



6 May 2025

**Maintel Holdings Plc**  
 ("Maintel" or the "Company")

**Annual audited results for the year ended 31 December 2024**

***Significantly improved profitability and underlying organic growth, delivered through continued transformation progress and strategy execution results***

Maintel Holdings Plc, a leading provider of cloud and managed communications services, announces its audited results for the 12-month period to 31 December 2024.

**Key Financials**

Annual results for the year to 31 December:	2024	2023	% change
Group revenue (£'m)	97.9	101.3	(3.4%)
Gross profit (£'m)	30.6	31.2	(1.9%)
Adjusted EBITDA <sup>[1]</sup> (£'m)	10.5	9.1	15.4%
Profit/(loss) before tax (£'m)	0.4	(6.8)	105.9%
Adjusted profit before tax <sup>[2]</sup> (£'m)	7.3	5.5	32.7%
Basic earnings / (loss) per share (p)	3.6	(37.3)	109.7%
Adjusted earnings per share <sup>[3]</sup> (p)	28.2	23.6	19.5%
Net debt <sup>[4]</sup> (£'m)	(16.6)	(18.1)	8.3%

**Highlights**

- The revenue performance represented underlying growth of 8.2%. Group revenue was £97.9m (2023: £101.3m). While this represented a reported decrease of 3.4%, revenue in 2023 was flattered by the late delivery of £10.8m in sales orders secured in 2021 and 2022 but delayed due to supply chain shortages during the pandemic.
- Recurring revenue represented 75% of total revenue (2023: 74%).
- The Group continued to successfully execute its strategic pivot away from a communications generalist to a specialist, focused on three key strategic pillars; Unified Communications & Collaboration, Customer Experience and Security & Connectivity.
- As announced during the year, the Group won multi-year, multi-million pound contracts with a leading housing and care provider, one of Europe's leading credit management companies, one of the UK's largest insurance companies, one of the UK's leading providers of affordable dental care, a global IT and business consulting services company, and the Leeds Teaching Hospital NHS Trust, one of the largest and busiest acute hospital trusts.
- Gross profit was £30.6m (2023: £31.2m), a decrease in line with the revenue performance. However, gross margin expanded to 31.3% (2023: 30.9%) driven by price, active cost control and revenue mix.
- Adjusted EBITDA increased by 15.4% to £10.5m (2023: £9.1m), which reflected the margin expansion, compounded by the full run-rate of the benefits from the restructuring programme completed in 2023 and ongoing cost control activities. Adjusted EBITDA margin increased to 10.7% (2023: 9.0%).
- Basic earnings per share at 3.6p (2023: loss per share at 37.3p) flows from improved profitability of operations, the reduction in restructuring costs, the reduction in amortisation of intangibles, and a lower interest charge in line with the evolution of the Bank of England base rates.
- Net debt<sup>[4]</sup> substantially decreased to £16.6m, down 8.3% (2023: £18.1m) due to higher cashflow generated from operations of £8.5m (2023: £5.0m) supported by improved profitability and well managed working capital.

**Operational Highlights**

- The Group's performance benefited from the consolidation of operational savings derived from the organisational and strategic restructure in 2023.

- Key growth areas of Cloud Communications, particularly customer experience, data connectivity and security.
- Total Contract Value in new business from existing and new customers was over £45 million, with 79% of new sales bookings within the three strategic pillars.
- Cloud recurring revenues grew by 7.9% to £17.3 million (2023: £16.0 million), with the majority of growth coming from cloud contact centre services, reflecting the Group's intentional move towards quality of earnings over high seat count, lower margin contracts.
- Data connectivity and security recurring revenues grew by 8.1% to £19.9 million (2023: £18.4 million), driven by continued success in the Software Defined Wide Area Networking (SD-WAN) space, including the largest contract win in the company's history.
- Maintel Application Platform launched providing a consistent, secure, and rapid way to develop, deploy and manage the Group's proprietary software based Intellectual Property, and used to enhance, differentiate, integrate and complement the core platforms and services provided by their strategic software partners.
- Enhanced new Security & Connectivity services launched, powered by Fortinet & Zscaler, and a new Cyber Incident Response service which further enhances this strategic pillar offering.
- Relunched Maintel brand to reflect strategic pivot from a generalist Managed Services Provider to a highly skilled specialist across three high-growth technology segments.
- Maintel nominated for Managed Service Provider of the Year at the Comms Business Awards and the CRN Awards.
- Changes to the Board composition included the appointment of two Non-Executive Directors and the continuation of the search for an experienced independent Non-Executive Chairman. A permanent Chief Executive Officer was appointed after the end of the reporting period.

#### Notes

[1] Adjusted EBITDA is EBITDA of £8.2m (2023: £2.0m), adjusted for exceptional items (note 12) and share based payments (note 27).

[2] Adjusted profit before tax of £7.3m (2023: £5.5m) is basic profit/(loss) before tax adjusted for amortisation of intangibles, exceptional items and share based payments.

[3] Adjusted earnings/(loss) per share is basic earnings per share of 3.6p (2023: loss per share of 37.3p), adjusted for amortisation of acquired intangibles, exceptional items, share based payments and deferred tax items related to fixed assets acquired in prior years (note 10). The weighted average number of shares in the period was 14.4m (2023: 14.4m).

[4] Interest bearing debt (including issue costs of debt and excluding lease liabilities) minus cash. Current year net debt includes £20.0m RCF and £0.8m Term loan.

#### **Commenting on the Group's results, Dan Davies, Chief Executive Officer, said:**

"It is an exciting time for Maintel as we progress our business transformation plan, pivoting the Group from a generalist to a highly skilled specialist operating across three high-growth technology segments and we are pleased to report significantly improved profitability and underlying organic growth in 2024, delivered through continued transformation progress and execution of our strategy.

"While, like many, Maintel faces widely publicised macroeconomic headwinds in the coming year, we continue to show resilience in a difficult market due to the mission critical nature of the communications services we provide, alongside our high levels of customer loyalty and contracted recurring revenue. The Board remains confident that it can build on the encouraging progress made across all aspects of the business during 2024 and meet market expectations for 2025 but is again expecting the performance to be weighted towards the second half of the year. The journey from a generalist Managed Service Provider to a highly skilled specialist continues to well-position Maintel for the future."

#### **Publication of annual report/posting and Notice of Annual General Meeting**

The Company's 2025 Annual General Meeting will be held at 10.30 am on 3 June 2025 at the offices of Hudson Sandler, 25 Charterhouse Square, London EC1M 6AE.

The 2024 Annual Report and Notice of AGM, together with a form of proxy, will be posted to the Company's shareholders no later than 9 May 2025 and will be available on the Company's website, [www.maintel.co.uk/investors](http://www.maintel.co.uk/investors).

#### **For further information, please contact:**

**Maintel Holdings PLC**  
Dan Davies, Interim Chief Executive Officer  
Gab Pirona, Chief Financial Officer

Tel: 0344 871 1122

**Cavendish (Nomad and Broker)**  
Jonny Franklin-Adams / Hamish Waller (Corporate Finance)

Tel: 020 7220 0500

## Notes to editors

Maintel Holdings Plc ("Maintel") is a leading provider of cloud communications, security and connectivity managed communications services to the UK public and private sectors. Its services aim to help its clients create customer experiences, services and workplaces that inspire and empower people, with a focus across three strategic pillars of technology:

- **Unified Communications and Collaboration** - Making customers' people more effective, efficient, and collaborative with UC&C technology. The core focus of this pillar is the high growth Unified Communications as a Service (UCaaS) market segment.
- **Customer Experience** - Helping customers to acquire, delight and retain their customers using customer experience technology. The core focus of this pillar is the high growth Contact Centre as a Service (CCaaS) market segment.
- **Security & Connectivity** - Securely connecting customers' people, partners and guests to their cloud platforms, applications, and data with secure connectivity, and protecting their business from cyber threat. The core focus of this pillar is the high growth Software Defined Wide Area Networking (SD-WAN) and Security Service Edge (SSE) segments.

Maintel combines technology from its strategic, global technology vendor and carrier partners, with its own Intellectual Property, deployed from and managed by its own platforms, to provide seamless solutions that its customers can consume without the need for the internal skillset required to design, deploy and manage the technology themselves.

Maintel serves the whole market, with a particular focus on key verticals of Financial Services, Retail, Public Healthcare, Local Government, Higher Education, Social Housing and Utilities. Its core market constitutes organisations with between 250 and 10,000 employees in the private, public and not-for-profit sectors with headquarters in the UK.

The Company was founded in 1991 and it listed on London's AIM market in 2004 (AIM: MAI).

## CHIEF EXECUTIVE OFFICER'S STATEMENT

### Introduction

It is an exciting time for Maintel as we progress our business transformation plan, pivoting the Group from a generalist to a highly skilled specialist operating across three high-growth technology segments. This refocused strategy was underpinned by the relaunch of the Maintel brand in November 2024, which successfully framed the strategy for the Company's people, customers and prospects.

The Group is pleased to report significantly improved profitability and underlying organic growth in 2024, delivered through continued transformation progress and execution of our strategy. We made good progress in evolving both our market positioning and offering which, I believe, puts us in an even stronger position to support our customers with their managed service and vital communications needs.

### Strategic priorities and growth

Our growth strategy is focused on further establishing Maintel as the best-in-class specialist Managed Service Provider across our three strategic pillars and technology segments of Unified Communications & Collaboration, Customer Experience and Security & Connectivity. In the UK, the market size for these pillars is between £400 million and £1.2 billion and each is forecast to have double-digit compound annual growth rates. These focus pillars sit within wider technology segments that represent around a £7.6 billion opportunity in the UK (market size and CAGR 2022-2026 - Source: Altman Solon 2023).

Our sales and marketing activities are focused on promoting our expertise in these growth technology segments across the Financial Services, Public Sector, Retail and Utilities vertical markets, all of which offer the Group significant growth potential.

Our strong relationships with strategic technology vendor partners and carriers, which form the core of the services we offer

our customers, have been complemented by growing Maintel's consultancy and advisory capabilities and proprietary technologies.

In 2024, our first year following the completion of the business review and organisation restructuring, the Group demonstrated its ability to expand revenue streams across our strategic pillars, enhance product offerings, improve the quality and predictability of earnings, drive recurring revenues, enhance adjusted EBITDA margin and lower debt.

In November 2024, we relaunched the Maintel brand to better reflect our strategic focus and evolved market positioning. It brings our strategy to life for our people, our customers, and our prospects. We are laser-focused on our new purpose which is to use technology to create customer experiences, services and workplaces that empower and inspire people, and to continue delivering *Solid Solutions for a Dynamic World*.

## **2024 financial performance**

In line with guidance at the half year, the Group's financial performance was weighted towards the second half due to a number of high-value new contract wins closing later in H1 2024 than initially anticipated. The benefits of these multi-year contracts were realised from the end of the first half year, through the second half of the year. The 2024 top line performance also suffered from the slowdown in the sales momentum and pipeline generation following the necessary organisational restructure in 2023.

Total revenue was £97.9 million (2023: £101.3 million). While lower than in 2023 this represents year-on-year underlying organic growth of 8.2%, due to the revenue performance in 2023 being flattered by the unwinding of the order book built up during the period impacted by global semiconductor shortages.

Adjusted EBITDA increased by 15.3% to £10.5 million. This significant improvement was driven by significant new contract wins, which combined amounted to more than £45 million in Total Contract Value (TCV), annualised benefits from the organisational restructuring completed in 2023 and price increases.

Our focus on the quality of earnings, combined with the organisational streamlining and continued tight cost controls, provides the Group with the foundations for sustainable future profitability. As a result, the adjusted EBITDA margin improved to 10.8% (2023: 9.0%).

Our commitment to deleveraging remained a focus during the year. Net Debt (excluding IFRS16 lease liabilities) at 31 December 2024 improved by 8.3% to £16.6 million (2023: £18.1 million), which reflected strong cash generation, with our rigorous working capital management process supporting strong cash conversion, balanced with transformation and investment requirements.

Further details are set out below in the Business Review.

## **Operational progress**

In 2024 the Company maximised the benefits of the organisational transformation work we executed in 2023, whilst building on this with the next phase of our transformation - focussing on building our talent pool, our positioning, brand awareness, operational modernisation and completing the build-out of our renewed marketing and business development engine.

The continued execution of our generalist to specialist strategic pivot has been extremely encouraging, evidenced by key leading indicators such as a high percentage of pipeline and new wins in both our strategic segments and our target industry verticals, the increased quality of those new wins in both technology and margin terms, and increased customer experience scores.

### *New business wins*

It's extremely pleasing to see that our strategic high-growth technology pillars, and the identified target industry verticals where we believe they resonate the strongest, are proving to be a success, with strong wins across each pillar and each vertical. In 2024, significant contracts were secured from both existing and new customers, with 79% of all new sales bookings within our pillars of Unified Communications & Collaboration, Customer Experience and Security & Connectivity, and these wins have contract lengths of two to five years, building our recurring revenues.

New contract wins include a leading housing and care provider, one of Europe's leading credit management companies, one of the UK's largest insurance companies, one of the UK's leading providers of affordable dental care, a global IT and business consulting services company, and the Leeds Teaching Hospital NHS Trust, one of the largest and busiest acute hospital trusts.

### *Proprietary intellectual property*

As we deepen our consultancy and advisory capabilities, we continue to develop our own intellectual property (IP), focused on enhancing the solutions we can offer customers, improving the customer experience and supporting Maintel's operational efficiency.

We launched our innovative Maintel Application Platform in March 2024, which provides a consistent, secure, and rapid platform to develop, deploy and manage the Group's software-based IP. This IP is deployed alongside Vendor Alliance & Carrier Partners services, enhancing the offer from our key technology partners, which differentiates and benefits Maintel and our partners, and it delivers a transformational capability for all Cloud Communications customers. Audiosafe, our first fully productised app delivered through the Maintel Application Platform, provides a centralised call recording archive, legacy migration and playback service, supporting multiple cloud communication platforms and legacy call recording applications. This allows customers to automatically export, archive, search and filter all their call recordings, and retain them for as long as needed.

We launched a new and enriched digital customer portal, Maintel Portal (formerly ICON Portal) in August. This digital customer engagement platform provides customers with a single point for all support and in-life management including monitoring status, support ticketing, analytics and insights, providing a seamless and integrated user experience. The updated version included significant upgrades and enhancements to improve the experience for our customers and streamline our services, including a sleek, modern look and feel, user-friendly layout, focused navigation and the ability to discover new services.

### *New managed service products*

During the year, new Security & Connectivity services powered by Fortinet & Zscaler, and a new Cyber Incident Response service, were launched. Both these broaden the service offering to customers across this strategic pillar and allow us to take a more independent, consultative approach by broadening the partners we work with in this space.

### **Research and Development**

Our R&D capability represents one of our most tangible differentiators. In 2024, we invested £1.6 million (2023: £1.6 million) in research and development activities.

We invest each year to enhance and complement the technologies we utilise from our global software and hardware strategic vendor partners, to create the services we deliver. As a direct benefit for our clients, taking a service based on a particular vendor technology from Maintel will be both different and superior compared to a more standard solution delivered by another provider using same vendor's technology. These innovations include both Apps that enhance our solutions and deliver unique outcomes for our customers, and integrations that tie our solutions tightly into our customers application ecosystems and business workflows. This not only enhances the service we deliver but also encourages customers to stay with Maintel for longer, in order to enjoy the unique benefits that they can only receive by taking their vital digital communications services from us.

### **The Board**

I was pleased to be appointed Chief Executive Officer in February 2025, following a year as Interim Chief Executive Officer, and having previously been Chief Technology Officer and an Executive Director since 2020.

There were a number of Board changes during the year, with Carol Thompson (Executive Chair) and John Booth (Deputy Chair) leaving the Board, and we welcomed both Bob Beveridge and Angus McCaffery to the Board in July 2024. Also, during the year, Clare Bates was appointed as Senior Independent Director.

Our Board now consists of three Non-Executive Directors (two of whom are independent) and two Executive Directors. Together we have an excellent range of skills and experience that will support the future development and growth of the Company, which will be further complemented by the addition of an experienced independent non-executive Chair.

### **Sustainability approach**

Our sustainability strategy is not only about compliance but also about creating long-term value for the business, stakeholders, and society. Our well-structured approach drives innovation, enhances reputation, fosters trust with our stakeholders, and

contributes to sustainable development. We are committed to integrating environmental sustainability, social responsibility and strong governance into our operations and culture. Through continuous improvement and transparent reporting, we aim to drive positive change in both our business and the world around us, creating long-term value for our stakeholders and the planet.

## Our People

Our people are what have made our achievements this year possible. Our customer-centric approach is fundamental to our strategy, and our people have embraced this ethos and are focused on providing innovative solutions and best-in-class client service which supports organisations to run more efficiently and securely.

Our people inspire me every day. On behalf of the Board, I would like to thank them for their unwavering support and dedication to Maintel and our customers throughout 2024.

## Current Trading and Outlook

The focus in the first quarter of the year has been around the planning and initial execution of the next phase of our transformation, which concentrates on continued pipeline growth across our focus technology pillars, internal process and system efficiency, spend optimisation and operational gearing. Notably, our progress in pipeline growth and sales target coverage are already delivering tangible results.

While, like many, Maintel faces widely publicised macroeconomic headwinds in the coming year, we continue to show resilience in a difficult market due to the mission critical nature of the communications services we provide, alongside our high levels of customer loyalty and contracted recurring revenue. The Board remains confident that it can build on the encouraging progress made across all aspects of the business during 2024 and meet market expectations for 2025 but is again expecting the performance to be weighted towards the second half of the year. The journey from a generalist Managed Service Provider to a highly skilled specialist continues to well-position Maintel for the future.

Dan Davies

**Chief Executive Officer**

## OUR REDEFINED VALUE PROPOSITION

### The need to redefine our value proposition

Maintel initiated a full strategic review of the business at the end of 2022 as part of a broader and comprehensive transformation plan. While acquisitions made in previous years, notably Azzurri Communications and Intrinsic Technology, positioned the Group as a generalist Managed Services Provider, this presented several challenges for the Group. The market in which the Group operated continued to evolve, particularly the Group's market offering cut-through and rising competition from larger generalists and more specialised market players.

The thorough strategic review, undertaken with the support of a third-party consultancy in the first quarter of 2023, provided a full analysis of the Group's market opportunity and competitive landscape, and identified strategic options.

### Transformation Overview

Area	Objective	Some of our achievements in FY24
Brand	Develop a powerful brand, supported by top quartile accreditations and recognised by awards	<ul style="list-style-type: none"> <li>Brand refresh launched.</li> <li>New customer collateral suite launched.</li> <li>New, innovative website launched.</li> <li>Nominated for "MSP of the Year" at both Comms Business and CRN awards.</li> </ul>
Customers, Go to Market & pipeline	Delight our customers, increase retention rates, expand into the whitespace within existing customers, attract new customers and build pipeline coverage	<ul style="list-style-type: none"> <li>New logo sales team embedded, developing pipeline and closing initial deals.</li> <li>New retention manager role created, identified customers needing additional support and created initial retention strategy.</li> <li>Sales and Pre-Sales enablement for whitespace opportunity identification.</li> <li>New sales methodology implemented.</li> <li>Refocused Marketing and Sales Development</li> </ul>

Revised training and sales development teams on lead/revenue generation.

Product offering	To build out new products and services within our focus pillars, and develop our own intellectual property that complements and enhances them.	<ul style="list-style-type: none"> <li>Launched new Maintel Application Platform</li> <li>Developed and launched Audiosafe call recording archive &amp; migration App.</li> <li>Launched Fortinet based SD-WAN and Zscaler based Security Service Edge managed services.</li> <li>Launched new 8-step consultancy led engagement model</li> <li>Launched new Cyber Incident Response service.</li> </ul>
People, Systems & Processes	Build a highly skilled, future-focused and engaged team, empowered through the digital transformation of our systems and processes	<ul style="list-style-type: none"> <li>Significant progress in infrastructure modernisation and strengthening of our security posture</li> <li>Completed first phase of our operational modernisation programme</li> <li>High talent recruits at senior level</li> <li>New internal comms strategy implemented</li> </ul>

### Our Value Proposition explained

The comprehensive strategic review concluded in early 2023. The Group began to implement the subsequent and ongoing transformation plan, which included a significant organisational restructure and cost reduction programme in 2023/24.

Today, Maintel is a leaner and more focused organisation repositioned from a Managed Services Provider generalist to a highly skilled and focused specialist, positioning it for greater market cut-through. The Group provides mission critical services to our customers, which fundamentally underpin their ability to thrive in a dynamic hybrid working and multi-cloud world. Our strategic pillars are:

- Unified Communications & Collaboration
- Customer Experience
- Security & Connectivity

## BUSINESS REVIEW

### 2024 Results

Following the rebranding of Maintel and the renaming of our products and service lines, the terminology applied for our reporting has aligned with the new branding and provides greater clarity.

In the table, the old names are mapped to the new names:

Old Name		New Name		
Division	Product Line	Division	Product Line	Revenue type
Managed Services & Technology Division	Technology	Project and on-premise managed Services	Project Revenue	Non-recurring
Managed Services & Technology Division	Managed Services	Project and on-premise managed Services	On-premise managed services	Recurring
Network Services Division	Call traffic & Line Rental	Network Services Division	Voice Network Services	Recurring
Network Services Division	Data Connectivity Services	Network Services Division	Security and Connectivity Services	Recurring
Network Services Division	Cloud	Network Services Division	Cloud Communication Services	Recurring
Mobile Division	Mobile	Mobile Division	Mobile	Recurring

Revenues decreased by 3.4% to £97.9m (2023: £101.3m) and adjusted EBITDA increased by 15.4% to £10.5m (2023: £9.1m). Recurring revenue as a percentage of total revenue (being all revenue excluding one-off projects) amounted to £73.3m (2023: £75.0m), representing 75% of total revenues (2023: 74%).

Beyond the variance in reported revenue, the Group generated actual underlying growth of 8.2%, taking into account £10.8m of revenue reported in 2023 and deriving from orders originated in 2021 and 2022, delayed due to supply chain shortages during the pandemic. The underlying growth in recurring revenue represented 1.2% whilst the underlying growth in project revenue

the pandemic. The underlying growth in recurring revenue represented 1.2%, whilst the underlying growth in project revenue amounted to 36.0%.

The growth in recurring revenue was driven by the strong performance in Cloud Communications Services, and a +25.9% increase in the underlying growth in Security and Connectivity Services, supported by new contracts and price increases.

The underlying growth in project revenue of 36.0% resulted from the strong growth in professional services and technology following the new project wins particularly in the Secure Connectivity pillar.

While gross profit for the Group reduced by 1.9% to £30.6m (2023: £31.2m), gross margin improved to 31.3% (2023: 30.9%).

The Group delivered an adjusted profit before tax of £7.3m (2023: £5.5m). Adjusted earnings per share (EPS)<sup>(a)</sup> increased to 28.2p per share (2023: earnings per share of 23.6p) based on a weighted average number of shares in the period of 14.4m (2023: 14.4m).

On an unadjusted basis, the Group generated a profit before tax of £0.4m (2023: loss of £6.8m) and basic profit per share of 3.6p (2023: basic loss per share of 37.3p). This includes £2.2m of net exceptional costs (2023: net exceptional costs of £7.0m) (refer note 12) and amortisation of acquired intangibles of £4.6m (2023: £5.1m).

	<b>2024</b> <b>£000</b>	<b>2023</b> <b>£000</b>	<b>Increase /</b> <b>(decrease)</b>
Revenue	<u>97,862</u>	<u>101,262</u>	<u>(3.4)%</u>
Profit/(loss) before taxation	<b>374</b>	(6,780)	105.5%
Add back intangibles amortisation	<b>4,567</b>	5,111	(10.6)%
Exceptional items	<b>2,223</b>	6,979	(68.1)%
Share based remuneration	<u>126</u>	<u>189</u>	<u>(33.3)%</u>
Adjusted profit before tax	<u>7,290</u>	<u>5,499</u>	<u>32.6%</u>
Adjusted EBITDA <sup>(a)</sup>	<u>10,540</u>	<u>9,139</u>	<u>15.3%</u>
Basic Profit/(loss) per share	<b>3.6p</b>	(37.3p)	109.7%
Diluted	<u>3.5p</u>	<u>(37.3p)</u>	<u>109.4%</u>
Adjusted Earnings/(loss) per share <sup>(b)</sup>	<b>28.2p</b>	23.6p	19.5%
Diluted	<u>27.8p</u>	<u>23.5p</u>	<u>18.3%</u>

(a) Adjusted EBITDA is EBITDA of £8.2m (2023: £2.0m) adjusted for exceptional items and share based remuneration (note 11)

(b) Adjusted profit after tax divided by weighted average number of shares (note 10)

## Cash performance

The Group generated net cash flows from operating activities of £8.5m (2023: £5.0m), resulting in a cash conversion<sup>(c)</sup> of 102% for the full year (2023: 97%).

(c) calculated as operating cash flow (being adjusted EBITDA plus working capital) to adjusted EBITDA

## Review of operations

Maintel's transition to a specialist Managed Services Provider and focus on Unified Communications & Collaboration, Customer Experience and Security & Connectivity, differentiates us amongst our peers and enables us to meet the demands from customers for tailored managed services delivered through both Maintel's own platforms and its established technology partnerships.

We use technology to create customer experiences, services and workplaces that inspire and empower people.

We consult on the design, deploy and manage solid technology solutions. Our services deliver mission critical infrastructure, platforms and applications that ensure our clients' businesses run efficiently and securely, achieving their ambitions, while always being ready to adapt. We become trusted insiders within our clients' organisations and an embedded partner working in close collaboration to deliver their workplace, service and customer experience strategies.

Elements of cloud services revenues are accounted for in both the managed services and technology division (under the Project Revenue line) and the network services division.

The following table shows the performance of the three operating segments of the Group.

<b><u>Revenue analysis</u></b>	<b>2024</b>	<b>2023</b>	<b>Increase /</b>
	<b>£000</b>	<b>£000</b>	<b>(decrease)</b>
Project and on-premise managed services	<b>46,850</b>	52,097	(10.1)%
Network services division	<b>47,622</b>	45,317	5.1%
Mobile division	<b>3,390</b>	3,848	(11.9)%
<b>Total Group Revenue</b>	<b>97,862</b>	101,262	(3.4)%

#### **Project and on-premise managed services**

The project and on-premise managed services segment contains two distinct revenue lines:

- **Project revenue:** all non-recurring revenues from hardware, software, professional and consultancy services and other non-recurring sales.
- **On-premise managed services:** all support and managed service recurring revenues for hardware and software located on customer premises. This combines both legacy telephone system (PBX) and Contact Centre systems, which are in a managed decline across the sector as organisations migrate to more effective and efficient cloud solutions, with areas of technology such as Local Area Networking (LAN), WIFI and security, which are still very much current and developing technology areas and therefore enduring sources of revenue.

Services are predominantly provided across the UK, with some customers also having international footprints. The division also supplies and installs project-based technology, professional and consultancy services to our direct clients and through our partner relationships.

	<b>2024</b>	<b>2023</b>	<b>Decrease</b>
	<b>£000</b>	<b>£000</b>	
On-premise managed services	<b>22,248</b>	25,807	(13.8)%
Project revenue <sup>(d)</sup>	<b>24,602</b>	26,290	(6.4)%
Total division revenue	<b>46,850</b>	52,097	(10.1)%
Division gross profit	<b>12,168</b>	12,285	(1.0)%
Gross margin (%)	<b>26%</b>	24%	

*(d) Project Revenue includes revenues from hardware, software, professional services and other non-recurring sales*

Project and on-premise managed services revenue was 10.1% lower at £46.9m. This was mainly due to a 13.8% reduction in revenue from our legacy on-premise managed service business to £22.2m, in line with the expected market decline in this space. However, the reduction in on-premise managed services is partially counteracted by new additions within the Group's other higher growth strategic pillars, reflecting the ongoing migration from on-premises solutions to cloud based solutions.

Although the reported Project revenue was 6.4% lower at £24.6m, the underlying growth of this revenue stream was 36.0%, as revenue in 2023 was boosted by £8.2m due to the unwinding of orders delayed from 2021 and 2022. A large proportion of the solid growth in Project Revenue derived from a 55% underlying growth in higher margin professional services, which reflected the newly won contracts to implement large SD-WAN infrastructures and associated managed services.

Division gross profit decreased at a lower rate than total division revenue (-1.0%), due to the positive revenue mix weighted towards the higher margin technology revenue streams, and particularly thanks to the strong weighting towards professional services. The revenue mix also translated into the expansion of the average gross margin of the division to 26% (2023: 24%).

#### **Network Services division**

The Network Services division is made up of three strategic revenue lines:

- **Cloud communication services** - subscription and managed service revenues from cloud contracts.

- **Security and connectivity services** - subscription, circuit, co-location and managed service revenues from Wide Area Network (WAN), SD-WAN, internet access and managed security service contracts.
- **Voice network services** - recurring revenues from legacy PSTN, modern SIP Trunking and inbound calling contracts.

	<b>2024</b>	<b>2023</b>	<b>Increase /</b>
	<b>£000</b>	<b>£000</b>	<b>(decrease)</b>
Call traffic	<b>2,948</b>	3,408	(13.5)%
Line rental	<b>7,368</b>	7,234	1.9%
Security and connectivity services	<b>19,906</b>	18,415	8.1%
Cloud communication services	<b>17,270</b>	16,000	7.9%
Other	<b>130</b>	260	(50.0)%
	<hr/>	<hr/>	
Total division	<b>47,622</b>	45,317	5.1%
Division gross profit	<b>17,154</b>	17,386	(1.3)%
Gross margin (%)	<b>36%</b>	38%	

Network Services revenue grew by 5.1% and gross profit reduced by 1.3% to £17.1m, representing a gross margin contraction from 38% to 36%. The division benefited from an 8.1% growth in the Security and Connectivity services and a 7.9% increase in the Cloud Communication services, while the revenues from Voice Network services reduced by -4.2% in the period. The successful growth in the public cloud seats adversely impacted the mix, from higher margin private cloud.

Line rental revenue increased by 2.1%, driven by a slowdown in migration away from the legacy BT based PSTN services, with the deadline for the end of this service having been extended by 13 months to January 2027, and the continued growth of the Group's SIP Trunking and PSTN replacement services. However, Call traffic revenue was £0.5m lower at £2.9m, as a result of the reduction in legacy PSTN calls as customers migrate to new technologies, partly compensated by an increase in SIP Trunking call traffic and line rental revenue.

The reported growth in Security and connectivity services revenue of 8.1% represented underlying growth of 25.9% (the 2023 revenues were boosted by £2.6m of revenue from the 2021-2022 delayed order book). In 2024, Maintel initiated the delivery of an SD-WAN enhanced infrastructure supported by a multi-year managed support contract to one of the largest UK housing associations. The trend is set to continue as we continue to win new contracts.

Cloud Communications revenues grew by 7.9% which reflected continued delivery of the orderbook and further new contract wins, particularly in the Customer Experience space. Overall, 80% (2023: 75%) of the overall cloud seats contracted in 2024 were public cloud based, highlighting the expected growing trend of a preference for public cloud services in many industry verticals. However, the highest value Cloud Communications win in the period was still a private cloud service for an outbound contract centre solution.

Our flagship UC Private+ (formerly ICON Communicate) cloud service sales also continued to perform. Demand for the Virtual Private Cloud service that our Maintel Infrastructure Platform (formerly ICON Platform) offers continues to remain high across the sectors with complex requirements or where an absolute minimum of downtime is required, such as Finance, Insurance, Healthcare and Housing verticals in particular. With the platform providing very high (99.999%) core service availability levels, including hybrid local survivability, guaranteed UK data sovereignty, security ringfenced customer instances, license and handset investment protection and the ability to allow customers to manage platform evolution at their own pace. Increasingly, customers are looking to enjoy these benefits of a private cloud, and overlay it with the advanced collaboration, meeting and customer experience capabilities of the public cloud, in a hybrid deployment. This plays perfectly to Maintel's platforms and integration capabilities.

Our cloud communications and data connectivity services pipeline remain strong, with key wins expected to close in 2025. As previously stated, having long surpassed the inflection point where economies of scale are realised, our focus has now turned to quality of earnings over volume for our cloud communications business.

### Mobile division

The Mobile division generates revenue from mobile services and primarily from commissions received as part of its dealer agreement with O2 which scales in line with growth in partner revenues, in addition to value-added services sold alongside mobile such as mobile fleet management and mobile device management.

	<b>2024</b>	<b>2023</b>	<b>Increase /</b>
	<b>£000</b>	<b>£000</b>	<b>(Decrease)</b>
Revenue	<b>3,390</b>	3,848	(11.9)%

Gross profit	<b>1,307</b>	1,568	(16.6)%
Gross margin (%)	<b>38.6%</b>	40.7%	
Number of customers	<b>446</b>	511	(12.7)%
Number of connections	<b>26,831</b>	28,445	(5.7)%

Mobile division revenue decreased by 11.9% to £3.4m (2023: £3.8m) and gross profits declined by 16.6% to £1.3m.

Since our strategic pivot in 2023, Maintel has been focusing business development towards our focus revenue streams. Recognising these market challenges, Maintel has been proactively resourcing the mobile sales team to focus on customer retention as opposed to new business. Therefore, although customer churn remained low in the period, the lack of new business compounded by downward price pressure on contract renewals drove the negative revenue progression.

The slight contraction of the gross margin to 38.6% from 40.7% resulted from the expected decrease in new customer sign-on bonuses, due to the re-focused business development approach.

Maintel's mobile proposition continues to be multi-faceted and network agnostic and ensuring we can provide competitive and complete coverage for the UK. This enables us to be in a position to cater for our customers' requirements. Our mobile go to market proposition remains focused on the mid-market enterprise space (100 - 2,000 connections).

#### **Other operating income**

Other operating income increased by 60% to £0.8m (2023: £0.5m). This relates primarily to research and development credits of £0.4m and supplier commissions, promotions and bonus payments of £0.3m (2023: relates primarily to research and development credits of £0.3m).

#### **Other administrative expenses**

	<b>2024</b>	2023	Decrease
	<b>£000</b>	£000	£000
Other administrative expenses	<b>22,121</b>	24,123	(8.3)%

Other administrative expenses for the Group decreased by 8.3% to £22.1m (2023: £24.1m).

Administrative expenses mainly comprise costs related to the sales and marketing teams, the support functions and the managerial positions, as well as the associated growth-generating investments and general costs. The net £2.0m reduction mainly reflects the savings from organisational optimisation initiatives and the reduction in variable remuneration.

The overall average headcount in 2024 reduced by 7.7% and now stands at 445 (2023: 482). At 31 December 2024, the overall headcount was 432 compared to 445 at 31 December 2023 as a result of the Group's regular right-sizing of its organisation.

#### **Exceptional items**

Exceptional costs of £2.2m (2023: exceptional costs £7.0m) were substantially driven by the business transformation project.

In 2024, business transformation costs of £1.1m (2023: £5.0m) included third-party specialists engaged to support the transformation of support function processes.

£1.0m (2023: £1.5m) of costs relating to staff restructuring were incurred in the period, which principally consisted of redundancy costs.

£50,000 was incurred in relation to the tail end of the Call Media termination; in 2023, a £2.3m impairment charge was expensed in relation to Callmedia.

A minor charge (£2,000) was expensed in relation to the extension of the financing facility; in 2023, fees of £0.4m had been incurred to negotiate with HSBC Bank plc ("HSBC") temporary terms in place during the phase of transformation of the business.

A minor credit (£25,000) was accounted for as part of exceptional costs in relation to onerous leases; in 2023, a £1.3m exceptional charge had been incurred in relation to the downsizing of the property footprint of the Group.

A full breakdown is shown in note 12.

## Interest

The Group's net interest charge was £2.0m in the year (2023: £2.2m).

## Taxation

The tax credit in the period of £0.1m is driven by an increase in deferred tax in relation to fixed assets (£0.9m), offset by a charge to deferred tax in relation to tax losses (£0.6m), other temporary taxable timing differences (£0.1m) and a £0.1m adjustment to prior period deferred tax for temporary timing differences.

The prior year tax credit of £1.4m was driven by an increase in deferred tax in relation to tax losses of (£0.6m), fixed assets (£0.6m) and other temporary taxable timing differences (£0.2m).

## Dividends and earnings per share

The Board continues to take a prudent approach to the Company's dividend policy. Throughout 2024 the Board has been focused on de-leveraging of the Company and investing in the future growth of the Group's operations. Consequently, it has made the decision not to propose a final dividend for the full year 2024 (2023: nil pence per share). It remains the Board's intention to review returns to shareholders when economic conditions improve and financial performance permits.

Adjusted profit per share is 28.2p, increasing from the adjusted profit per share of 23.6p in 2023. On an unadjusted basis, basic profit per share is at 3.6p (2023: basic loss per share at 37.3p).

## Consolidated statement of financial position

Net assets increased by £0.6m in the year to £14.8m at 31 December 2024 (2023: £14.2m) with the key movements explained below.

Trade and other receivables decreased by £0.7m to £24.7m (2023: £25.4m), driven by a decrease in trade receivables, reflecting the consistent strengthening of credit control and collection activities and the timing of billings. Prepayments and accrued income increased to £13.1m (2023: £12.8m), and within this, accrued income increased by £0.7m, due to the timing of billing milestones; prepayments decreased by £0.4m, as the result of a pro-active reduction in upfront payments to suppliers.

Trade and other payables decreased by £1.0m to £43.4m (2023: £44.4m), mainly as a result of the decrease in deferred income by £2.5m following changes in customer contracts. Other payables and accruals increased by £1.5m driven principally by the timing of payments.

Intangible assets decreased by £0.7m as the amortisation charge for the year amounting to £4.6m exceeded the £3.8m of new assets activated in the year.

Inventories reduced by £0.9m in the period to £0.8m (2023: £1.7m) driven by the timing of the delivery of project work accelerated in December 2024.

Borrowings of £20.7m (2023: £22.9m) represent the Group's drawn down debt, consisting of £20.0m Rolling Credit Facility and £0.8m Term loan, net of costs of issue of £0.1m.

## Cash flow

As at 31 December 2024, the Group had net debt of £16.6m (2023: £18.1m), equating to a net debt to Adjusted EBITDA ratio of 1.6x (2023: 2.0x). The £1.5m decrease in net debt, is explained below.

	<b>2024</b>	<b>2023</b>
	<b>£000</b>	<b>£000</b>
Cash generated from operating activities	<b>8,460</b>	4,972
Capital expenditure	<b>(4,371)</b>	(3,472)
Issue costs of debt	<b>(35)</b>	-
Interest paid	<b>(1,550)</b>	(1,894)
<b>Free cash flow</b>	<b>2,504</b>	(394)

Proceeds from borrowings	-	2,500
Repayments of borrowings	(2,200)	(2,400)
Lease liability payments	(1,009)	(975)
Decrease in cash and cash equivalents	(705)	(1,269)
Cash and cash equivalents at start of period	4,846	6,136
Exchange differences	(14)	(21)
Cash and cash equivalents at end of period	4,127	4,846
Bank borrowings	(20,744)	(22,901)
Net debt excluding IFRS 16 liabilities	(16,617)	(18,055)

The Group generated £8.5m (2023: £5.0m) of cash from operating activities and operating cashflow before changes in working capital of £8.3m (2023: £5.3m).

Cash conversion<sup>(a)</sup> in 2024 was 102% (2023: 97%).

Capital expenditure of £4.4m (2023: £3.5m) was mainly incurred in relation to customer projects delivery and to a lesser extent resulting from the ongoing investment in the Maintel Infrastructure Platform and investment in the IT infrastructure.

A more detailed explanation of the working capital movements is included in the analysis of the consolidated statement of financial position. Further details of the Group's revolving credit facilities are given in note 21.

The repayment of borrowings in 2024 was slightly lower than in 2023, as HSBC debited the December 2024 instalment in early January 2025 due to the timing of funds collection by the bank.

*(a) calculated as operating cash flow (being adjusted EBITDA plus working capital) to adjusted EBITDA*

## Risk management

The Board has overall responsibility for setting the risk appetite for the business and for ensuring that the Group's ongoing risk profile aligns with this. The Board is also responsible for identifying the business risks and uncertainties faced by the Group that could have a material adverse effect on the business, most of which are beyond its control, and for determining the appropriate course of action to manage these. It reviews a dynamic risk report quarterly, the process behind which is monitored by the Audit and Risk Committee. The most significant current risks and uncertainties are described below; the extent of the impact of each would naturally depend on the precise nature and duration of the event. This list is not exhaustive and there may be risks and uncertainties of which we are currently unaware, or which we currently believe are immaterial, that could have an adverse effect on the business.

Nature of risk	How do we mitigate the risk?	Post mitigation trend
Disruptive technology changes the landscape of the market, and the Group may not keep pace with product and service innovation.	Maintel has a dedicated product function to ensure that the Group's product and service portfolio remains competitive. We have also re-structured the business to ensure focus on accelerating developments, including those of the ICON platform.	Risk unchanged from last year
A catastrophic event - for example a power outage or pandemic - means that the Group is unable to service its customers.	All employees can work remotely, and the Group's operational and administrative servers are located and managed such that damage from an outage is minimised. A business continuity plan is in place which is reviewed regularly and enhanced from the results of testing. The Group is also increasingly moving to cloud based systems which are more readily available for a response to a catastrophic event. ISO22301- Business Continuity is maintained and externally audited on an annual basis.	Risk unchanged from last year
Cyber-attacks on Maintel, customer or supplier systems rendering them unusable temporarily or permanently.	The Group has an outsourced Security Operations Centre (SOC) and complements this with in-house systems and tools to ensure Maintel and its customer systems are secured. Customer networks and data are completely segregated from the Group's and data and systems are replicated in more than one location. Maintel holds several security accreditations including Cyber Essentials, ISO 27001 Information	Risk unchanged from last year

Security Cyber Security and Privacy, ISO22301-Business Continuity and limited scope PCI DSS, all of which entail extensive internal and external auditing of the Group's systems and processes. Maintel is also covered by cyber threat insurance.

Loss of key supplier through its business failure or termination of relationship with Maintel.	The Group has a multi-vendor strategy to reduce this risk and has defined product managers who work closely with each supplier to maintain constructive relationships and promptly identify potential issues, formalised by monthly internal review meetings. Due to the unprecedented semi-conductor shortage, we are monitoring our key suppliers more closely for adverse impacts and have raised the risk level accordingly.	Risk reduced compared with last year
Loss of major customer through its business failure or termination of relationship with Maintel or Maintel's partners.	The impact of this risk is partly mitigated by the fact that no customer provides more than 10% of the Group's revenue. We have developed various initiatives to manage this risk including executive sponsorship and improved account management and engagement. We are actively monitoring customer chum and continue to develop our customer offering and service delivery.	Risk unchanged from last year

The Group's approach to financial risk management is further explained in note 23 to the financial statements.

## FINANCIAL STATEMENTS

### Consolidated statement of comprehensive income for the year-ended 31 December 2024

	Note	2024 £000	2023 £000
<b>Continuing operations:</b>			
Revenue	4	97,862	101,262
Cost of sales		<u>(67,233)</u>	<u>(70,022)</u>
<b>Gross profit</b>		<b>30,629</b>	31,240
Other operating income	7	800	550
Intangibles amortisation	13	(4,567)	(5,111)
Exceptional items	12	(2,223)	(6,979)
Share-based payments	27	(126)	(189)
Other administrative expenses	7	(22,121)	(24,123)
Administrative expenses		<u>(29,037)</u>	<u>(36,402)</u>
<b>Operating profit/(loss)</b>	7	<b>2,392</b>	(4,612)
Financing costs	8	<u>(2,018)</u>	<u>(2,168)</u>
<b>Profit/(loss) before taxation</b>		<b>374</b>	(6,780)
Taxation credit	9	<u>138</u>	<u>1,429</u>
<b>Profit/(loss) for the year</b>		<b>512</b>	(5,351)
<b>Other comprehensive expense for the year</b>			
Items that maybe reclassified to profit or loss:			
Exchange differences on translation of foreign operations		<u>-</u>	<u>(16)</u>
<b>Total comprehensive income/(expense) for the year</b>		<u><b>512</b></u>	<u>(5,367)</u>
<b>Earnings/(loss) per share (pence)</b>			
Basic	10	<b>3.6p</b>	(37.3)p
Diluted	10	<u><b>3.5p</b></u>	<u>(37.3)p</u>

The notes form part of these consolidated financial statements.

**Consolidated statement of financial position  
at 31 December 2024**

		31 December 2024 £000	31 December 2024 £000	31 December 2023 £000	31 December 2023 £000
<b>Non-current assets</b>	<b>Note</b>				
Intangible assets	13		47,896		48,644
Right of use assets	16		832		1,036
Property, plant and equipment	15		946		1,109
Deferred tax	20		609		471
			<u>50,283</u>		<u>51,260</u>
<b>Current assets</b>					
Inventories	17	790		1,677	
Trade and other receivables	18	24,708		25,408	
Cash and cash equivalents		<u>4,127</u>		<u>4,846</u>	
<b>Total current assets</b>			<u>29,625</u>		<u>31,931</u>
<b>Total assets</b>			<u>79,908</u>		<u>83,191</u>
<b>Current liabilities</b>					
Trade and other payables	19	41,668		43,938	
Lease liabilities	22	417		909	
Borrowings	21	<u>744</u>		<u>2,322</u>	
<b>Total current liabilities</b>			<u>42,829</u>		<u>47,169</u>
<b>Non-current liabilities</b>					
Other payables	19	1,747		502	
Lease liabilities	22	484		731	
Borrowings	21	<u>20,000</u>		<u>20,579</u>	
<b>Total non-current liabilities</b>			<u>22,231</u>		<u>21,812</u>
<b>Total liabilities</b>			<u>65,060</u>		<u>68,981</u>
<b>Total net assets</b>			<u>14,848</u>		<u>14,210</u>
<b>Equity</b>					
Issued share capital	24		144		144
Share premium	25		24,588		24,588
Other reserves	25		64		64
Retained losses	25		<u>(9,948)</u>		<u>(10,586)</u>
<b>Total equity</b>			<u>14,848</u>		<u>14,210</u>

The notes form part of these consolidated financial statements.

**Consolidated statement of changes in equity  
for the year-ended 31 December 2024**

	Share capital £000	Share premium £000	Other reserves £000	Retained losses £000	Total £000
Balance at 1 January 2023	144	24,588	80	(5,424)	19,388
Loss for the year	-	-	-	(5,351)	(5,351)
Other comprehensive expense: Foreign currency translation differences	-	-	(16)	-	(16)
Total comprehensive expense for the year	-	-	(16)	(5,351)	(5,367)

Transactions with owners in their capacity as owners:

Share-based payments	-	-	-	189	189
<b>At 31 December 2023</b>	<b>144</b>	<b>24,588</b>	<b>64</b>	<b>(10,586)</b>	<b>14,210</b>
Profit for the year	-	-	-	512	512
Total comprehensive income for the year	-	-	-	512	512
Transactions with owners in their capacity as owners:					
Share-based payments	-	-	-	126	126
<b>At 31 December 2024</b>	<b>144</b>	<b>24,588</b>	<b>64</b>	<b>(9,948)</b>	<b>14,848</b>

The notes form part of these consolidated financial statements.

**Consolidated statement of cash flows  
for the year-ended 31 December 2024**

	<b>2024</b>	<b>2023</b>
	<b>£000</b>	<b>£000</b>
<b>Operating activities</b>		
Profit/(loss) before taxation	374	(6,780)
Adjustments for:		
Amortisation of intangible fixed asset	4,567	5,111
Share-based payments	126	189
Depreciation of plant and equipment	715	637
Depreciation of right of use assets	517	835
Impairment of property, plant and equipment	-	53
Impairment of right of use assets	259	761
Impairment of intangible fixed assets	-	2,288
Interest payable	2,018	2,168
Remeasurement of lease liability	(284)	-
<b>Operating cash flows before changes in working capital</b>	<b>8,292</b>	<b>5,262</b>
Decrease in inventories	887	917
Decrease in trade and other receivables	700	2,058
Decrease in trade and other payables	(1,419)	(3,265)
<b>Net cash inflows from operating activities</b>	<b>8,460</b>	<b>4,972</b>
<b>Investing activities</b>		
Purchase of plant and equipment	(552)	(418)
Purchase of intangible assets	(3,092)	(2,424)
Investment in internally generated development expenditure	(727)	(630)
<b>Net cash outflows from investing activities</b>	<b>(4,371)</b>	<b>(3,472)</b>
<b>Financing activities</b>		
Proceeds from borrowings	-	2,500
Repayment of borrowings	(2,200)	(2,400)
Lease liability repayments	(1,009)	(975)
Interest paid	(1,550)	(1,894)
Issue costs of debt	(35)	-
<b>Net cash outflows from financing activities</b>	<b>(4,794)</b>	<b>(2,769)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(705)</b>	<b>(1,269)</b>
Cash and cash equivalents at start of year	4,846	6,136
Exchange differences	(14)	(21)
Cash and cash equivalents at end of year	<b>4,127</b>	<b>4,846</b>

**Consolidated statement of cash flows  
for the year-ended 31 December 2024 (continued)**

The following cash and non-cash movements have occurred during the year in relation to financing activities from non-current liabilities:

#### Reconciliation of liabilities from financing activities

##### Borrowings (Note 21)

	2024 £000	2023 £000
At 1 January	22,901	22,726
Proceeds from borrowings	-	2,500
Repayment of borrowings	(2,200)	(2,400)
Payments of interest on bank borrowings	(1,372)	(1,821)
Interest expense on bank borrowings (non-cash movement)	1,762	2,009
Movement on interest accrual (balance held within accruals - non-cash movement)	(390)	(188)
Issue costs of debt	(35)	-
Amortisation of issue costs (non-cash movement)	78	75
	<u>20,744</u>	<u>22,901</u>
At 31 December	<u>20,744</u>	<u>22,901</u>
Current	744	2,322
Non-current	<u>20,000</u>	<u>20,579</u>

##### Lease liabilities (Note 22)

	2024 £000	2023 £000
At 1 January	1,640	2,272
Capital lease repayments	(1,009)	(975)
Interest repayments	(69)	(73)
Interest expense (non-cash movement)	69	73
New leases (non-cash movement)	554	343
Remeasurement of lease liability (non-cash movement)	(284)	-
	<u>901</u>	<u>1,640</u>
At 31 December	<u>901</u>	<u>1,640</u>
Current	417	909
Non-current	<u>484</u>	<u>731</u>

The notes form part of these consolidated financial statements.

#### Notes forming part of the consolidated financial statements for the year-ended 31 December 2024

##### 1 General information

Maintel Holdings Plc is a public limited company incorporated and domiciled in the UK, whose shares are publicly traded on AIM. Its registered office and principal place of business is 5th Floor, 69 Leadenhall Street, London, EC3A 2BG.

##### 2 Accounting policies

The principal policies adopted in the preparation of the consolidated financial statements are as follows:

###### (a) Basis of preparation

The consolidated financial statements have been prepared in accordance with UK-adopted International Accounting Standards in conformity with the requirements of the Companies Act 2006.

###### (b) Basis of consolidation

The consolidated financial statements present the results of the Company and its subsidiaries ("the Group") as if they formed a single entity. Intercompany transactions and balances between Group companies are therefore eliminated in full.

Where the Company has control over an investee, it is classified as a subsidiary. The Company controls an investee if all three of the following elements are present: power over the investee, exposure to variable returns from the investee, and the ability of

the investor to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

The consolidated financial statements incorporate the results of business combinations using the acquisition method. In the consolidated statement of financial position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The acquisition related costs are included in the consolidated statement of comprehensive income on an accruals basis. The results of acquired operations are included in the consolidated statement of comprehensive income from the date on which control is obtained.

#### (c) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded to the nearest thousand unless otherwise stated.

#### (d) Going concern

The Group has a sound financial record, including strong operating cash flows derived from a substantial level of recurring revenue across a range of sectors.

At 31 December 2024, the Group benefited from a financing facility in place with HSBC consisting of an RCF of £20m with a £6m term loan on a reducing basis. Repayments of the term loan started in October 2022. At 31 December 2024, £0.8m remained outstanding, which was fully repaid by 24 March 2025 in line with the term of the initial term loan. The key covenants included net leverage ratio and interest cover tests, assessed on a quarterly basis. In December 2024, the facility was extended to 1 January 2026 from the initial term ending on 30 September 2025.

On 28 March 2025, the Group entered into a new financing facility with HSBC, consisting of an RCF of £12m and an £8m term loan repayable over 60 months from 1 May 2025. The facility has been set with a July 2028 initial term, with an optional extension to July 2029. Together with the main financing facility, an authorised overdraft facility of £2m is renewable annually.

As highlighted in the risk management section the Board has put robust business continuity plans in place to ensure continuity of trading and operations. Management believes the pipeline will enable Maintel to deliver upside from the planned revenue, whilst focusing on cost efficiency and margin enhancement.

The Group's forecasts and projection models have been built on a prudent basis, taking into account uncertainty around the impact of supply chain issues with regard to both project delivery and timing of pipeline conversion, which allows for actual performance to exceed management forecasts in terms of revenue expectations. The Board has reviewed the model in detail, taking account of reasonably possible changes in trading performance, including sensitivities in pipeline conversion and renewal risk, together with further mitigating actions it could take such as overhead savings. As a result, the Board believes that the Group has sufficient headroom in its agreed funding arrangements to withstand a greater negative impact on its cash flow than it currently expects.

On this basis, the Directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

#### (e) Revenue

Revenue is recognised in accordance with IFRS 15 and represents amounts invoiced to customers less value added tax. For each contract, the Group identifies a performance obligation for each of the distinct goods and services the Group has promised to provide to the customer. The consideration is apportioned to each performance obligation based on their relative standalone selling prices, and is recognised as the obligations are satisfied.

The Group has multiple revenue lines across its three divisions. The policies for individual service lines and their performance obligations are outlined below. The Group does not have any material obligations in respect of returns, warranties or refunds.

##### Project and on-premise managed services

(renamed in FY24 from its previous name of "managed service and technology sales")

The Group has a number of contracts in place

This includes the following revenue lines:

On-premise managed services: all support and managed service recurring revenues for hardware and software located on customer premises.

Project revenues: all non-recurring revenues from hardware, software, professional and consultancy services and other non-recurring sales.

Infrastructure and managed services: a combination of the provision of hardware and the ongoing monitoring and maintenance of the hardware and network services to which it is connected.

#### On-premise managed services

On-premise managed services revenues are recognised over time, over the relevant contract term, on the basis that the customer simultaneously receives and consumes the benefits provided by the Group's performance of the services over the contract term.

Revenue is recognised over time on an output basis. In calculating the revenue to recognise at the reporting date, Management review available output information for each contract, which may include the number of contracted support days completed or services delivered to date, relevant third-party usage or service provision data, customer milestones reached or contract time elapsed.

The consideration for the provision of ongoing support and managed services is payable by the customer over the duration of the contract.

#### *Project revenues*

Project revenues for contracts with customers, which include both supply of technology goods and installation services, represent in substance one performance obligation and result in revenue recognition at a point in time, when the Group has fulfilled its performance obligations under the relevant customer contract.

Under these contracts, the Group performs a significant integration service which results in the technology goods and the integration service being one performance obligation. Over the course of the contract, the technology goods, which comprise both hardware and software components, are customised through the integration services to such an extent that the final customised technology goods installed on completion are substantially different to their form prior to the integration service.

Revenue is recognised when the integrated technology equipment and software has been installed and accepted by the customer.

Consideration is payable by the customer when the integrated technology equipment and software has been installed at the customer premises.

#### Infrastructure and managed services

The Group provides a service to customers of the provision of hardware and the ongoing monitoring and maintenance of the hardware and network services to which it is connected.

Management considers this to be two performance obligations, being the supply of hardware and the provision of ongoing monitoring and maintenance services.

The total transaction price is allocated over those two performance obligations on the basis of their relative stand-alone selling prices, applying an expected cost plus a margin approach, which Management assess on the basis of other customer contracts.

The revenue from the sale of hardware is recognised at a point in time when the hardware goods are delivered to the customer, and the customer has control of the assets.

The revenue from the provision of ongoing and maintenance services is recognised over time on an output basis. In calculating the revenue to recognise at the reporting date, Management review available output information for each contract, which may include the number of contracted support days completed or services delivered to date, relevant third-party usage or service provision data, customer milestones reached or contract time elapsed.

The consideration for the sale of hardware is payable by the customer in line with the agreed contract terms, and may be invoiced upfront or on delivery. The consideration for the provision of ongoing monitoring and maintenance services is payable by the customer over the duration of the contract.

### *Network services*

This includes the following four revenue lines, which may all make up component parts of the same contract with a customer and are deemed to be separate performance obligations:

- Data connectivity services: subscription, circuit, co-location and managed service revenues from Wide Area Network (WAN), SD-WAN, internet access and managed security service contracts.
- Call traffic: recurring revenues from both legacy voice and modern SIP Trunking contracts.
- Line rental: the recurring revenues billed to maintain the connections for the above contracts.
- Cloud services: subscription and managed service revenues from cloud contracts.

Initial connection services are not distinct performance obligations and are therefore combined with the associated service performance obligation.

The total transaction price of a network services customer contract is allocated over the relevant performance obligations (up to four) on the basis of their relative stand-alone selling prices, applying an expected cost plus a margin approach, which Management assess on the basis of other customer contracts.

Revenues are recognised over time, for services provided up to the reporting date, on the basis that the customer simultaneously receives and consumes the benefits provided by the Group's performance of the services over the contract term.

Revenues are recognised over time on an output basis. In calculating the revenue to recognise at the reporting date, Management review available output information for each contract, which may include the number of contracted support days completed or services delivered to date, the available third-party call traffic data, customer milestones reached or contract time elapsed.

Consideration is payable by the customer over the duration of the contract.

### *Mobile*

The Mobile division generates revenue primarily from revenue share received as part of its dealer agreements with mobile network operators which scale in line with growth in partner revenues, in addition to value added services sold alongside mobile such as mobile fleet management and mobile device management.

Where the Group acts as an agent in a transaction, revenue represents the revenue share receivable from mobile network operators.

Connection revenue share received from the mobile network operators on fixed line revenues, are allocated primarily to two separate performance obligations, being:

- The obligation to provide a hardware fund to end users for the supply of handsets and other hardware kit: revenues are recognised under these contracts at a point in time when the hardware goods are delivered to the customer, and the customer has control of the assets; and
- Ongoing service obligations to the customer: revenues are recognised over time on an output basis, being straight-line over the duration of the contract.

The total transaction price of a contract relating to the connection revenue share is allocated over these two performance obligations on the basis of their relative stand-alone selling prices, applying an expected cost plus a margin approach, which Management assess on the basis of other customer contracts.

The consideration for the sale of hardware kit is payable by the customer in line with the agreed contract terms, and may be invoiced upfront or on delivery.

The consideration for the provision of ongoing service obligations is payable by the customer over the duration of the contract. Customers are invoiced directly by the mobile network operators monthly, and the Group receives the related revenue share on the same basis.

Customer rebates are recognised as a reduction in revenue. These are recognised monthly at a point in time when a customer has earned the right to said rebate in line with the terms of their mobile contract, based on the available third-party usage data. These are also payable by the network operators on a monthly basis.

#### *Accrued and deferred revenue*

Where a performance obligation is completed before the consideration is received, accrued income is recognised.

Where the consideration is received before the completion of a performance obligation, deferred income is recognised.

#### (f) Other operating income

Other operating income relates primarily to research and development credits and supplier commissions, promotions and bonus payments.

Other operating income is recognised when the Group's right to recognise the income has been established, it is probable that the related economic benefits will flow to the Group, and the related amounts can be measured reliably.

#### (g) Leased assets

When the Group enters into a lease, a lease liability and a right of use asset is created.

A lease liability shall be recognised at the commencement date of the lease term and will be measured at the present value of the remaining lease payments, discounted using the Groups' incremental borrowing rate. In determining the lease term, hindsight is applied in respect of leases which contain an option to extend or terminate the lease. The lease term is reassessed for such an extension or termination option, or other such significant events, if the option is within the control of the Group and the Group is reasonably certain to exercise the option.

The lease liability is subsequently increased for a constant periodic rate of interest on the remaining balance of the lease liability and reduced for lease payments. Interest on the lease liability is recognised in the income statement.

A right of use asset shall be recognised at the commencement date of the lease term. The right of use asset will be measured at an amount equal to the lease liability. The right of use asset will subsequently be measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation for leased property (disclosed as 'Land and buildings' in Note 16), motor vehicles and office and computer equipment is charged to the statement of comprehensive income on a straight-line basis over the shorter of the lease term and the useful economic life of the asset. The useful economic life of a right of use asset is based on that assigned to equivalent owned assets, as disclosed in the 'Property, plant and equipment' policy (o).

Where leases are 12 months or less or of low value, payments made are expensed evenly over the period of the lease.

Rentals receivable under operating leases are credited to the consolidated statement of comprehensive income on a straight-line basis over the term of the lease. The aggregate cost of lease incentives offered is recognised as a reduction of the rental income over the lease term on a straight-line basis.

In addition, the carrying amount of the right-of-use assets and lease liabilities are remeasured if there is a modification, a change in the lease term or a change in the fixed lease payments. The remeasured lease liability (and corresponding right-of-use asset) is calculated using a revised discount rate, based upon a revised incremental borrowing rate at the time of the change.

#### (h) Employee benefits

The Group contributes to a number of defined contribution pension schemes in respect of certain of its employees, including those established under auto-enrolment legislation. The amount charged in the consolidated statement of comprehensive income represents the employer contributions payable to the schemes in respect of the financial period. The assets of the schemes are held separately from those of the Group in independently administered funds.

The cost of all short-term employee benefits is recognised during the period the employee service is rendered.

Holiday pay is expensed in the period in which it accrues.

#### (i) Exceptional items

Exceptional items are significant items of non-recurring income or expenditure that have been separately presented by virtue of

exceptional items are significant items of non-recurring income or expenditure that have been separately presented by virtue of their nature to enable a better understanding of the Group's financial performance. Non-recurring exceptional items are presented separately in the consolidated statement of comprehensive income.

#### (j) Interest

Interest income and expense is recognised using the effective interest rate basis.

#### (k) Taxation

Current tax is the expected tax payable on the taxable income for the year, together with any adjustments to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes, except for differences arising on:

- The initial recognition of goodwill
- The initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting nor taxable profit; and
- Investments in subsidiaries where the Group is able to control the timing of the reversal of the difference and it is probable that the difference will not reverse in the foreseeable future.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits and taxable temporary differences will be available against which the asset can be utilised.

Management judgement is used in determining the amount of deferred tax asset that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

The amount of the deferred tax asset or liability is measured on an undiscounted basis and is determined using tax rates that have been enacted or substantively enacted by the date of the consolidated statement of financial position and are expected to apply when the deferred tax assets/liabilities are recovered/settled.

Deferred tax assets and liabilities are offset when the Group has a legally enforceable right to offset current tax assets and liabilities, and the deferred tax assets and liabilities relate to taxes levied by the same tax authority on either:

- The same taxable Group company; or
- Different Group entities which intend either to settle current tax assets and liabilities on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax assets or liabilities are expected to be settled or recovered.

#### (l) Dividends

Dividends unpaid at the reporting date are only recognised as a liability at that date to the extent that they are appropriately authorised and are no longer at the discretion of the Company.

Proposed but unpaid dividends that do not meet these criteria are disclosed in the notes to the consolidated financial statements.

#### (m) Intangible assets

##### *Goodwill*

Goodwill represents the excess of the fair value of the consideration of a business combination over the acquisition date fair value of the identifiable assets, liabilities and contingent liabilities acquired; the fair value of the consideration comprises the fair value of assets given. Direct costs of acquisition are recognised immediately as an expense. Goodwill is capitalised as an intangible asset and carried at cost with any impairment in carrying value being charged to the consolidated statement of comprehensive income.

##### *Customer relationships*

Customer relationships are stated at fair value where acquired through a business combination, less accumulated amortisation.

Customer relationships are amortised over their estimated useful lives of six years to eight years, based on the expected length of the Group's provision of goods and services to the related customer base.

#### *Brands*

Brands are stated at fair value where acquired through a business combination less accumulated amortisation. Brands are amortised over their estimated useful lives, being eight years in respect of the ICON brand, based on the expected time the Group will utilise the brand in its sales and marketing materials. All brands acquired through historic business combinations are no longer used by the Group as of 31 December 2024 and therefore have been disposed of during the year.

#### *Product platform*

The product platform is stated at cost less accumulated amortisation. Where these have been acquired through a business combination, the cost is the fair value allocated less accumulated amortisation. The product platform is amortised over its estimated useful life of eight years, based on the expected time the Group will utilise the product platform in its operations.

#### *Software (including Microsoft licences and Callmedia)*

Software is stated at cost less accumulated amortisation. Where these assets have been acquired through a business combination, the cost is the fair value allocated in the acquisition accounting. Software is amortised over its estimated useful life of three years in respect of the Microsoft licences, based on the expected time the Group will utilise the licenses in its operations.

The net book value of the Callmedia capitalised systems, software and development costs was impaired in the prior year in line with the decision made in 2023 to exit the Callmedia business in 2024. See Note 13 for further information.

Please see Note 3 for further information on capitalised internally generated development costs, which are included within software intangible assets in Note 13.

#### *Licences (third-party subscription licences)*

Third-party subscription licences are stated at cost less accumulated amortisation. Where these assets have been acquired through a business combination, the cost is the fair value allocated in the acquisition accounting. Licences are amortised over their estimated useful lives of three years, based on the expected time the Group will utilise the licences in its operations.

#### *Other*

Other intangible assets include stock management platforms which is managed by third parties. Other intangibles are amortised over their estimated useful lives, being 5 years, based on the expected time the Group will utilise the stock management platform in its operations.

#### (n) Impairment of non-current assets

Impairment tests on goodwill are undertaken annually on 31 December. Customer relationships and other assets are subject to impairment tests whenever events or changes in circumstances indicate the carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount (being the higher of value in use and fair value less costs to sell), the asset is written down accordingly in the administrative expenses line in the consolidated statement of comprehensive income and, in respect of goodwill impairments, the impairment is never reversed.

Where it is not possible to estimate the recoverable amount of an individual asset, the impairment test is carried out on the asset's cash-generating unit (being the lowest Group of assets in which the asset belongs for which there are separately identifiable cash flows). Goodwill is allocated on initial recognition to each of the Group's cash-generating units that are expected to benefit from the synergies of the combination giving rise to goodwill.

#### (o) Property, plant and equipment

Property, plant and equipment is stated at cost, less accumulated depreciation and any impairment in value. Depreciation is provided to write off the cost, less estimated residual values, of all tangible fixed assets, other than freehold land, over their expected useful economic lives, at the following rates:

Office and computer equipment	-	25% straight line
Motor vehicles	-	25% straight line
Leasehold improvements	-	over the remaining period of the lease

Property, plant and equipment acquired in a business combination is initially recognised at its fair value.

(p) Inventories

Inventories comprise (i) maintenance stock, being replacement parts held to service customers' telecommunications systems, and (ii) stock held for resale, being stock purchased for customer orders which has not been installed at the end of the financial period. Inventories are valued at the lower of cost and net realisable value.

(q) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and short-term deposits with an original maturity of three months or less, held for meeting short term commitments.

(r) Financial assets and liabilities

The Group's financial assets and liabilities mainly comprise cash, borrowings, trade and other receivables, trade and other payables, lease liabilities and derivative financial instruments.

Trade and other receivables are not interest bearing and are stated at their amortised cost as reduced by appropriate allowances for irrecoverable amounts or additional costs required to effect recovery.

The Group reviews the amount of credit loss associated with its trade receivables based on forward looking estimates that take into account current and forecast credit conditions. The Group has applied the Simplified Approach applying a provision matrix based on number of days past due to measure lifetime expected credit losses and after taking into account customer sectors with different credit risk profiles and current and forecast trading conditions.

Trade and other payables are not interest bearing and are stated at their amortised cost.

(s) Borrowings

Interest bearing bank borrowings and overdrafts are initially recorded at the value of the amount received, net of attributable transaction costs. Interest bearing borrowings are subsequently stated at amortised cost with any difference between cost and redemption value being recognised in the consolidated statement of comprehensive income over the period of the borrowing using the effective interest method.

(t) Foreign currency

The presentation currency of the Group is Pound Sterling. All Group companies at 31 December 2024 have a functional currency of Pound Sterling, consistent with the presentation currency of the Group's consolidated financial statements. Transactions in currencies other than Pound Sterling are recorded at the rates of exchange prevailing on the dates of the transactions.

As at 31 December 2024, the Group, did not hold any interest in foreign subsidiaries. In the prior year, the control of Maintel International Limited ("MIL") was transferred to the liquidators of MIL.

On consolidation the results of MIL, which were included in the consolidated statement of comprehensive income up to the transfer of the entity to the liquidators, were translated into Pound Sterling, at rates approximating those ruling when the transactions took place. The monetary assets and liabilities of MIL were translated at the rate ruling at the reporting date. Non-monetary items that were measured at historical cost were translated using rates approximating those ruling at the dates of the initial transactions.

Exchange differences on retranslation of the foreign subsidiary are recognised in other comprehensive income and accumulated in a translation reserve.

(u) Share-based payments

The Group uses the Black-Scholes Model to calculate the appropriate fair value at the date the options are granted to the employee.

Where employees are rewarded using equity settled share-based payments, the fair values of employees' services are determined in the first instance to the fair value of the instrument granted to the employee. This fair value is recognised at the

determined indirectly by reference to the fair value of the instrument granted to the employee. This fair value is appraised at the grant date.

All equity-settled share-based payments are ultimately recognised as an expense in the income statement with a corresponding credit to reserves.

If vesting periods apply, the expense is allocated over the vesting periods, based on the best available estimate of the number of share options expected to vest. Estimates are revised subsequently if there is any indication that the number of share options expected to vest differs from previous estimates. Any cumulative adjustment prior to vesting is recognised in the current year. No adjustment is made to any expense recognised in prior years if share options that have vested are not exercised.

#### (v) Accounting standards issued

The following amendments to standards were issued and adopted in the year, with no material impact on the financial statements (all effective for annual periods beginning on or after 1 January 2024):

- Amendment to IFRS 16 Leases - Leases on sale and leaseback
- Amendment to IAS 1 Presentation of Financial Statements - Non-current liabilities with covenants
- Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures - Supplier finance

There were no other new accounting standards issued that have been adopted in the year.

#### (w) Standards in issue but not yet effective

At the date of authorisation of these financial statements there were amendments to standards which were in issue, but which were not yet effective, and which have not been applied. The principal ones are detailed below:

The Directors do not expect the adoption of these standards or amendments to standards to have a material impact on the financial statements, with the exception of presentational changes as a result of IFRS 18 Presentation and Disclosure in Financial Statements. Given that IFRS 18 is not effective until the period beginning 1 January 2027, the impact assessment of this standard is ongoing and will be considered further in the coming years.

#### *Effective for annual periods beginning on or after 1 January 2025*

- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates - Lack of exchangeability

#### *Effective for annual periods beginning on or after 1 January 2026*

- Amendments to IFRS 7 and IFRS 9 Financial Instruments - The classification and measurement of financial instruments
- Annual improvements to IFRS Accounting Standards - Volume 11 (including minor amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 7, IFRS 9, IFRS 10 Consolidated Financial Statements, and IAS 7)

#### *Effective for annual periods beginning on or after 1 January 2027*

- IFRS 18 Presentation and Disclosure in Financial Statements
- IFRS 19 Subsidiaries without Public Accountability: Disclosures

### **3 Accounting estimates and judgements**

In the process of applying the Group's accounting policies, management has made various estimates, assumptions and judgements, with those likely to contain the greatest degree of uncertainty being summarised below.

Management has reviewed these critical accounting estimates and significant judgements, along with the related disclosures, with the Audit Committee.

#### *Critical accounting estimates*

##### *Impairment of non-current assets*

The Group is required to test, on an annual basis, whether goodwill has suffered any impairment. The Group is also required to test other finite life intangible and tangible assets for impairment where impairment indicators are present.

In line with IAS 36 Impairment of Assets, the recoverable amount of assets subject to impairment reviews is calculated as being the higher of their value in use and fair value less cost to sell.

In determining their value in use, the recoverability of the assets is assessed based on whether the carrying value of assets can be supported by the net present value of future cash flows derived from such assets, using cash flow projections which have been discounted at an appropriate rate. In calculating the net present value of the future cash flows, certain assumptions are required to be made in respect of uncertain matters.

In particular, Management exercises estimation in determining assumptions for revenue growth rates and gross margins for future periods which are important components of future cash flows, and also in determining the appropriate discount rates which are used across the Group's cash generating units.

See Note 13 for the carrying amount of goodwill and other intangible assets at the end of the reporting period and for details on the assumptions used to calculate the recoverable amount.

#### *Research and development costs*

Management reviews expenditure incurred on research and development activities, including wages and benefits for employees, and applies judgement in assessing whether the expenditure meets the capitalisation criteria set out in IAS 38 Intangible Assets. Development costs are capitalised and recognised as software intangible assets when Management have determined the following criteria have been met:

- It is technically feasible to complete the software so that it will be available for use;
- The Group intends to complete the software and use or sell it to its customers;
- There is an ability to use or sell the software;
- It can be demonstrated how the software will generate probable future economic benefits for the Group;
- Adequate technical, financial and other resources to complete the development and to use or sell the software are available; and
- The expenditure attributable to the software during its development can be reliably measured.

Any research and development costs that do not meet these criteria are expensed to the income statement in the period in which they are incurred.

Management estimates the useful economic life of capitalised development costs by assessing the expected time the Group will utilise and receive economic benefits from the related software developments. In most cases, Management have determined 3 years to be a reasonable estimate based on this assessment.

See Note 13 for details of internally generated development costs that were capitalised in the current and prior year.

#### *Significant judgements*

##### *Timing of service revenue recognition*

For ongoing support and managed services provided across the Group's divisions, revenue is recognised over time on an output basis.

Determining the revenue to recognise at a reporting date can require judgement. In calculating the revenue to recognise, Management review available output information for each contract, which may include the number of contracted support days completed or services delivered to date, relevant third-party usage or service provision data, customer milestones reached or contract time elapsed.

##### *The allocation of the transaction price against the performance obligations*

The transaction price of a customer contract is allocated to the relevant performance obligations on a relative stand-alone selling price basis at contract inception. Determining the standalone selling price can require judgement. Management determines the transaction price from a cost-plus derived price, with reference to the observable price of similar goods and services when sold on a standalone basis by Maintel or a competitor. Discounts are not considered as they are only given in rare circumstances.

##### *Recoverability of the deferred tax asset*

The net deferred tax asset mainly arises on the recognition of tax timing differences on property, plant and equipment, as well as prior and current year taxable losses which are expected to be utilised against future year taxable profits. Other items include timing differences in relation to provisions. This is partially offset by a deferred tax liability in relation to tax timing differences on intangible assets.

Management exercises their judgement in recognising the deferred tax asset in relation to prior and current year taxable losses on the basis that it can be measured reliably, and it is probable that it will result in future economic benefits for the Group.

The Board has reviewed the Group forecasts and projection models covering five years from the year end, taking into account reasonably possible changes in trading performance. As a result, the Board determined that the Group will make sufficient profits in the future against which the losses can be utilised. In the current year, the trading subsidiary utilised a significant portion of the prior years' losses, which further supports this assessment. There are no time restrictions on when these taxable losses can be utilised. The deferred tax asset relating to tax losses has therefore been recognised on this basis.

See Note 20 for the deferred tax movements in the year and balance at the year end.

#### *Exceptional items*

Exceptional items are significant items of non-recurring income or expenditure that have been separately presented by virtue of their nature to enable a better understanding of the Group's underlying financial performance.

These items may include one-off projects, such as the Group's transformation project, which span over several years and are therefore not contained to a single reporting period but are nevertheless not expected to be recurring events.

Management exercises their judgement in determining the items that are not considered to be part of the Group's recurring income or expenditure incurred as part of carrying out its principal activities.

See Note 12 for details of exceptional items incurred in the current and prior year.

## **4 Segment information**

### **Year-ended 31 December 2024**

For management reporting purposes and operationally, the Group consists of three business segments: (i) project and on-premise managed services (renamed in FY24 from its previous name of "managed service and technology sales"), (ii) network services, and (iii) mobile services.

Revenue from on-premise managed services, network services and mobile is recognised over time and project revenue is recognised at a point in time. Each segment applies its respective resources across inter-related revenue streams, which are reviewed by management collectively under these headings. The businesses of each segment and a further analysis of revenue are described under their respective headings in the Strategic Report.

The chief operating decision maker has been identified as the Board, which assesses the performance of the operating segments based on revenue and gross profit.

The Board does not regularly review the aggregate assets and liabilities of its segments and accordingly an analysis of these is not provided.

	<b>Project and on-premise managed services £000</b>	<b>Network services £000</b>	<b>Mobile £000</b>	<b>Central £000</b>	<b>Total £000</b>
Revenue	46,850	47,622	3,390	-	<b>97,862</b>
Gross profit	12,168	17,154	1,307	-	<b>30,629</b>
Other operating income	-	-	242	558	<b>800</b>
Other administrative expenses	-	-	-	(22,121)	<b>(22,121)</b>
Share-based payments	-	-	-	(126)	<b>(126)</b>
Intangibles amortisation	-	-	-	(4,567)	<b>(4,567)</b>
Exceptional items	(216)	(39)	-	(1,968)	<b>(2,223)</b>
Operating profit					<b>2,392</b>
Financing costs					<b>(2,018)</b>
Profit before taxation					<b>374</b>
Taxation					<b>138</b>
Profit after taxation					<b>512</b>

Revenue is wholly attributable to the principal activities of the Group in the current and prior year.

	£000	£000
United Kingdom	97,162	99,526
European Union	524	1,655
Rest of the world	176	81
	<u>97,862</u>	<u>101,262</u>

In 2024 the Group had no customer (2023: None) which accounted for more than 10% of its revenue.

<b>Analysis of revenue by timing of recognition:</b>	<b>2024</b>	<b>2023</b>
	<b>£000</b>	<b>£000</b>
Revenue recognised at a point in time	24,602	26,290
Revenue recognised over time	73,260	74,972
	<u>97,862</u>	<u>101,262</u>

<b>Analysis of movements in deferred income:</b>	<b>2024</b>	<b>2023</b>
	<b>£000</b>	<b>£000</b>
Deferred income - opening balance	(21,866)	(20,135)
Revenue recognised in the year	19,488	17,676
New revenue deferrals in the year	(16,953)	(19,407)
Deferred income - closing balance	<u>(19,331)</u>	<u>(21,866)</u>

Of the closing deferred income balance of £19,331,000, £17,700,000 is expected to be recognised as revenue in FY25, £1,121,000 in FY26 and £510,000 in FY27 or later.

Of the closing accrued income balance of £1,991,000 (see Note 18), £690,000 relates to revenues where the Group's right to invoicing is conditional upon billing milestones having been met.

<b>Analysis of other expenses:</b>	<b>Project and on premise managed services £000</b>	<b>Network services £000</b>	<b>Mobile £000</b>	<b>Central £000</b>	<b>Total £000</b>
<b>Other expenses</b>					
Intangibles amortisation	-	-	-	(4,567)	(4,567)
Depreciation	-	-	-	(1,232)	(1,232)
Exceptional items	(216)	(39)	-	(1,968)	(2,223)

#### Year-ended 31 December 2023

	<b>Project and on-premise managed services £000</b>	<b>Network services £000</b>	<b>Mobile £000</b>	<b>Central £000</b>	<b>Total £000</b>
Revenue	52,097	45,317	3,848	-	<u>101,262</u>
Gross profit	12,285	17,387	1,568	-	<u>31,240</u>
Other operating income	-	-	-	550	550
Other administrative expenses	-	-	-	(24,123)	(24,123)
Share-based payments	-	-	-	(189)	(189)
Intangibles amortisation	-	-	-	(5,111)	(5,111)
Exceptional items	(1,104)	(1,516)	-	(4,359)	<u>(6,979)</u>
Operating loss					<u>(4,612)</u>
Financing costs					<u>(2,168)</u>
Loss before taxation					<u>(6,780)</u>
Taxation					<u>1,429</u>
Loss after taxation					<u>(5,351)</u>

Analysis of other expenses:	Project and on-premise managed services £000	Network services £000	Mobile £000	Central £000	Total £000
<b>Other expenses</b>					
Intangibles amortisation	-	-	-	(5,111)	(5,111)
Depreciation	-	-	-	(1,472)	(1,472)
Exceptional items	(1,104)	(1,516)	-	(4,359)	(6,979)

Exceptional items attributed to Project and on-premise managed services in the year to 31 December 2023 relate to transformation costs incurred. Please see Note 12 for further details.

## 5 Employees

The average number of employees, including Directors, during the year was:	2024 Number	2023 Number
Corporate and administration	97	98
Sales and customer service	152	162
Technical and engineering	196	222
<b>Total employees</b>	<b>445</b>	482
 Staff costs, including Directors, consist of:	<b>£000</b>	£000
Wages and salaries	25,381	26,167
Social security costs	2,991	2,859
Pension costs	722	709
Share-based payments	126	189
<b>Total staff costs</b>	<b>29,220</b>	29,924

The Group makes contributions to defined contribution personal pension schemes for employees and Directors. The assets of the schemes are separate from those of the Group.

Pension contributions totalling £159,000 (2023: £166,000) were payable to the schemes at the year-end and are included in other payables.

## 6 Directors' remuneration

The remuneration of the Company Directors was as follows:

	2024 £000	2023 £000
Directors' emoluments	953	1,383
Pension contributions	21	36
<b>Total Directors' remuneration</b>	<b>974</b>	1,419

Included in the above is the remuneration of the highest paid Director as follows:

	2024 £000	2023 £000
Director's emoluments	310	492
Pension contributions	8	12
<b>Total remuneration of the highest paid Director</b>	<b>318</b>	504

The Group paid contributions into defined contribution personal pension schemes in respect of four Directors during the year, one of whom was auto-enrolled at minimal contribution levels, three were on defined contributions and zero on both auto-enrolment and defined contribution schemes (2023: six, two auto-enrolled, three defined contribution, one both auto enrolled and defined contribution).

Further details of Director remuneration are shown in the Remuneration Committee report on pages 65-71 of the Annual Report & Accounts 2024.

## 7 Operating profit/(loss)

	<b>2024</b>	<b>2023</b>
	<b>£000</b>	<b>£000</b>
This has been arrived at after charging/(crediting):		
Depreciation of property, plant and equipment	715	637
Depreciation of right of use assets	517	835
Amortisation of intangible fixed assets	4,567	5,111
Impairment of property, plant and equipment <sup>[1]</sup>	-	53
Impairment of right of use assets <sup>[1]</sup>	259	761
Impairment of intangible fixed assets <sup>[1]</sup>	-	2,288
Foreign exchange movement	(2)	(36)
Research and development expenditure	859	973
Fees payable to the Company's auditor for the audit of the parent and consolidated accounts	65	59
Fees payable to the Company's auditor for other services:		
- Audit of the Company's subsidiaries pursuant to legislation	134	122
- Audit-related assurance services	27	22
	<u>27</u>	<u>22</u>

[1] All impairment charges have been recognised in exceptional items. Please see Note 12 for further details.

Other income in the year relates primarily to research and development credits of £375,000 and supplier commissions, promotions and bonus payments of £305,000 (2023: relates primarily to research and development credits of £331,000).

## 8. Financing costs

	<b>2024</b>	<b>2023</b>
	<b>£000</b>	<b>£000</b>
Interest payable on bank borrowings	1,840	2,084
Interest expense on leases	69	73
Other interest payable	109	11
	<u>109</u>	<u>11</u>
Total financing costs	<u>2,018</u>	<u>2,168</u>

Interest payable on bank borrowings includes £78,000 (2023: £75,000) amortisation of issue costs.

## 9. Taxation

	<b>2024</b>	<b>2023</b>
	<b>£000</b>	<b>£000</b>
<i>UK corporation tax</i>		
Corporation tax on UK profit/(loss) for the year	-	-
	<u>-</u>	<u>-</u>
Total current taxation on profit/(loss) on ordinary activities	-	-
<i>Deferred tax (Note 20)</i>		
Current year	(191)	(1,383)
Adjustments relating to prior years	53	(46)
	<u>53</u>	<u>(46)</u>
Total deferred taxation	<u>(138)</u>	<u>(1,429)</u>
Total taxation credit on profit/(loss) on ordinary activities	<u>(138)</u>	<u>(1,429)</u>

The standard rate of corporation tax in the UK for the year was 25.00% (2023: 23.52%), and therefore the Group's UK subsidiaries are taxed at that rate. The differences between the total tax shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit/(loss) before tax are as follows:

	<b>2024</b>	<b>2023</b>
	<b>£000</b>	<b>£000</b>
Profit/(loss) before tax	<u>374</u>	<u>(6,780)</u>

Profit/(loss) at the standard rate of corporation tax in the UK of 25.00% (2023: 23.52%)	94	(1,595)
Effect of:		
Net expense not deductible	175	213
Net income not taxable	(94)	-
Adjustments relating to prior years	53	(46)
Effects of changes in tax rates	-	(25)
Capital allowances less than depreciation	22	21
Timing differences on acquired intangible assets	(388)	-
Other timing differences	-	3
	<u>          </u>	<u>          </u>
Total taxation credit on profit/(loss) on ordinary activities	<u>(138)</u>	<u>(1,429)</u>

*Factors that may affect future tax charges/credits:*

There are no future factors at the reporting date that are expected to impact the Group's future tax charge. The Group is not within the scope of the OECD Pillar Two model rules.

## 10 Earnings per share

Earnings per share is calculated by dividing the profit/(loss) after tax for the year by the weighted average number of shares in issue for the year, these figures being as follows:

	2024	2023
	£000	£000
Profit/(loss) after tax	512	(5,351)
<i>Adjustments:</i>		
Intangibles amortisation (net of non-acquired element)	2,225	3,724
Exceptional items (Note 12)	2,223	6,979
Tax relating to above adjustments	(1,033)	(2,176)
Share-based payments	126	189
Tax adjustments relating to prior years	-	30
	<u>          </u>	<u>          </u>
Adjusted earnings used in adjusted EPS	<u>4,053</u>	<u>3,395</u>

Adjustment for intangibles amortisation is in relation to intangible assets acquired via business combinations.

	2024	2023
	Number	Number
	(000s)	(000s)
Weighted average number of ordinary shares of 1p each used as the denominator in calculating basic EPS (2023: basic and diluted EPS)	14,362	14,362
Potentially dilutive shares	214	76
	<u>          </u>	<u>          </u>
Weighted average number of ordinary shares of 1p each used as the denominator in calculating diluted EPS (2023: Adjusted diluted EPS)	<u>14,576</u>	<u>14,438</u>

*Earnings/(loss) per share*

Basic	<b>3.6p</b>	(37.3)p
Diluted	<b>3.5p</b>	(37.3)p
Adjusted - basic	<b>28.2p</b>	23.6p
Adjusted - diluted	<b>27.8p</b>	23.5p

The adjustments to losses have been made in order to provide a clearer picture of the trading performance of the Group after removing amortisation and non-recurring expenses. In calculating diluted earnings per share, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all dilutive potential ordinary shares.

The Group has one category of potentially dilutive ordinary shares, being those share options granted to employees where the exercise price is less than the average price of the Company's ordinary shares during the period.

Potentially dilutive shares have not been included in the diluted EPS for the prior year on the basis that they are anti-dilutive.

#### 11 Adjusted earnings before interest, tax, depreciation and amortisation (Adjusted EBITDA)

	Note	2024 £000	2023 £000
Profit/(loss) before taxation		374	(6,780)
Financing costs	8	2,018	2,168
Depreciation of property, plant and equipment	15	715	637
Depreciation of right of use assets	16	517	835
Amortisation of intangible fixed assets	13	4,567	5,111
EBITDA		<u>8,191</u>	<u>1,971</u>
Share-based payments	27	126	189
Exceptional items	12	2,223	6,979
Adjusted EBITDA		<u>10,540</u>	<u>9,139</u>

#### 12 Exceptional items

The costs analysed below have been shown as exceptional items in the income statement as they are not considered to be part of the Group's recurring income or expenses:

	2024 £000	2023 £000
Transformation costs	1,175	5,051
Staff restructuring and other employee related costs	1,046	1,548
Fees relating to revised credit facilities agreement	2	380
Total exceptional items	<u>2,223</u>	<u>6,979</u>

Transformation costs of £1,175,000 (2023: £5,051,000) incurred in the year include the following items relating to the ongoing strategic review of the business which began in the prior year:

'Callmedia' development costs, net of associated revenues, of £46,000 (2023: £333,000), resultant to the decision made during the prior year to discontinue the development of our own "Callmedia" Contact Centre product line, including the CX Now public cloud CCaaS variant.

In the prior year, impairment charges amounting to £2,288,000 relating to previously capitalised 'Callmedia' software development were recognised. Refer to Note 13 Intangible assets.

A net credit of £25,000 in relation to onerous leases, consisting of £259,000 relating to the impairment of the right of use asset in relation to the Cannock office lease, netted against £284,000 credit relating to the remeasurement of the lease liability. In addition, exceptional service charges of £9,000 were incurred in the year also relating to the termination of the Cannock office lease.

In the prior year, onerous lease costs of £1,342,000 include £761,000 relating to the impairment of the right of use asset in relation to the Blackfriars Road London office lease, £53,000 relating to the impairment of leasehold improvements and other onerous operating lease costs of £528,000. In addition, exceptional service charges of £237,000 were incurred in the prior year also relating to the downsizing of the London office space.

Other transformation costs in the year of £1,145,000 (2023: £851,000) include professional fees from third party specialists engaged by the company to perform a strategic and product review of the business and costs associated with the implementation of the results of the strategic and full product review.

Staff restructuring and other employee related costs of £1,046,000 (2023: £1,548,000) principally include redundancy costs and related professional fees paid to external third parties.

Fees relating to the credit facilities agreement of £2,000 included the professional fees associated with the negotiating of the extension of the facility. In the prior year, fees of £380,000 include associated professional fees incurred to negotiate the temporary terms in place during the phase of transformation of the Company.

### 13 Intangible assets

	Goodwill £000	Customer relationships £000	Brands £000	Product platform £000	Software and licences £000	Other £000	Total £000
<i>Cost</i>							
At 1 January 2023	40,516	43,721	3,480	2,638	10,666	250	101,271
Additions	-	-	-	220	2,834	-	3,054
At 31 December 2023	40,516	43,721	3,480	2,858	13,500	250	104,325
Additions	-	-	-	18	3,801	-	3,819
Disposals	-	-	(3,480)	-	-	-	(3,480)
<b>At 31 December 2024</b>	<b>40,516</b>	<b>43,721</b>	<b>-</b>	<b>2,876</b>	<b>17,301</b>	<b>250</b>	<b>104,664</b>
<i>Amortisation and Impairment</i>							
At 1 January 2023	317	36,898	2,934	1,616	6,425	92	48,282
Amortisation in the year	-	3,062	410	352	1,237	50	5,111
Impairment in the year	-	-	-	-	2,288	-	2,288
At 31 December 2023	317	39,960	3,344	1,968	9,950	142	55,681
Amortisation in the year	-	2,039	136	269	2,073	50	4,567
Eliminated on disposals	-	-	(3,480)	-	-	-	(3,480)
<b>At 31 December 2024</b>	<b>317</b>	<b>41,999</b>	<b>-</b>	<b>2,237</b>	<b>12,023</b>	<b>192</b>	<b>56,768</b>
<i>Net book value</i>							
At 31 December 2024	<b>40,199</b>	<b>1,722</b>	<b>-</b>	<b>639</b>	<b>5,278</b>	<b>58</b>	<b>47,896</b>
At 31 December 2023	40,199	3,761	136	890	3,550	108	48,644

Amortisation charges for the year have been charged through administrative expenses in the statement of comprehensive income.

Included within the amortisation charge for the year ended 31 December 2024 is £2,342,000 (2023: £1,387,000) relating to amortisation from non-acquired intangible assets (here meaning assets not acquired as part of a business combination).

Impairment charges for the year of £Nil (2023: £2,288,000) relate to Callmedia and have been recognised within exceptional items (Note 12).

The software and licenses and product platform additions include capitalised development costs, being internally generated assets totalling £727,000 (2023: £630,000). Other intangible assets include stock management platforms which are managed by third parties.

#### *Goodwill*

The carrying value of goodwill is allocated to the cash generating units as follows:

<b>2024</b>	<b>2023</b>
<b>£000</b>	<b>£000</b>

Network services division	<b>21,134</b>	21,134
Project and on-premise managed services division	<b>15,758</b>	15,758
Mobile division	<b>3,307</b>	3,307
Total carrying value of goodwill	<b>40,199</b>	40,199

For the purposes of the impairment review of goodwill, the net present value of the projected future cash flows of the relevant cash generating unit are compared with the carrying value of the assets for that unit; where the recoverable amount of the cash generating unit is less than the carrying amount of the assets, an impairment loss is recognised.

Projected cash flows are based on a five-year horizon which use the approved plan and a pre-tax discount rate of 15.84% (2023: 14.92%) is applied to the resultant projected cash flows of each CGU.

Key assumptions used to calculate the cash flows include annual revenue growth rates and gross margin, which are based on the Group's past performance, current industry trends, and known contracted future revenues and costs. Terminal growth rates are informed by the Group's past performance and external industry and business growth trends.

The key assumptions used in the impairment testing were as follows:

Network services division: average annual revenue growth rate 10.4% (2023: 15.9%), terminal growth rate 2.4% (2023: 3.0%), average gross margin 37.8% (2023: 41.7%).

Project and on-premise managed services division: average annual revenue growth rate -1.4% (2023: 1.4%), terminal growth rate 2.4% (2023: terminal growth rate 3.0%), average gross margin 25.9% (2023: 25.7%).

Mobile division: average annual revenue growth rate -1.7% (2023: 1.1%), terminal growth rate 0.0% (2023: 0.0%), average gross margin 47.2% (2023: 47.9%).

The Group's impairment assessment at 31 December 2024 indicates that there is sufficient headroom for each unit.

If the pre-tax discount rate applied to the cash flow projections increased by 3% (18.84% instead of 15.84%), the Group would have had to recognise an impairment in goodwill related to the Mobile division.

The discount rate is based on conventional capital asset pricing model inputs and varies to reflect the relative risk profiles of the relevant cash generating units. Sensitivity analysis using reasonable variations in growth rate assumptions shows no indication of impairment.

## 14 Subsidiaries

The Company has a 100% investment in Maintel Europe Limited. The registered address of Maintel Europe Limited is the same as that of the parent.

Maintel Europe Limited provides goods and services in the managed services and technology and network services sectors. Maintel Europe Limited is the sole provider of the Group's mobile services.

During the year, the following subsidiaries were dissolved:

Maintel International Limited	Datapoint Global Services Limited
Maintel Voice and Data Limited	Maintel Network Solutions Limited
Maintel Finance Limited	Datapoint Customer Solutions Limited
District Holdings Limited	Maintel Mobile Limited
Intrinsic Technology Limited	Azzuri Communications Limited
Warden Holdco Limited	Warden Midco Limited

## 15 Property, plant and equipment

Leasehold improvements £000	Office and computer equipment £000	Total £000
-----------------------------------	---------------------------------------------	---------------

Cost

At 1 January 2023	513	2,113	2,626
Additions	-	418	418
At 31 December 2023	513	2,531	3,044
Additions	-	552	552
<b>At 31 December 2024</b>	<b>513</b>	<b>3,083</b>	<b>3,596</b>
<i>Depreciation and impairment</i>			
At 1 January 2023	325	920	1,245
Depreciation in the year	57	580	637
Impairment in the year	53	-	53
At 31 December 2023	435	1,500	1,935
Depreciation in the year	53	662	715
<b>At 31 December 2024</b>	<b>488</b>	<b>2,162</b>	<b>2,650</b>
<i>Net book value</i>			
<b>At 31 December 2024</b>	<b>25</b>	<b>921</b>	<b>946</b>
At 31 December 2023	78	1,031	1,109

Impairment charges for the year of £Nil (2023: £53,000) relate to onerous lease costs and have been recognised within exceptional items (Note 12).

#### 16 Right of use assets

	Land and buildings £000	Office and computer equipment £000	Total £000
<i>Cost</i>			
At 1 January 2023	5,308	391	5,699
Additions	26	343	369
At 31 December 2023	5,334	734	6,068
Additions	18	554	572
<b>At 31 December 2024</b>	<b>5,352</b>	<b>1,288</b>	<b>6,640</b>
<i>Depreciation and impairment</i>			
At 1 January 2023	3,220	216	3,436
Depreciation charge for the year	525	310	835
Impairment charge for the year	761	-	761
At 31 December 2023	4,506	526	5,032
Depreciation charge for the year	234	283	517
Impairment charge for the year	259	-	259
<b>At 31 December 2024</b>	<b>4,999</b>	<b>809</b>	<b>5,808</b>
<i>Net book value</i>			
<b>At 31 December 2024</b>	<b>353</b>	<b>479</b>	<b>832</b>
At 31 December 2023	828	208	1,036

Impairment charges for the year of £259,000 (2023: £761,000) relate to onerous lease costs and have been recognised within exceptional items (Note 12).

#### 17 Inventories

	2024 £000	2023 £000
Stock held for resale	790	1,677
Total inventories	790	1,677
Cost of inventories recognised as an expense	10,236	13,831

No provisions were made against stock held for resale in 2024 or 2023 as this balance represents new hardware awaiting installation at customer sites.

## 18 Trade and other receivables

	2024	2023
	£000	£000
<i>Current trade and other receivables</i>		
Trade receivables	10,507	12,336
Other receivables	1,071	315
Prepayments	11,139	11,450
Accrued income	1,991	1,307
	<hr/>	<hr/>
Total current trade and other receivables	<b>24,708</b>	25,408
	<hr/>	<hr/>

All amounts shown above fall due for payment within one year.

In applying IFRS 9, the Group reviews the amount of credit loss associated with its trade receivables and accrued income based on forward looking estimates that take into account current and forecast credit conditions as opposed to relying on past historical default rates. The Group has applied the Simplified Approach applying a provision matrix based on number of days past due to measure lifetime expected credit losses, after taking into account customer sectors with different credit risk profiles, and current and forecast trading conditions.

Movements in contract assets and liabilities were as follows:

- Accrued income increased from £1.3m in 2023 to £2.0m at the reporting date;
- Prepayments decreased from £11.5m in 2023 to £11.1m at the reporting date;
- Deferred income decreased from £21.9m in 2023 to £19.3m at the reporting date; and
- Deferred costs net of accrued costs decreased from £9.3m in 2023 to £8.0m at the reporting date.

The corresponding adjustments for these movements represent revenues and costs recognised in the income statement in the year, driven by a decrease in revenues and fewer billing milestones reached, combined with the timing of payments to suppliers. A further analysis of revenue movements in the year is described within the Business review in the Strategic Report.

Other receivables increased from £0.3m to £1.1m largely due research and development credits and supplier bonus payments that were appropriately recognised in 2024 and then settled after the year end.

## 19 Trade and other payables

	2024	2023
	£000	£000
<i>Current trade and other payables</i>		
Trade payables	12,875	12,761
Other tax and social security	3,838	2,351
Other payables	3,397	3,521
Accruals	3,858	3,439
Deferred income	17,700	21,866
	<hr/>	<hr/>
Total current trade and other payables	<b>41,668</b>	43,938
	<hr/>	<hr/>
<i>Non-current other payables</i>	<b>2024</b>	<b>2023</b>
	£000	£000
Deferred income	1,631	-
Intangible licences and other payables	-	298
Advanced mobile commissions	20	61
Other payables	96	143
	<hr/>	<hr/>
Total non-current trade and other payables	<b>1,747</b>	502
	<hr/>	<hr/>

## 20 Deferred taxation

	<b>plant and equipment £000</b>	<b>Intangible assets £000</b>	<b>Tax losses £000</b>	<b>Other £000</b>	<b>Total £000</b>
Net (asset)/liability at 1 January 2023	(931)	2,641	(675)	(77)	958
Charge/(credit) to consolidated statement of comprehensive income	169	(787)	(587)	(178)	(1,383)
Adjustment to prior year to consolidated statement of comprehensive income	-	-	(33)	(13)	(46)
Net (asset)/liability at 31 December 2023	<u>(762)</u>	<u>1,854</u>	<u>(1,295)</u>	<u>(268)</u>	<u>(471)</u>
Charge/(credit) to consolidated statement of comprehensive income	158	(1,060)	616	95	(191)
Adjustment to prior year to consolidated statement of comprehensive income	-	(238)	191	100	53
Net (asset)/liability at 31 December 2024	<u><b>(604)</b></u>	<u><b>556</b></u>	<u><b>(488)</b></u>	<u><b>(73)</b></u>	<u><b>(609)</b></u>

The net deferred tax asset mainly arises on the recognition of tax timing differences on property, plant and equipment, as well as prior and current year taxable losses which are expected to be utilised against future year taxable profits. Other items include timing differences in relation to provisions. This is partially offset by a deferred tax liability in relation to tax timing differences on intangible assets.

The Board has reviewed the Group forecasts and projection models covering five years from the year end, taking into account reasonably possible changes in trading performance. As a result, the Board determined that the Group will make sufficient profits in the future against which the losses can be utilised. There are no time restrictions on when these taxable losses can be utilised. The deferred tax asset relating to tax losses has therefore been recognised on this basis.

The net deferred tax asset balance at 31 December 2024 has been calculated on the basis that the associated assets and liabilities will unwind at 25% (2023: 25%).

## 21 Borrowings

	<b>2024 £000</b>	<b>2023 £000</b>
Current bank loan - secured	744	2,322
Non-current bank loan - secured	20,000	20,579
Total borrowings	<u><b>20,744</b></u>	<u><b>22,901</b></u>

The facility with HSBC consisting of an RCF of £20m with a £6m term loan on a reducing basis, remained in place during the year and was extended to 1 January 2026 in December 2024.

The term loan is being repaid in equal monthly instalments, starting in October 2022.

The year-end principal balance of the term loan was £0.8m (2023: £3.0m) and of the RCF was £20.0m (2023: £20.0m).

The key covenants include net leverage ratio and interest cover tests, assessed on a quarterly basis. During 2023, the Company successfully met the temporary milestones and HSBC being satisfied that the recovery phase had been successfully completed, the initial covenants of the loan were reinstated in early 2024.

Interest on the borrowings is the aggregate of the applicable margin and SONIA for Pound Sterling / SOFR for US Dollar / EURIBOR for Euros.

The current bank borrowings above are stated net of unamortised issue costs of debt of £0.1m (2023: £0.1m).

The facilities are secured by a fixed and floating charge over the assets of the Company and its subsidiaries. Interest is payable on amounts drawn on the revolving credit facility and loan facility at a covenant-dependent tiered rate of 2.60% to 3.70% per annum over SONIA, with a reduced rate payable on the undrawn facility.

The Directors consider that there is no material difference between the book value and fair value of the loan.

On 28 March 2025, the Group signed a new 5 year banking arrangement with HSBC to replace its current bank facilities with HSBC Revolving Credit Facility and Term Loan.

## 22 Lease liabilities

	2024	2023
	£000	£000
<i>Maturity analysis - contractual undiscounted cash flows</i>		
In one year or less	453	958
Between one and five years	520	698
In five years or more	-	74
Total undiscounted lease liabilities at 31 December 2024	<u>973</u>	<u>1,730</u>
<i>Discounted lease liabilities included in the statement of financial position</i>		
Current	417	909
Non-current	484	731
Total lease liabilities included in the statement of financial position	<u>901</u>	<u>1,640</u>
<i>Amounts recognised in the comprehensive income statement</i>		
Interest expense on lease liabilities	69	73
Expenses relating to short term leases	1	1
<i>Amounts recognised in the statement of cash flows</i>		
Total cash outflow (including payments relating to short term leases)	<u>1,079</u>	<u>1,049</u>

Lease liabilities predominantly relate to the Company office premises in London and Blackburn and office and computer equipment.

During the years ended 31 December 2024 and 31 December 2023 there were no variable lease payments to be included in the measurement of lease liabilities and there were no sale and leaseback transactions. Income from subleasing right of use assets in the year was £Nil (2023: £Nil).

## 23 Financial instruments

The Group's financial assets and liabilities mainly comprise cash, borrowings, trade and other receivables, trade and other payables and lease liabilities. The carrying value of all financial assets and liabilities equals fair value given their short-term nature.

	<b>Financial assets measured at amortised cost</b>	
	2024	2023
	£000	£000
<i>Current financial assets</i>		
Trade receivables	10,507	12,336
Accrued income	1,991	1,307
Other receivables	1,034	315
Total	<u>13,532</u>	<u>13,958</u>
	<b>Financial liabilities measured at amortised cost</b>	
	2024	2023
	£000	£000
<i>Non-current financial liabilities</i>		
Other payables	116	502
Lease liabilities	484	731
Borrowings	20,000	20,579
Total	<u>20,600</u>	<u>21,812</u>
<i>Current financial liabilities</i>		
Trade payables	12,875	12,761
Borrowings	744	2,322
Other payables	3,397	3,521
Accruals	3,858	3,439
Lease liabilities	417	909

LEASE LIABILITIES	417	909
	<hr/>	<hr/>
Total	<b>21,291</b>	22,952
	<hr/>	<hr/>

The Group held the following foreign currency denominated financial assets and financial liabilities:

	Assets		Liabilities	
	2024 £000	2023 £000	2024 £000	2023 £000
US Dollars	80	210	106	71
Euros	383	350	155	122
	<hr/>	<hr/>	<hr/>	<hr/>
Total	<b>463</b>	560	<b>261</b>	193
	<hr/>	<hr/>	<hr/>	<hr/>

The maximum credit risk for each of the above is the carrying value stated above. The main risks arising from the Group's operations are credit risk, currency risk and interest rate risk, however other risks are also considered below.

#### *Credit risk*

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on customers as deemed necessary based on, inter alia, the nature of the prospect and size of order. The Group does not require collateral in respect of financial assets.

At the reporting date, the largest exposure was represented by the carrying value of trade and other receivables, against which £136,000 is provided at 31 December 2024 (2023: £194,000). The provision represents an estimate of potential bad debt in respect of the year-end trade receivables, a review having been undertaken of each such year-end receivable. The largest individual receivable included in trade and other receivables at 31 December 2024 owed to the Group was £0.8m including VAT (2023: £1.0m). The Group's customers are spread across a broad range of sectors and consequently it is not otherwise exposed to significant concentrations of credit risk on its trade receivables.

The movement on the provision for trade receivables is as follows:

	2024 £000	2023 £000
Provision at start of year	194	389
Provision created	35	43
Provision reversed	(93)	(238)
	<hr/>	<hr/>
Provision at end of year	<b>136</b>	194
	<hr/>	<hr/>

A debt is considered to be bad when it is deemed irrecoverable, for example when the debtor goes into liquidation, or when a credit or partial credit is issued to the customer for goodwill or commercial reasons. The Group has applied the Simplified Approach applying a provision matrix based on number of days past due to measure lifetime expected credit losses and after taking into account customer sectors with different credit risk profiles and current and forecast trading conditions. The Group's provision matrix is as follows:

	Current	< 30 days	31-60 days	> 60 days	Total
<b>31 December 2024</b>					
Expected credit loss % range	0%-1%	2%-5%	3%-10%	10%-100%	
Gross debtors (£'000)	10,015	119	81	428	<b>10,643</b>
Expected credit loss rate (£'000)	(39)	(25)	(2)	(70)	<b>(136)</b>
Accrued income	1,991	-	-	-	<b>1,991</b>
					<hr/>
					<b>12,498</b>
					<hr/>
	Current	< 30 days	31-60 days	> 60 days	Total
<b>31 December 2023</b>					
Expected credit loss % range	0%-1%	2%-5%	3%-10%	10%-100%	
Gross debtors (£'000)	10,630	691	800	409	12,530
Expected credit loss rate (£'000)	(37)	(19)	(26)	(112)	(194)

Accrued income	1,307					1,307
						<u>13,643</u>

Receivables are grouped based on the credit terms offered. The probability of default is determined at the year-end based on the aging of the receivables and historical data about default rates on the same basis. That data is adjusted if the Group determines that historical data is not reflective of expected future conditions due to changes in the nature of its customers and how they are affected by external factors such as economic and market conditions.

#### *Foreign currency risk*

The functional currency of all Group companies at 31 December 2024 is Pound Sterling.

In addition, some Group companies transact with certain customers and suppliers in Euros or US Dollars. Those transactions are affected by exchange rate movements during the year. Such transactions in Euros are not deemed material in a Group context and sensitivity to Euro exchange rate movements is considered to be immaterial.

#### *Interest rate risk*

The Group had total borrowings of £20.7m at 31 December 2024 (2023: £22.9m). The interest rate charged is related to SONIA and bank rate respectively and will therefore change as those rates change. If interest rates had been 0.5% higher/lower during the year, and all other variables were held constant, the Group's profit (2023: loss) for the year would have been £109,000 (2023: £121,000) higher/lower due to the variable interest element on the loan.

#### *Liquidity risk*

Liquidity risk represents the risk that the Group will not be able to meet its financial obligations as they fall due. This risk is managed by balancing the Group's cash balances, banking facilities and reserve borrowing facilities in the light of projected operational and strategic requirements.

The following table details the contractual maturity of financial liabilities based on the dates the liabilities are due to be settled:

Financial liabilities:

	<b>0 to 6 months £000</b>	<b>6 to 12 months £000</b>	<b>2 to 5 Years £000</b>	<b>More than 5 years £000</b>	<b>Total £000</b>
Trade payables	12,875	-	-	-	<b>12,875</b>
Other payables	2,836	561	116	-	<b>3,513</b>
Lease liabilities	212	241	520	-	<b>973</b>
Accruals	3,858	-	-	-	<b>3,858</b>
Borrowings (including future interest)	1,604	795	20,000	-	<b>22,399</b>
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 31 December 2024	<u>21,385</u>	<u>1,597</u>	<u>20,636</u>	<u>-</u>	<u><b>43,618</b></u>

	<b>0 to 6 months £000</b>	<b>6 to 12 months £000</b>	<b>2 to 5 Years £000</b>	<b>More than 5 years £000</b>	<b>Total £000</b>
Trade payables	12,761	-	-	-	12,761
Other payables	2,319	1,202	502	-	4,023
Lease liabilities	511	447	772	-	1,730
Accruals	3,439	-	-	-	3,439
Borrowings (including future interest)	2,218	2,144	21,853	-	26,215
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 31 December 2023	<u>21,248</u>	<u>3,793</u>	<u>23,127</u>	<u>-</u>	<u>48,168</u>

#### *Market risk*

As noted above, the interest payable on borrowings is dependent on the prevailing rates of interest from time to time.

### Capital risk management

The Group's objective when managing capital is to safeguard its ability to continue as a going concern in order to provide returns to shareholders. Capital comprises all components of equity, including share capital, capital redemption reserve, share premium, translation reserve and retained losses. Typically returns to shareholders will be funded from retained profits, however in order to take advantage of the opportunities available to it from time to time, the Group will consider the appropriateness of issuing shares, repurchasing shares, amending its dividend policy and borrowing, as is deemed appropriate in the light of such opportunities and changing economic circumstances.

## 24 Share capital

	Allotted, called up and fully paid			2023 £000
	2024 Number	2023 Number	2024 £000	
Ordinary shares of 1p each	<u>14,361,492</u>	<u>14,361,492</u>	<u>144</u>	<u>144</u>

The Company adopted new Articles on 27 April 2016, which dispensed with the need for the Company to have an authorised share capital. The Company has one class of ordinary shares which carry no right to fixed income. All of the Company's shares in issue are fully paid and each share carries the right to vote at general meetings.

No shares were issued in the year (2023: Nil).

No shares were repurchased during the year (2023: Nil).

## 25 Reserves

Share premium, translation reserve, and retained losses represent balances conventionally attributed to those descriptions. Other reserves include a capital redemption reserve of £31,000 (2023: £31,000) and a translation reserve of £33,000 (2023: £33,000).

The capital redemption reserve represents the nominal value of ordinary shares repurchased and cancelled by the Company and is non-distributable in normal circumstances.

The Group has no regulatory capital or similar requirements, its primary capital management focus is on maximising earnings per share and therefore shareholder return.

The Directors have proposed that there will be no final dividend in respect of 2024 (2023: £Nil).

## 26 Share Incentive Plan

The Company established the Maintel Holdings Plc Share Incentive Plan ("SIP") in 2006, which was updated in 2016. The SIP is open to all employees and Executive Directors with at least six months' continuous service with a Group company and allows them to subscribe for existing shares in the Company out of their gross salary. The shares are bought by the SIP on the open market. The employees and Directors own the shares from the date of purchase but must continue to be employed by a Group company and hold their shares within the SIP for five years to benefit from the full tax benefits of the plan.

## 27 Share-based payments

The Remuneration Committee's report on pages 65-71 of the Annual Report & Accounts 2024 describes the options granted over the Company's ordinary shares to the Directors.

In aggregate, options are outstanding over 4.6% (2023: 5.8%) of the current issued share capital. The number of shares under option and the vesting and exercise prices may be adjusted at the discretion of the Remuneration Committee in the event of a variation in the issued share capital of the Company.

	2024 Number of Options	2024 Weighted Average Exercise Price	2023 Number of Options	2023 Weighted Average Exercise Price
Outstanding at 1 January	827,034	185.21p	947,279	348.61p
Granted during the year	50,000	245.00p	575,000	120.22p
Lapsed during the year	(222,504)	136.75p	(695,245)	354.08p

	2024	2023	2022	2021
Outstanding at 31 December	<b>654,530</b>	<b>206,26p</b>	827,034	185,21p
Exercisable at year-end	-	-	-	-

The weighted average contractual life of the outstanding options was 8 years (2023: 8 years), exercisable in the range 115p to 375p (2023: 115p to 375p).

No share options were exercised in the year by way of issue of new shares (2023: none).

<i>Outstanding share options by exercisable price range</i>	<b>2024</b>	<b>2023</b>
	<b>Number of Share options</b>	<b>Number of Share options</b>
Exercisable Price range		
115p to 175p	<b>375,000</b>	575,000
221p to 274p	<b>50,000</b>	-
330p to 375p	<b>229,530</b>	252,034
Total share options outstanding	<b>654,530</b>	827,034

The Group recognised £126,000 of expenditure related to equity-settled share-based payments in the year (2023: £189,000).

The fair value of options granted during the year is determined by applying the Black-Scholes model.

The expense is apportioned over the vesting period of the option and is based on the number which are expected to vest and the fair value of these options at the date of grant.

The inputs into the Black-Scholes model in respect of options granted in the period are as follows:

Date of grant	3 July 2024
Number of options granted	50,000
Share price at date of grant	245.00p
Exercise price	245.00p
Option life in years	10
Expiry date	3 July 2034
Vesting period	3 years
Risk-free rate	4.17%
Expected volatility	40.36%
Expected dividend yield	0%
Fair value of options	120.51p

Expected volatility was determined by calculating the historical volatility of the Group's share price for the five-year period prior to the date of grant of the share option. The expected life used in the model is based on management's best estimate. The Group did not enter into any share-based payment transactions with parties other than employees during the current or previous period.

## 28 Related party transactions

### *Transactions with key management personnel*

Key management personnel comprise the Directors and executive officers. The remuneration of the individual Directors is disclosed in the Remuneration Committee report. The remuneration of the Directors and other key members of management during the year was as follows:

	<b>2024</b>	<b>2023</b>
	<b>£000</b>	<b>£000</b>
Short term employment benefits	<b>1,613</b>	1,952
Social security costs	<b>197</b>	241
Contributions to defined contribution pension schemes	<b>36</b>	49
	<b>1,846</b>	2,242

### *Other transactions - Group*

During the year, the Group paid fees of £45,000 (2023: £Nil) to Rouncil Services Limited, a company of which Clare Bates is a

shareholder and Director, in respect of professional services provided to the Group. The outstanding balance at 31 December 2024 was £16,000 (2023: £Nil).

During the year, the Group paid fees of £28,000 (2023: £Nil) to John Spens, a significant shareholder of the Group, in respect of consultancy services provided to the Group. No amounts were outstanding at 31 December 2024 (2023: £Nil).

## 29 Post balance sheet events

On 28 March 2025, the Group signed a new 5-year banking arrangement with HSBC to replace its current bank facilities with HSBC. The new facility with HSBC consists of an RCF of £12m in committed funds, an £8m term loan on a reducing basis and a £2m arranged overdraft facility. Interest terms on the RCF and term loan are linked to SONIA plus a fixed margin. Interest terms on the arranged overdraft are the Bank of England Base Rate plus 0.5%.

On 17 April 2025, the Group changed its registered office address from 160 Blackfriars Road, London, SE1 8EZ to 5th Floor, 69 Leadenhall Street, London, EC3A 2BG.

There are no other events subsequent to the reporting date which would have a material impact on the financial statements.

## 30 Contingent liabilities

As security on the Group's loan and overdraft facilities, the Company has entered into a cross guarantee with its subsidiary undertaking, Maintel Europe Limited, in favour of HSBC Bank plc. At 31 December 2024 the subsidiary had a positive cash balance.

The Company has entered into an agreement with Maintel Europe Limited, guaranteeing the performance by Maintel Europe Limited of its obligations under the lease on its London premises. The Board deem that the likelihood of any material financial liability arising for the Company as a result of this guarantee is remote, given the past ability of the subsidiary to meet its obligations and the post-year end termination of this lease (see Note 29 for details of new registered office)

A former employee commenced legal action against the Group in the year in respect of an employee tribunal matter. The related costs incurred in the year have been included within 'Exceptional items' under 'Staff restructuring and other employee related costs' (see Note 12 of the consolidated financial statements).

The legal action is ongoing, and no provision has been recognised in these financial statements in respect of any potential obligation to settle this matter after the reporting date. The Board deem that any potential obligation does not meet the definition of a provision under IAS 37. Furthermore, the disclosure as a contingent liability of detail relating to the matter would be seriously prejudicial to an ongoing legal case.

## Glossary

Artificial Intelligence (AI)	The theory and development of computer systems capable of performing tasks that historically required human intelligence, such as recognising speech, making decisions, and identifying patterns.
Contact Centre as a Service (CCaaS)	The implementation of a contact centre platform without the need to install any on-premise equipment or purchase technology up-front. CCaaS is typically provided on a "per user, per month" basis, alongside alternate pricing models such as paying per transaction or perpetual licencing.
Communication Platforms as a Service (CPaaS)	A public cloud-based API toolkit for communications. Making communications capabilities such as SMS, voice and social messaging readily available to the software development community via standardised API frameworks.
Customer Experience (CX)	The practice of using the experiences of customers as a competitive differentiator. Maintel's CX practice is primarily concerned with the design, implementation and support of technology to facilitate customer interactions via the contact centre or digital channels.
Digital Transformation (DX)	The use of digital technologies to optimise and automate internal systems and process, and to digitally engage with customers, partners and/or citizens.
Hybrid Cloud	The use of more than one cloud environment (normally two) to deliver a single IT application or infrastructure. For example, a unified communications application that's delivered from a private cloud, but with elements deployed on customer premise to provide resilience in the event of a loss of communication to the private cloud.
Infrastructure as a Service (IaaS)	The delivery of an infrastructure platform, where the provider is responsible for everything up to the physical servers and virtualisation layer and the customer is responsible for the rest. Often these providers

	offer many value-add services too. For example, Amazon Web Services, Microsoft Azure and Google Cloud Platform
Internet of Things (IoT)	The use of the Internet for Machine to Machine (M2M) communication. The use cases are many and varied, from sensors of all variety reporting back central cloud data analytics and/or alerting platforms, to the connectivity of everyday objects such as fridges and televisions.
Multicloud	The use of more than one cloud environment by a single organisation, to deliver disparate IT applications and infrastructure. This can include both public and private cloud and SaaS, PaaS and IaaS based services. For example, using a particular IaaS provider for delivery of an ERP platform and a separate cloud SaaS provider to deliver a CRM application.
On-premise	Any equipment or software deployed within a customer's own office, branch or datacentre.
PBX	"Private Branch Exchange". The use of a locally deployed telephony system to act as an aggregation point for local users and external trunks.
Platform as a Service (PaaS)	The delivery of a platform capability from the cloud, where the provider is responsible for the layers of the platform up to and including the Operating System and API layer, and the customer is responsible for the application that consumes its service. For example, CPaaS providers such as Twilio and Amazon Connect.
Private Cloud	A cloud computing environment where either all hardware/software resources, or just the virtual server and application layers, are dedicated exclusively to a single customer, providing enhanced security, control, and customisation.
Public Cloud	A cloud computing model where IT infrastructure like servers, networking, and storage resources are offered as virtual resources accessible over the internet and managed by a third-party provider.
Public Switched Telephone Network (PSTN)	The legacy analogue BT telephony network, which is being switched off in 2025 with exchange stop-sells occurring across the country each month between now and the forecast end date of this program.
Secure Access Service Edge (SASE)	An architecture that combines network connectivity and network security into a common fabric, including technologies such as SD-WAN and Security Service Edge.
Security Service Edge	A cloud-based service that secures access to the web, cloud services, and private applications by consolidating security functions into a robust and centralised platform.
Session Initiation Protocol (SIP) Trunking	SIP Trunking is the IP based digital replacement for all multi-line use cases of the legacy Public Switched Telephone Network.
Software as a Service (SaaS)	The delivery of an application from the cloud, where the provider is responsible for all layers of the platform and the customer simply consumes the application. For example, Salesforce.
Software Defined Wide Area Network (SD-WAN)	The latest generation of wide area networking technology which enables centralised and simple configuration and connection irrespective of the underlying circuit or wireless technology, plus a range of business-oriented networking services.
Unified Communications (UC)	Unified communications is a suite of tools to allow team members to collaborate, including instant messaging (IM), presence, screen and document collaboration and both audio and video conferencing.
Unified Communications as a Services (UCaaS)	The implementation of unified communications tools without the need for an organisation to install hardware or software on their premises or in their data centres. UCaaS is typically provided on a "pay as you go" basis with minimal up-front costs and sometimes with the ability to flex the capacity of the service up and down during the term of the agreement.

This information is provided by RNS, the news service of the London Stock Exchange. RNS is approved by the Financial Conduct Authority to act as a Primary Information Provider in the United Kingdom. Terms and conditions relating to the use and distribution of this information may apply. For further information, please contact [rs@lseg.com](mailto:rs@lseg.com) or visit [www.rs.com](http://www.rs.com).

RNS may use your IP address to confirm compliance with the terms and conditions, to analyse how you engage with the information contained in this communication, and to share such analysis on an anonymised basis with others as part of our commercial services. For further information about how RNS and the London Stock Exchange use the personal data you provide us, please see our [Privacy Policy](#).

END

FR UPUQWAUPAGMP