

28 February 2024

DIGITAL 9 INFRASTRUCTURE PLC

("D9", the "Company" or, together with its subsidiaries, the "Group")

COMPANY UPDATE

Further to the conclusion of the Strategic Review of the Company announced on 29 January 2024, the Board of Directors of Digital 9 Infrastructure plc (the "**Board**") today provides an update on key initiatives to prepare for a proposed managed wind-down of the Company (the "**Managed Wind-Down**").

Circular to Shareholders

The Board has received approval from the Financial Conduct Authority ("**FCA**") and the Group's lenders under the Revolving Credit Facility ("**RCF**") to amend the Company's investment objective and investment policy (together, the "**Investment Policy**"), which is required to facilitate the Managed Wind-Down.

Accordingly, a circular was published by the Company today (the "**Circular**") to convene a General Meeting of shareholders on 25 March 2024 (the "**General Meeting**") at which it will seek approval from shareholders to amend the Company's Investment Policy pursuant to FCA Listing Rule 15. Shareholders are encouraged to review the Circular at the earliest possible opportunity and results of the General Meeting will be announced on 25 March 2024.

Managed Wind-Down

Following the anticipated shareholder approval of the revised Investment Policy, the Board will endeavour to realise all of the Company's assets in an orderly manner that maximises value to shareholders. In the event that shareholders do not approve the new proposed Investment Policy as set out in the Circular, the Company will continue to operate under its current investment policy.

Triple Point Investment Management LLP (the "**Investment Manager**") has commenced sale preparations for each of the Company's wholly owned assets, as announced on 29 January 2024. These will only be progressed following the passing of the resolutions set out in the Circular ahead of launching what it currently expects to be competitive sale processes later this year.

As noted in the Circular, it is difficult for the Board to provide a precise date or certainty on the timeframe for the disposal of the Company's assets. After careful consideration of Arqiva's plans and current market conditions, the Board believes that the maximisation of the value of D9's stake in Arqiva is likely to take longer to realise than the other investments held by the Company. The Board aims to realise the Company's assets in an orderly manner to maximise shareholder value whilst also being aware of the ongoing costs of managing the Company's portfolio.

Financial Position

The Board continues to closely monitor the Group's financial position. As at 31 January 2024, the Company held total unrestricted cash and cash equivalents of £13.8 million and had £1.2 million undrawn on its existing RCF.

Group debt in aggregate^[1], excluding portfolio company debt held by the Verne Global group of companies ("**Verne Global**") and Arqiva Group, was £543.6 million comprising RCF debt of £373.8 million and the Arqiva Group Vendor Loan Note ("**VLN**") of £169.8 million; the latter including accrued payment-in-kind ("**PIK**") interest of £6.8 million.

The Group completed the acquisition of a 48.02% equity stake in Arqiva on 18 October 2022 for approximately £463 million, following the granting of regulatory approval. £300 million of the acquisition was funded by a drawdown on the Group's RCF and £163 million through a non-recourse VLN, which matures in 2029 and is listed on the International Stock Exchange (<https://tiseigroup.com/market/securities/14809>). Whilst the VLN is non-recourse to the Company, in the event of a default, recourse is limited to the Company's shares in Arqiva Group Limited. This charge is registered at Companies House against D9 Wireless Midco 1 Limited, a subsidiary of the Company.

As previously disclosed, upon receipt of the initial purchase price from the sale of the Verne Global, the Company intends to pay down the majority of the Group's RCF. As disclosed in the Circular, and as part of the Managed Wind-Down, the Board expects to use proceeds from future asset realisations to repay the amount of the RCF that will be outstanding following completion of the sale of 100 per cent of Verne Global (excluding the potential earn-out payment).

Pending closing of the Verne Transaction, the Company announced on 15 February 2024 the signing of its first increase (the "**Accordion Facility**") under the terms of Verne Global's existing green term loan facility for additional US \$17 million of financing. This will help fund Verne Global's growth capital expenditure pipeline while the Company awaits the closing of the sale of the Verne Global group of companies to funds managed or advised by Ardan France SA or any of its affiliates (the "**Verne Global Sale**"), as previously announced by the Company on 27 November 2023, and has strengthened Verne Global's cash position.

As announced on 8 February 2024, the Board continues to monitor the process related to the merger control approval in Iceland, and in relation to closing conditions precedent generally, and will provide an update to shareholders in due course.

Independent Valuation

As announced on 5 February 2024, the Board has mandated an independent valuer to guide the Independent Non-Executive Directors' assessment of the fair value of portfolio assets under IFRS, including the Verne Global potential earn-out payment of up to US \$135 million. The independent valuation process is ongoing, and the results are expected to be provided to the Board in due course.

Annual Report and Accounts

In order to accommodate the outcome of the General Meeting, and the anticipated timing of the Verne Transaction's closing, the Board expects the Company to publish its audited Annual Report and Accounts including the NAV for the year ended 31 December 2023 prior to the end of April 2024.

Today the Company has also provided an unaudited Portfolio Trading Update for the six-month period ending 31 December 2023, in which the Investment Manager noted the portfolio companies continued to perform in line with expectations during the period. Shareholders are encouraged to refer to the Portfolio Trading Update for more details.

Investment Management Agreement

As announced on 29 January 2024, the Company advised the Investment Manager that, subject to any required consents, it presently intends to give notice to terminate the investment management agreement, with any such notice of termination to be issued on the later of 31 March 2024 or the closing of the Verne Transaction. The termination will take effect no less than twelve months following the Notice Date.

The Company is actively exploring with the Investment Manager whether the Company and the Investment Manager might agree revised commercial terms that would be in the best interests of the Company and its Shareholders given its future needs in the context of the proposed Managed Wind Down prior to any notice of termination taking effect.

Board Composition

All of the Company's current Independent Non-Executive Directors will stand for re-election at the Company's upcoming AGM in May 2024.

Shareholder Engagement

The Board intends to maintain an active dialogue with its shareholders and subject to shareholder approval of the resolutions in the Circular, further Company updates will be provided as key initiatives are progressed.

ENDS.

Notes to Editors

Capitalised terms used but not defined in this announcement shall have the same meaning as given in prior announcements by the Company. This Company Update should be read in conjunction with the 'Portfolio Trading Update' and 'Proposed change of investment objective and policy to facilitate a managed wind-down of the Company and Notice of General Meeting' announcements issued today, 28 February 2024.

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About Digital 9 Infrastructure plc:

Digital 9 Infrastructure plc (DGI9) is an investment trust listed on the London Stock Exchange and a constituent of the FTSE All-Share, with the ticker DGI9. The Company invests in the infrastructure of the internet that underpins the world's digital economy: digital infrastructure.

The Investment Manager is Triple Point Investment Management LLP ("**Triple Point**") which is authorised and regulated by the Financial Conduct Authority. For more information on the Investment Manager please visit www.triplepoint.co.uk. For more information, please visit www.d9infrastructure.com.

^[1] Group includes D9 Group and portfolio companies, pro-rata D9 ownership. Unaudited figures as provided by the Investment Manager.

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