into, and balances outstanding, with a Group entity which is wholly owned by another Group entity and key management personnel.

20 Events after the reporting period.

There have been no events since the balance sheet date which would have a material impact on the Company and require disclosure within the financial statements

21 Controlling parties

The Company's immediate parent undertaking is Arqiva Broadcast Parent Limited ('ABPL'). Copies of the ABPL financial statements can be obtained from the Company Secretary at Crawley Court, Winchester, Hampshire, SO21 2QA.

The ultimate UK parent undertaking is AGL, which is the parent undertaking of the largest group to consolidate these financial statements. The parent of the smallest group to consolidate these financial statements is ABPL.

Copies of the AGL consolidated financial statements can be obtained from the Company Secretary of each Company at Crawley Court, Winchester, Hampshire, SO21 2QA.

AGL is owned by a consortium of shareholders including Digital 9 Infrastructure, Macquarie European Infrastructure Fund II, other Macquarie managed funds and minorities. There is no ultimate controlling party of the Company.