

COLT TECHNOLOGY SERVICES LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

COLT TECHNOLOGY SERVICES LIMITED

COMPANY INFORMATION

Directors	Ciaran Henry James Beddoe Una Blake
Company secretary	John Gallen
Registered number	324439
Registered office	Units 15/16 Docklands Innovation Park East Wall Road Dublin 3
Independent auditors	PricewaterhouseCoopers Chartered Accountants and Statutory Auditors One Bank Place Charlotte's Quay Limerick Ireland
Bankers	BNP Paribus 5 Georges Dock IFSC Dublin 1 D
Solicitors	Gallenalliance Solicitors No.1 Lower Mayor Street International Finance Services Centre Dublin 1

COLT TECHNOLOGY SERVICES LIMITED**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024**

The Directors present their annual report and the audited financial statements for the year ended 31 December 2024.

Directors

The Directors who served during the year and up to the date of signing these financial statements were:

Ciaran Henry
James Beddoe
Una Blake (appointed 23 February 2024)
Pieter Veenman (resigned 23 February 2024)

Principal activities

Colt Technology Services Limited ('the Company') provides voice and data services and holds a general telecommunications licence issued by the Director of Telecommunications Regulation on 12 June 2000, to provide licensed services to and from the state.

Review of the business and future developments

Against a backdrop of weak market demand and sustained downward pressure on prices, the Company experienced a 4% decrease in turnover, falling from €25,311,101 in 2023 to €24,409,164 in 2024.

Despite the decline in revenue, cost of sales increased by 4%, rising from €14,230,589 in 2023 to €14,773,346 in 2024 primarily driven by inflationary cost pressures.

The Company made a profit before tax of €652,543 in 2024 (2023: €7,795,167 loss). As a result, administration expenses increased from €18,061,511 in 2023 to €21,262,425 in 2024. This was driven by a new transfer pricing model implemented by the Group. Other income of €13,102,747 (2023: nil) arose from group allocations from the new transfer pricing model.

The Company's net liabilities decreased from €11,515,987 at 31 December 2023 to €10,882,588 at 31 December 2024. This was mainly driven by a decrease in the amounts owed to group undertakings.

In 2025 the Company hopes to continue to extend its footprint to enable us to offer quality business grade communications solutions to corporate and midsize organisations in Ireland, providing a serious alternative to incumbent service providers.

Acquisition of LUMEN EMEA

City of London Telecom's (Colt) intent is to fully integrate the LUMEN EMEA business into the Colt operating model which entails building networks to simplify and integrate product and service offerings to customers, systems, processes, teams and moving the customers to be managed on the Colt system stack, which will enable exit from the current Transitional Service Agreements (TSAs) from LUMEN US that currently underpin the LUMEN EMEA business. This integration has progressed well in 2024 with teams, processes and systems integrated to a large extent and multiple TSAs being exited. Colt plans to move the LUMEN EMEA customers to the Colt system stack and integrate systems and products over a multi-phase project to be executed in 2025.

The full integration of the business will enable realization of the acquisition value and ensure we are able to fully leverage the increased infrastructure capabilities from the acquisition.

Principal risks and uncertainties

The principal risks and uncertainties facing the Company are integrated with the principal risks and uncertainties facing the Group and are not managed separately.

Strategy execution

As an industry-leading global digital infrastructure company, Colt helps businesses succeed by creating extraordinary connections. Powered by amazing people, like-minded partners and innovative technology, Colt is driven by its purpose: to put the power of the digital universe in the hands of its customers – whenever, wherever and however they want.

COLT TECHNOLOGY SERVICES LIMITED**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024****Principal risks and uncertainties (continued)***Strategy execution (continued)*

With its vision to be the digital infrastructure company that the world's leading businesses choose to connect with, Colt is guided by its dedication to customer innovation, its values and its responsibility to its customers, partners, people and the planet.

Macro-economic and geopolitical

General macro-economic conditions have continued to pose a challenge in most of the countries where Colt operated throughout 2024. While inflation rates showed improvement in some regions during 2024, persistent inflationary pressures in key markets have continued to impact Colt's cost base. This, combined with the ongoing decline in connectivity pricing, continues to constrain growth in the telecoms market CORE operates in. In parallel, geopolitical tensions have continued to create significant uncertainty across many industries throughout 2024. While Colt does not have direct exposure in the most heavily impacted geographies, this uncertainty affects all sectors and enterprises. We have observed a continued risk of weaker business investments, with some customers and prospects delaying decisions on their digital transformation journeys, negatively impacting our sales pipeline. Further deterioration of the geopolitical context, in particular continued escalation of tensions between US/China or China/Taiwan, could have a material impact on Colt's supply chain including global semiconductor supply and overall operations. Additionally, evolving tariff policies in key markets, particularly between the US and EU, could further complicate Colt's supply chain and increase operating costs or market headwinds, although the precise impacts remain unclear at this stage and will continue to be monitored closely.

The vulnerability of critical infrastructure, such as submarine cables, has come under increased scrutiny, following incidents of possible sabotage and damage in key operating regions. These risks underscore the strategic importance of securing communication networks and infrastructure, which are vital to Colt's operations.

Colt is mitigating the associated risks via specific strategic initiatives to reduce costs while chasing growth on specific products, segments and markets that are outperforming the sector. In addition, Colt is engaged with relevant government and industry forums to monitor and respond to political or nation state threats to critical infrastructure and tariff-related risks.

Change, integration and transformation

Colt completed the acquisition of LUMEN EMEA in November 2023 marking the beginning of a significant change journey. While we have made substantial progress in capturing synergies through the integration of organisational structures and network topologies, ongoing management and delivery of Integration activities remains key to Colt's long-term success. In parallel, Colt needs to accelerate its transformation towards simplification and automation of our products, services and supporting processes to remain relevant in the markets in which we operate. The pace and amount of change required to deliver on set ambitions, if not carefully managed, could create significant disruption, change fatigue and overall limit our ability to deliver on the strategy.

Failure to deliver and execute on these change programmes will make us less efficient, damage our customer experience and will hinder our ability to reduce our cost to serve. This will have a negative impact on our margins and limit our growth.

To ensure we execute well on our change agenda, we have extensive programmes of work covering both integration and digital transformation with Colt Intelligent Operations (IO), a programme of change over our technology ecosystem which is set to create a simpler, more automated and modern business which will drive the delivery of our strategy. Robust governance is in place across both programmes with direct line of sight from our Executive Leadership Team.

Sales performance and competition

Colt operates in a highly competitive environment and faces competition from a broad range of organisations. In recent years, the high level of competition on high bandwidth products has driven profit margins down. This margin erosion is also impacting Colt as customers move from high margin products such as IP VPN to low margin products such as SD-WAN. In this context, Colt needs to ensure it has the right sales strategy in order to maximise sales performance, focusing on the customers that are the best fit for Colt.

COLT TECHNOLOGY SERVICES LIMITED**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024****Principal risks and uncertainties (continued)***Sales performance and competition (continued)*

The introduction of complexity from new revenue-sharing agreements and the unification of sales teams as part of the integration of LUMEN EMEA has introduced risks impacting our sales pipeline. While governance structures and strategies are in place, the ongoing management of these underlying risks and issues will be essential to safeguarding short- and medium-term sales performance. In response to this, CORE operates a robust sales governance methodology, the Go Process, to ensure we bid on deals that have the right commercial terms and strategic alignment for Colt and serve Colt customers in the best possible way. Planned activities in 2025 to embed this governance model across new sales teams and structures will be key to maintaining robust deal governance and a competitive and cohesive go-to-market sales proposition.

A key element of CORE's strategy is to develop partnerships with other major players in the connectivity world to create economies of scale, that enable us to deliver seamless experience for partners, greater benefits for our customers and grow Colt's revenue. Failure to deliver expected return on investments from these strategic partnerships could jeopardise Colt's growth ambition. To manage these risks and maximise chances to success, CORE has developed specific capabilities in this area via the partner hub, which provides a structured approach to partnership development from selection and onboarding to complete lifecycle management.

Service interruption

Network and data centre availability and security are paramount to our customers. A failure in the operation of Colt's key systems, data centre operations or network infrastructure (including newly acquired transatlantic sub-sea cables) could cause a failure of service to our customers and negatively impact our brand.

To manage the risks of large-scale disruption and outages, Colt has designed a resilient network architecture and relies on dedicated teams to monitor, manage and maintain its infrastructure, including its data centres. As demonstrated by our industry leading levels of service availability, Colt prioritises the planning for and recovering from critical events that may impact our people or our customers and operates a Business Continuity Program that is certified to ISO 22301 standards where relevant.

As our programme of integration continues, CORE plans to leverage the growth of our backbone network infrastructure to increase route diversity and resilience and further reduce the risk of service interruption.

Cyber Security

Cyber threats continue to evolve with 2024 seeing an uptick in cyber risk with the step change in AI capability enabling increasingly sophisticated attacks. Attacks on supply chain and technology are rising as known and zero-day vulnerabilities are targeted. Colt's role as a provider of critical infrastructure and network services to major businesses makes it imperative to manage these exposures effectively. Colt only tolerates minimal operational disruption from security or technology failure and acknowledges that this area requires continuous investments to keep pace with ever changing threats.

Colt's cyber risk has increased as a result of ongoing change programmes and as a result of the LUMEN EMEA acquisition as the attack surface increased with addition of new assets, people and presence in new geographical locations. As a result, we have strengthened our controls in areas such as inside threat, supply chain and data loss and we have embedded security into the integration programme.

This year we have also reviewed a number of our cyber security controls and management strategies to improve our security controls posture in line with our digital strategy.

In mid-August 2025, the Colt Group detected and responded to a cyber incident affecting part of its internal IT environment. The incident is disclosed as a subsequent event in Note 22 of these financial statements. The Group continues to strengthen its security and resilience capabilities.

Third party exposures

Colt's exposure to third parties is increasing due to CORE's partnership strategy and its expanding partner ecosystem, as well as greater reliance on key vendors particularly within our IT estate as we advance our digital transformation journey. Failure to actively manage and control this ecosystem of partners, customers and vendors and to keep pace with changes in our vendor ecosystem could lead to poor performance, and negatively impact our customers, ultimately damaging Colt's brand and reputation.

COLT TECHNOLOGY SERVICES LIMITED**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024****Principal risks and uncertainties (continued)***Third party exposures (continued)*

Colt runs a comprehensive Procurement Strategy, which includes focus on Global Supply Management and Vendor Relationship Management to limit third party risk exposure and ensures we get the best value for money from our suppliers and partners.

Specifically, during the transition phase as Colt integrates LUMEN EMEA customers and assets, there will be a key dependency on LUMEN US to provide a series of services vital to our newly acquired customers and products through a series of transitional service agreements. Colt runs a comprehensive programme of work to integrate and roll-off all transitional support at pace as a means to maximise acquisition benefits and reduce specific counterparty risk.

People

To succeed in periods of change and economic downturn, Colt will need to ensure its workforce composition and operating model are aligned to its strategic intent and the needs and expectations of employees are met. Colt's ability to attract and retain resources with "in-demand" skills although an industry-wide challenge, will be key in Colt's ability to deliver against strategy in the medium to long term.

Colt is focused on ensuring its operating model supports its growth ambitions and allows for our workforce composition to meet the future needs of the business whilst delivering on business as usual (BAU) activities.

As CORE is focused on delivering its ambitious change agenda, maintaining engagement levels and the wellbeing of the workforce will be key to its success alongside effectively managing our evolving culture. CORE has developed an active listening strategy to ensure it remains engaged with staff through monitoring staff survey results and acting where required. Colt has developed processes to support flexible working arrangements and the achievement of a work-life balance. Colt has diversity and inclusion champions and has developed a comprehensive set of initiatives to build an inclusive environment where everyone at Colt can thrive and have a fair chance to develop and progress.

The health, safety and wellbeing of our employees remains a top priority for Colt and during 2024 Colt continued to operate a robust system of processes and controls to protect the health and wellbeing of all employees and contractors we have a duty of care to.

Regulatory and compliance

Colt operates in a regulated industry and could be adversely affected by the outcome of regulatory-driven investigations or by the introduction of new laws, policies or regulations, changes in the interpretation or application of existing laws, policies and regulations, or failure to obtain required regulatory approvals or licences.

The acquisition of LUMEN EMEA has brought with it exposure in new countries, where Colt has not been operating to date. Failure to adequately identify and manage our specific compliance obligations in country would expose Colt to fines and will have the potential to negatively affect our reputation.

Colt manages these risks through active identification of and engagement with the regulatory regimes and processes that affect our business. Colt actively seeks to identify and meet its regulatory obligations and to respond to emerging requirements. This includes, for example, interaction with relevant regulatory authorities.

At Colt, we are dedicated to fostering a culture of compliance across the organisation, embedding accountability for understanding and managing compliance requirements into our business. The establishment of Colt's Compliance function in 2023 reflects this commitment, and 2024 has been a pivotal year as the team has laid the groundwork for transformative improvements. Notably, plans for Colt's 'Compliance by Design' approach are underway, setting the stage for a proactive and integrated compliance framework in the future. Colt holds its employees to high standards of ethical performance and requires all employees to complete annual Code of Business Conduct training. Any breaches or suspected breaches of the Code of Business Conduct can be reported to the Ethics Committee or to an independent Business Ethics Line. Anonymous reporting is possible where permissible by local law. The Code of Business Conduct, including ways to report a (suspected) breach, are available on Colt's website. All such reports are provided to the Ethics Committee for review and, if required, further investigated. The CORE Audit Committee is provided with a quarterly report from the Ethics Committee.

COLT TECHNOLOGY SERVICES LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

Principal risks and uncertainties (continued)

Environmental, social, and corporate governance (ESG) and Climate change

ESG continues to play a pivotal role for Colt, however the challenge now is proactively managing ESG risks and integrating into our strategy and operations to achieve our net zero commitments and protect the external environment in which we operate.

We need to maintain momentum in existing network efficiency and asset replacement initiatives to lower emissions whilst balancing capital expenditure challenges and managing the LUMEN EMEA acquisition which brings uncertainties across energy management within newly acquired operations and integrating them into our net zero targets.

There is an increase in the breadth and depth of ESG reporting with the emergence of several large reporting regulations such as the EU Taxonomy and CSRD (Corporate Sustainability Reporting Directive) that can have an impact at a country and Group-level if we fail to make disclosures in line with the requirements.

We continue to see an increase in physical related risk events (flooding, extreme weather), which if we fail to have the right operational resilience, can cause significant disruption to the delivery of services to customers.

Colt has developed a comprehensive programme of work to measure and improve sustainability performance across the organisation. We are currently creating our long-term carbon roadmap on how we will achieve our net-zero targets. We are making investments in our existing network and real estate portfolio to lower emissions and drive energy efficiencies. The ESG team are proactively tracking ESG regulations and requirements, which allow us to take action against new requirements such as the EU Taxonomy/CSRD, with work underway to ensure compliance.

Dividends

The Directors do not recommend the payment of a dividend (2023: €Nil).

Charitable and political contributions

There were no charitable or political contributions made during the year (2023: €Nil).

Colt's risk management programme

Colt's enterprise risk management programme seeks to drive effective identification and management of risk across the Group. In 2024, Colt established separate CORE and DCS Audit Committees, along with distinct risk teams, to enable each reporting line to focus more effectively on its specific remit. The CORE Risk team is responsible for devising, implementing, and managing the risk management policy and strategy to meet the business's requirements. The CORE Risk teams support Management of this company by ensuring risk informed decisions are made.

The CORE Audit Committee reviews the results of the risk management processes on behalf of the Board at least twice a year and reports these results to the Board, with any combined Group disclosures reported through the CORE Committee.

To achieve this, the Audit Committee receives regular updates on key risks and priorities to ensure the overall Group risk exposure remains in line with the set appetite. Colt's Internal Audit team provides independent assurance on the design and operating effectiveness of Colt's global risk management, governance, and internal control environment.

Financial risk management objectives and policies

Colt operates a centralised treasury function, the prime objective of which is to optimise the return on Colt's cash balances and to manage the working capital requirements of Colt. Colt's major financial instruments are borrowings and working capital. Colt's principal financial risk exposures arise from credit risk of customers.

COLT TECHNOLOGY SERVICES LIMITED**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024****Financial risk management objectives and policies (continued)***Liquidity and interest rate risk*

Colt raises borrowings centrally and on-lends to its subsidiaries. All of Colt's borrowing is with a related-party company (with the exception of the temporary short term borrowings on the overdraft line linked to the Cash Pooling structure in place with BNPP) and has a variable interest rate.

On 21 May 2024, Colt, alongside its immediate parent Lightning Investors LLC ("LI LLC"), entered into a new RCF with FMR LLLC for \$1.7 bn for a term of five years. Colt and LI LLC each have the ability to draw down on the facility up to a maximum of \$1.0 bn of debt, and up to \$1.7 bn overall. As at year-end, Colt undrawn facility was \$0.8bn.

Credit risk

Colt is exposed to its customers defaulting on the payment of their debts. Management mitigates this risk by performing credit assessments on all new customers and existing ones (based on risk category and exposure reports). Management believes they have made sufficient provision for expected credit losses for the year taking into account the default risk stemming from the uncertain current economic environment.

Economic conditions

Continued competition, price erosion, risk of global recession, global conflicts, supply chain disruption and the impact of energy price rises could adversely affect Colt's results. Colt's lines of business are subject to unique and diverse technology and competitive risks.

Across networking and telephony Competitors are driving technology integration to achieve a lower cost to serve which has increased margin and price risks. Cloud, voice services and remote working solutions continue to be in high demand as Colt supports customers with hybrid working. Many businesses are assessing the impact of AI on their technology infrastructure and how they can build in resilience and agility to meet this demand.

Likely future developments

In November 2023 Colt completed its acquisition of LUMEN EMEA, bringing over 1,000 new people to the business along with 1.6m km of fibre and access to new regions. In 2024 and beyond, Colt has focused on integrating the people and business to create a combined product and solutions portfolio and consolidating systems and processes.

Colt has also embarked on a programme of 'simplification and automation' across its business to improve productivity, efficiency and customer experience. This will continue throughout 2025 and includes integrating AI, the consolidation of applications and process automation. The company also continued to deliver against its commitment to 'sustainability by design,' ensuring all parts of the business contribute towards ambitious ESG goals for Colt and its customers.

2025 will see Colt expand its Network as a Service/On Demand platform, integrating advanced features including displaying cloud carbon intensity by region, empowering customers to select the most carbon-efficient network routes for their digital infrastructure. Additionally, customers can consider the carbon intensity of different cloud locations to help them make informed decisions to reach their own carbon reduction goals.

Research and development activities

The Company did not engage in any research and development activities during the financial year.

Directors' and Company secretary's interests

The Directors and Secretary and their families had no disclosable interests in the shares of the Company or any other group company at 31 December 2024 (2023: no interests).

COLT TECHNOLOGY SERVICES LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

Accounting records

The measures taken by the Directors to ensure compliance with the requirements of Sections 281 to 285 of the Companies Act 2014 with regard to the keeping of accounting records, are the employment of appropriately qualified accounting personnel and the maintenance of computerised accounting systems. The company's accounting records are kept at the company's registered office at Units 15/16 Docklands Innovation Park, East Wall Road, Dublin 3.

Directors' responsibilities statement

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with Irish law and regulations.

Irish company law requires the Directors to prepare the financial statements for each financial year. Under the law, the Directors have elected to prepare the financial statements in accordance with the Companies Act 2014 and Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Under company law, the Directors must not approve the financial statements unless they are satisfied they give a true and fair view of the assets, liabilities and financial position of the Company as at the financial year end date, of the profit or loss for that financial year and otherwise comply with the Companies Act 2014.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for ensuring that the Company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the Company, enable at any time the assets, liabilities, financial position and profit or loss of the Company to be determined with reasonable accuracy, enable them to ensure that the financial statements and Directors' Report comply with the Companies Act 2014 and enable the financial statements to be audited. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in Republic of Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

COLT TECHNOLOGY SERVICES LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

Statement on relevant audit information

Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that:

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

Events since the end of the year

In mid-August 2025, Colt detected a cyber incident affecting one of its internal business support systems. As a precautionary measure, certain systems across the Colt Group were proactively and temporarily shut down. Management promptly reported the incident to the relevant authorities, and external cybersecurity experts were engaged to support internal teams in managing the response and mitigating associated risks.

The Colt Group has incurred, and expects to continue incurring, costs related to the investigation and remediation of the incident. This incident has been classified as a non-adjusting event and has had no impact on the financial results of this subsidiary for the year ended 31 December 2024.

Independent Auditors

The auditors, PricewaterhouseCoopers, continue in office in accordance with section 383(2) of the Companies Act 2014.

This report was approved by the board and signed on its behalf.

Signed by:

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Una Blake
Director
Date: 21 January 2026

Signed by:

034F758D4D4B42E...

.....
James Beddoe
Director
Date: 21 January 2026



Independent auditors' report to the members of Colt Technology Services Limited

Report on the audit of the financial statements

Opinion

In our opinion, Colt Technology Services Limited's financial statements:

- give a true and fair view of the company's assets, liabilities and financial position as at 31 December 2024 and of its profit for the year then ended;
- have been properly prepared in accordance with Generally Accepted Accounting Practice in Ireland (accounting standards issued by the Financial Reporting Council of the UK, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and Irish law); and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

We have audited the financial statements, included within the Annual Report and Financial Statements, which comprise:

- the Balance Sheet as at 31 December 2024;
 - the Statement of Comprehensive Income for the year then ended;
 - the Statement of Changes in Equity for the year then ended; and
 - the notes to the financial statements, which include a description of the accounting policies.
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Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) ("ISAs (Ireland)") and applicable law.

Our responsibilities under ISAs (Ireland) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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

Conclusions relating to going concern

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

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

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

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

Reporting on other information

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



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

With respect to the Directors' Report, we also considered whether the disclosures required by the Companies Act 2014 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (Ireland) and the Companies Act 2014 require us to also report certain opinions and matters as described below:

- In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 December 2024 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.
- Based on our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Directors' responsibilities statement set out on page 7, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view.

The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

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

A further description of our responsibilities for the audit of the financial statements is located on the IAASA website at:

https://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf

This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with section 391 of the Companies Act 2014 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

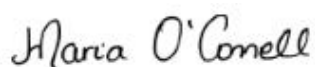
Companies Act 2014 opinions on other matters

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
 - In our opinion the accounting records of the company were sufficient to permit the financial statements to be readily and properly audited.
 - The financial statements are in agreement with the accounting records.
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Other exception reporting

Directors' remuneration and transactions

Under the Companies Act 2014 we are required to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by sections 305 to 312 of that Act have not been made. We have no exceptions to report arising from this responsibility.

A handwritten signature in black ink that reads 'Maria O'Connell'.

Maria O'Connell
for and on behalf of PricewaterhouseCoopers
Chartered Accountants and Statutory Audit Firm
Limerick
21 January 2026

COLT TECHNOLOGY SERVICES LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	2024 €	2023 €
Turnover	4	24,409,164	25,311,101
Cost of Sales		(14,773,346)	(14,230,589)
Gross profit		9,635,818	11,080,512
Administrative expenses		(21,262,425)	(18,061,511)
Other income	7	13,102,747	-
Operating profit/(loss)	7	1,476,140	(6,980,999)
Other interest receivable and similar income	8	33,563	11,220
Interest payable and similar charges	9	(857,160)	(825,388)
Profit/(loss) before taxation		652,543	(7,795,167)
Tax on profit/(loss)	10	(19,144)	(18,474)
Profit/(loss) for the financial year		633,399	(7,813,641)

Turnover and operating profit arose solely from continuing operations.

The notes on pages 15 to 31 form part of these financial statements.

COLT TECHNOLOGY SERVICES LIMITED

BALANCE SHEET
AS AT 31 DECEMBER 2024

	Note	2024 €	2023 €
Fixed assets			
Tangible assets	11	19,838,732	20,327,902
		<u>19,838,732</u>	<u>20,327,902</u>
Current assets			
Debtors (of which €917,076 is non-current [2023: €1,207,350])	12	4,447,588	3,467,660
Cash at bank and in hand		2,135	259,717
		<u>4,449,723</u>	<u>3,727,377</u>
Creditors: amounts falling due within one year	13	(33,844,568)	(34,322,905)
Net current liabilities		<u>(29,394,845)</u>	<u>(30,595,528)</u>
Total assets less current liabilities		<u>(9,556,113)</u>	<u>(10,267,626)</u>
Creditors: amounts falling due after more than one year	14	(746,204)	(710,157)
Provisions for other liabilities	16	(580,271)	(538,204)
Total non-current liabilities		<u>(1,326,475)</u>	<u>(1,248,361)</u>
Net liabilities		<u>(10,882,588)</u>	<u>(11,515,987)</u>
Capital and reserves			
Called up share capital	17	1,000	1,000
Capital contribution	18	50,000,000	50,000,000
Accumulated losses	18	(60,883,588)	(61,516,987)
Total equity		<u>(10,882,588)</u>	<u>(11,515,987)</u>

The financial statements were approved and authorised for issue by the board:

Signed by:

Una Blake

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.....
Una Blake
Director
Date: 21 January 2026

Signed by:

James Beddoe

034F758D4D4B42E...

.....
James Beddoe
Director
Date: 21 January 2026

The notes on pages 15 to 31 form part of these financial statements.

COLT TECHNOLOGY SERVICES LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2024

	Called up share capital	Capital contribution	Accumulated losses	Total equity
	€	€	€	€
At 1 January 2023	1,000	50,000,000	(53,703,346)	(3,702,346)
Loss for the financial year	-	-	(7,813,641)	(7,813,641)
At 31 December 2023 and 1 January 2024	1,000	50,000,000	(61,516,987)	(11,515,987)
Profit for the financial year	-	-	633,399	633,399
At 31 December 2024	1,000	50,000,000	(60,883,588)	(10,882,588)

The notes on pages 15 to 31 form part of these financial statements.

COLT TECHNOLOGY SERVICES LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024****1. General information**

Colt Technology Services Limited (the "Company") operates as a telecommunications service provider. The Company is a subsidiary of Colt Telecom Europe Limited, an intermediate UK holding company. Its ultimate parent company is SHM Lightning Investors LLC ('SLI') a company incorporated in the United States of America. The Company is a private company limited by shares and is incorporated and registered in the Republic of Ireland under the Company Registration Number 324439. The address of the Company's registered office is Units 15/16 Docklands Innovation Park, East Wall Road, Dublin 3.

These financial statements are for the financial year beginning 1 January 2024 and ending on 31 December 2024.

2. Accounting policies**2.1 Basis of preparation of financial statements**

These financial statements are prepared on a going concern basis, under the historical cost convention, as modified by the recognition of certain financial assets and liabilities measured at fair value.

The financial statements have been prepared in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2014.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Going concern

The Directors believe that it is appropriate for the financial statements to be prepared on a going concern basis. The Directors have received a letter of support from its parent company, Colt Group Holdings Limited, confirming that it will provide financial support to the company for at least 12 months from the date that the financial statements are approved. The financial support will include: not seeking the repayment of amounts advanced to the company by the parent and/or other members of the Colt Group and advancing further amounts to the company as required by the company.

The Colt Group has a strong cash position, effective management of working capital, and the ability to draw down from its RCF as required. On 21 May 2024, the Colt Group, alongside its immediate parent Lightning Investors LLC, entered into a new RCF with FMR Capital Holdings LLC for \$1.7bn for a term of five years. The facility is used to fund integration and transformation initiatives, the Group's capital expenditure and working capital requirements. The facility is denominated in USD and is issued at a variable interest rate linked to the Applicable Federal Rate. Colt and LI LLC each have the ability to draw down on this facility up to a maximum of \$1.0bn of debt, and up to \$1.7bn overall.

Despite the cyber incident as disclosed in Note 22 of these financial statements, Colt Group's liquidity and funding capacity remain strong, with no material impact on its ability to meet current or future obligations. After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Therefore, these entity financial statements have been prepared on a going concern basis.

COLT TECHNOLOGY SERVICES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

2. Accounting policies (continued)

2.3 Financial Reporting Standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Colt Group Holdings Limited as at 31 December 2024.

2.4 Turnover

Turnover represents amounts earned for services provided to customers (net of value added tax) and is recognised in the period in which the services are provided. Voice revenue is recognised when voice traffic is carried over the network based on the fair value of this traffic at the time the call is placed. Network revenue is typically invoiced in advance on a monthly or quarterly basis and recognised as revenue in the period of actual service provision.

Installation fees are invoiced and received upfront. Installation revenue cannot be unbundled from the underlying service since the customer cannot benefit from the underlying services without connecting to the Colt network. Installation fees are deferred and recognised in the statement of comprehensive income over the expected length of the customer relationship period.

2.5 Tangible assets

Tangible fixed assets are recorded at historical cost.

Network infrastructure and equipment comprises assets purchased and built, at cost, together with capitalised labour which is directly attributable to the cost of construction. Cost includes the original purchase price of the asset and the costs directly attributable to bringing the asset to its working condition for its intended use.

Estimation is required in determining the internal labour costs that can be capitalised and at what point in a project costs become eligible for capitalisation.

The estimated costs of removing assets are included in the cost of tangible fixed assets. The corresponding obligation is recognised as a provision.

Depreciation of network infrastructure and equipment commences from the date it becomes operational. Depreciation is calculated to write off the cost of tangible fixed assets less any residual value on a straight line basis over their expected economic lives as follows:

Network infrastructure and equipment

Network infrastructure and equipment	2% - 20% per annum
Office equipment	10% - 33% per annum

The assets' useful lives and residual values are reviewed and adjusted if appropriate at each reporting date.

COLT TECHNOLOGY SERVICES LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024****2. Accounting policies (continued)****2.13 Foreign currency translation (continued)****2.6 Impairment**

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

2.7 Cash and cash equivalents

Cash comprises of cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.8 Provisions for bad and doubtful debts

The Company has chosen to adopt the Sections 11 and 12 of FRS 102 in respect of provisions for bad and doubtful debts.

Amounts receivable from debtors are recognised to the extent that they are considered recoverable. Specific provisions are made against debts which have been recognised as being unlikely to be recovered in full. An additional provision is made to account for doubtful debts which although not specifically identified are known from experience to exist within the gross debtors' amount.

2.9 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.10 Operating leases: the Company as lessor

Rentals under operating leases are charged on a straight line basis over the lease term, even if the payments are not made on such a basis.

2.11 Employee Benefits*Pensions costs*

The Company operates a defined contribution scheme. The amount charged to the Statement of Comprehensive Income in respect of pension costs is the contributions payable in the year. Any differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

2.12 Finance costs

All finance costs are expensed as incurred.

2.13 Foreign currency translation**Functional and presentation currency**

The Company's functional and presentational currency is Euros.

Transactions and balances

COLT TECHNOLOGY SERVICES LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024****2. Accounting policies (continued)****2.13 Foreign currency translation (continued)**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transaction.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

2.14 Related parties

The Company has taken advantage of the exemption under paragraph 33.7 from the provisions of FRS 102, on the grounds that it is a wholly owned subsidiary of a group headed by Colt Group Holdings Limited and has not disclosed transactions with other group companies within the Colt Group.

2.15 Cash flow statement

Colt Group Holdings Limited, the intermediate parent company, publishes a consolidated Statement of Cash Flows, which includes the cash flows of the Company. The Company has therefore taken advantage of the exemption granted under FRS 102 (Paragraph 1.12 (b)) to not present a Statement of Cash Flows.

2.16 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

2.17 Property provisions

The Company provides for obligations relating to reinstatements in its properties, as well as for obligations to remove network assets. The provisions represent the net present value of the estimated future costs, with the unwinding of the discount included within Interest payable and similar expenses.

COLT TECHNOLOGY SERVICES LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024****2. Accounting policies (continued)****2.18 Financial instruments**

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an outright short term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Investments in nonderivative instruments that are equity to the issuer are measured:

- at fair value with changes recognised in the Statement of Comprehensive Income if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, a loss is recognised in the statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.19 Other income

Other income relates to group allocations received by Colt Ireland for services provided to other Group entities during the year, for which it is remunerated.

COLT TECHNOLOGY SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

3. Critical accounting estimates and judgements

The preparation of the financial statements under FRS 102 requires a number of estimates and assumptions to be made. In addition, management is required to exercise judgement in the process of applying Colt's accounting policies. Management continually evaluates the estimates, assumptions and judgements based on available information and experience. As the use of estimates is inherent in financial reporting, actual results could differ from these estimates.

Critical judgements

Management consider the majority of Colt's revenue contracts to have only one performance obligation, being the provision of the service to which the customer is contracting. This includes installation revenue which cannot be unbundled from the underlying service, since the customer cannot benefit from the services without connection to the Colt network.

Installation fees are deferred and recognised as the services are rendered over the average contract term (36 months), being the period over which Colt has enforceable rights and obligations. In applying the average contract term, management has made use of the practical expedient clause and applies a portfolio of contracts approach for contracts with similar characteristics on the basis that it would not materially differ from applying the standard to individual contracts. However, for significant installation fees (over £0.5m), the upfront consideration is deferred over the term of the specific contract to which the install relates.

Critical estimates

There are no *critical accounting estimates* made in preparation of these financial statements.

COLT TECHNOLOGY SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**4. Turnover**

An analysis of turnover by class of business is as follows:

	2024 €	2023 €
Voice	4,669,790	4,826,661
Network	19,739,374	20,484,440
	<u>24,409,164</u>	<u>25,311,101</u>

Analysis of turnover by country of destination:

	2024 €	2023 €
Europe	21,561,136	22,709,500
Asia	219,789	149,965
Rest of the world	2,628,239	2,451,636
	<u>24,409,164</u>	<u>25,311,101</u>

Revenue from external customers comes from the sale of network (including the residual Colt Managed Cloud ('CMC') business) and voice connectivity services and equipment.

Network includes €70,657 of revenue arising from transactions with other entities within the Colt Group (2023: €9,744).

5. Staff costs and employee information

	2024 €	2023 €
Wages and salaries	2,669,486	2,311,478
Social security costs	309,386	268,510
Other pension costs	452,996	414,146
Employee benefit costs	204,470	166,607
Less: salary costs capitalised	(759,260)	(762,768)
	<u>2,877,078</u>	<u>2,397,973</u>

COLT TECHNOLOGY SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

5. Staff costs and employee information (continued)

The average monthly number of employees, including the Directors, during the year was as follows:

	2024 No.	2023 No.
Technical services and operations	15	14
Sales and marketing	8	9
Administration	1	2
	<u>24</u>	<u>25</u>

6. Directors' emoluments

	2024 €	2023 €
Short-term benefits	505,825	330,996
Contributions to retirement benefit schemes: defined contribution	97,748	64,857
	<u>603,573</u>	<u>395,853</u>

1 Director was paid for their services as a director of the Company by another entity within the Colt Group.

7. Operating profit/(loss)

Operating profit/(loss) is arrived at after charging/ (crediting) the following:

	2024 €	2023 €
Staff costs (note 5)	2,877,078	2,397,973
Land and buildings operating lease expense	223,200	208,706
Other network operating lease expense	6,092,320	3,831,361
Other operating lease expense	74,406	46,796
Network infrastructure & equipment depreciation (note 11)	3,176,185	3,106,849
Computers, fixtures & fittings depreciation (note 11)	47,011	59,673
Foreign exchange (gains)	(10,140)	(74,833)
Other income	(13,102,747)	-
Bad debt	17,777	1,953
Auditors' remuneration	41,960	36,600

COLT TECHNOLOGY SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

7. Operating profit/loss (continued)

PricewaterhouseCoopers Ireland provides audit services to the Colt Ireland Retirement and Death Benefit Plan. The fees associated with these services were €nil (2023: €5,500). Other income relates to group allocations received by Colt Ireland for services provided to other Group entities during the year, for which it is remunerated.

8. Interest receivable and similar income

	2024 €	2023 €
Interest receivable from group companies	33,563	11,220
	<u>33,563</u>	<u>11,220</u>

9. Interest payable and similar charges

	2024 €	2023 €
Loans from group undertakings	847,099	821,777
Property provisions: unwinding on discount	1,517	1,560
Other charges	8,544	2,051
	<u>857,160</u>	<u>825,388</u>

10. Taxation charge

	2024 €	2023 €
Corporation tax		
Corporation tax charge on profits for the year	110,857	18,474
Adjustments in respect of prior periods	(91,713)	
Total current tax	<u>19,144</u>	<u>18,474</u>
Total tax charge for the year	<u>19,144</u>	<u>18,474</u>
Factors affecting tax charge for the year		

The tax expense assessed on the profit on ordinary activities is different from the amount computed by applying the Ireland corporation tax rate of 12.5% (2023 - 12.5%) on profit/(loss) earned during the year:

COLT TECHNOLOGY SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

10. Taxation charge (continued)

	2024	2023
	€	€
Profit/(loss) on ordinary activities before tax	652,543	(7,795,167)
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in Ireland of 12.5% (2023 - 12.5%)	<u>81,567</u>	<u>(974,396)</u>
Effects of:		
Deferred tax not recognised	-	8,765
Losses carried forward	16,380	913,863
Prior year tax loss adjustment	(91,713)	-
Additional tax on employee costs	19,143	18,474
Other tax differences	<u>(6,233)</u>	<u>51,786</u>
Tax charge for the year	<u>19,144</u>	<u>18,492</u>

Deferred tax assets require management judgement in determining the amounts to be recognised. In particular, judgement is used when assessing the extent to which deferred tax assets should be recognised with consideration given to the timing and level of future taxable income together with any future tax planning strategies. The following deferred tax asset has not been recognised:

	2024	2023
	€	€
Tax losses		
Tax losses	<u>7,944,215</u>	<u>7,932,032</u>

The cumulative total losses available for carry forward at 31 December 2024 are €63,553,723 (2023: €64,189,963).

The company has incurred significant losses since its inception. These losses can be carried forward and offset against future income on ordinary activities. There is an unrecognized deferred tax asset of €7,944,215 on tax losses at 31 December 2024. The asset arises on trading losses, which are available to carry forward. These losses may be recoverable against future profits arising from the same trade. However, this asset has not been recognised at the balance sheet date as the Directors consider that its ultimate recovery may be uncertain.

Pillar II

The Government of Ireland, the jurisdiction in which the Company is incorporated, transposed the Global Minimum Tax Pillar Two rules into domestic legislation as part of the Finance (No.2) Act 2023 (the "Finance Act"). The Finance Act closely follows the OECD Guidance released to date.

The Pillar Two rules apply a 15% effective tax rate on profits, and the Company is within the scope of these rules as of 1 January 2024. The Company applies the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes, as provided in the amendments to FRS 102 issued in July 2023. Pillar Two legislation is not expected to have a material impact on the financial statements of the Company. The Company has no related current tax exposure.

The company is, on its part expected to meet safe harbour exception. We have performed an assessment of the Group's potential exposure to the Pillar Two rules for the year ended 31 December 2024 and although Colt should meet one or more of the Safe Harbour tests set out in the OECD's Safe Harbours and Penalty Relief: Global Anti-Base Erosion Rules in most of the jurisdictions in which we operate, additional taxes resulting from the implementation of Pillar Two of €2m have arisen in respect of a small number of jurisdictions in which the Group operates, principally in Bermuda.

COLT TECHNOLOGY SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

11. Tangible fixed assets

	Network infrastructure & equipment €	Office equipment €	Total €
Cost or valuation			
At 1 January 2024	39,106,499	397,686	39,504,185
Additions	2,177,152	35,157	2,212,309
Intercompany transfers	521,717	-	521,717
Disposals	(2,476,966)	(18,648)	(2,495,614)
At 31 December 2024	<u>39,328,402</u>	<u>414,195</u>	<u>39,742,597</u>
Depreciation			
At 1 January 2024	18,994,464	181,819	19,176,283
Charge for the year on owned assets	3,176,185	47,011	3,223,196
Disposals	(2,476,966)	(18,648)	(2,495,614)
At 31 December 2024	<u>19,693,683</u>	<u>210,182</u>	<u>19,903,865</u>
Net book value			
At 31 December 2024	<u>19,634,719</u>	<u>204,013</u>	<u>19,838,732</u>
At 31 December 2023	<u>20,112,035</u>	<u>215,867</u>	<u>20,327,902</u>

Included in tangible fixed assets at 31 December 2024 is inventory, primarily relating to network equipment spare parts of €316,248 (2023: €360,498), and assets under construction of €287,939 (2023: €532,141).

COLT TECHNOLOGY SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

11. Tangible fixed assets (continued)

In respect of prior year:

	Network infrastructure & equipment €	Office equipment €	Total €
Cost or valuation			
At 1 January 2023	37,652,678	293,094	37,945,772
Additions	2,629,237	104,592	2,733,829
Intercompany transfers	904,140	-	904,140
Disposals	(2,079,556)	-	(2,079,556)
At 31 December 2023	<u>39,106,499</u>	<u>397,686</u>	<u>39,504,185</u>
Depreciation			
At 1 January 2023	17,967,171	122,146	18,089,317
Charge for the year	3,106,849	59,673	3,166,522
Disposals	(2,079,556)	-	(2,079,556)
At 31 December 2023	<u>18,994,464</u>	<u>181,819</u>	<u>19,176,283</u>
Net book value			
At 31 December 2023	<u>20,112,035</u>	<u>215,867</u>	<u>20,327,902</u>
At 31 December 2022	<u>19,685,507</u>	<u>170,948</u>	<u>19,856,455</u>

12. Debtors

	2024 €	2023 €
Trade debtors	1,150,893	1,070,207
Amounts owed by group undertakings	916,490	50,507
Other debtors	125,090	13,769
Prepayments	2,072,943	2,154,717
Accrued income	182,172	178,460
	<u>4,447,588</u>	<u>3,467,660</u>

COLT TECHNOLOGY SERVICES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

12. Debtors (continued)

Amounts owed by group undertakings are unsecured, carry interest at 6% and are repayable in less than one year.

Trade debtors are stated after provisions for impairment of €84,874 (2023: €67,097).

13. Creditors: amounts falling due within one year

	2024 €	2023 €
Amounts falling due within one year:		
Trade creditors	570,856	616,370
Other creditors	214,364	97,438
Amounts owed to group undertakings	30,574,164	31,221,085
Other creditors including tax and social insurance	657,945	611,986
Deferred income	277,329	123,805
Accruals	1,549,910	1,652,221
	33,844,568	34,322,905
	2024 €	2023 €
Other creditors including tax and social insurance		
PAYE	93,930	56,799
VAT	496,487	512,826
PAYE/PRSI control	67,528	42,361
	657,945	611,986

Amounts owed to group undertakings include short term loans repayable in less than one year which is unsecured and bears interest at the effective interest rate of 6.0% (2023: 6.0%).

Trade and other creditors due within one year are payable at various dates in the next three months in accordance with the suppliers' customary credit terms.

Creditors for tax and social insurance are payable in the timeframe set down in the relevant legislation.

Since the extent to which these creditors are effectively secured at any time depends on a number of conditions, the validity of some of which is not readily determinable, it is not possible to indicate how much of the above amount was effectively secured by reservation of title

COLT TECHNOLOGY SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

14. Creditors: amounts falling due after more than one year		
	2024	2023
	€	€
Amounts falling due after more than one year:		
Deferred income	746,204	710,157
	<u>746,204</u>	<u>710,157</u>
15. Financial instruments		
	2024	2023
	€	€
Financial assets		
Trade debtors	1,150,893	1,070,207
Amounts owed by group companies	916,490	50,507
Other debtors	125,090	13,769
Accrued income	182,172	178,460
Cash at bank and in hand	2,135	259,717
	<u>2,376,780</u>	<u>1,572,660</u>
Financial liabilities		
Trade creditors	570,856	616,370
Other creditors	214,364	97,438
Amounts owed to group companies	30,574,164	31,221,085
Accruals	1,549,910	1,652,221
	<u>32,909,294</u>	<u>33,587,114</u>
16. Provisions for other liabilities		
		Property and asset restoration provisions €
At 1 January 2024		538,204
Charged to profit or loss		58,200
Unwinding of discount		1,517
Utilised in year		(17,650)
At 31 December 2024		<u>580,271</u>

COLT TECHNOLOGY SERVICES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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16. Provisions for other liabilities (continued)

In respect of prior year:

	Property and asset restoration provisions €
At 1 January 2023	566,804
Charged to profit or loss	14,142
Unwinding of discount	1,560
Utilised in year	(6,000)
Released in year	(38,302)
At 31 December 2023	<u>538,204</u>

Provisions are recognised when Colt has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

The Company provides for obligations relating to reinstatements of its properties as well as obligations to remove network assets. The provisions represent net present value of the future estimated costs, with the unwinding of the discount included within Interest payable and similar charges.

The amounts payable in relation to the provision can change dependent on commercial factors and on the latest estimates of future costs to remove network assets such as cabling. The timing of payments can be impacted by factors including the timing of the exit of property leases and the timing of removal of network leases.

17. Share capital

	2024	2023
	€	€
Authorised		
1,000,000 (2023 - 1,000,000) Ordinary shares of €1.00 each	<u>1,000,000</u>	<u>1,000,000</u>
Allotted, called up and fully paid		
1,000 (2023 - 1,000) Ordinary shares of €1.00 each	<u>1,000</u>	<u>1,000</u>

This is a single class of equity share. There are no restrictions on the distribution of dividends and the repayment of capital, subject to the availability of distributable reserves. All shares carry equal voting rights and rank for dividends to the extent to which the total amount on each share is paid up.

COLT TECHNOLOGY SERVICES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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18. Accumulated losses

Accumulated losses represent accumulated comprehensive losses for the financial year and prior financial years less dividends paid (if any).

	2024 €	2023 €
Accumulated losses brought forward at the beginning of the year	(61,516,987)	(53,703,346)
Profit/(loss) for the financial year	633,399	(7,813,641)
Accumulated losses carried forward at the end of the year	<u>(60,883,588)</u>	<u>(61,516,987)</u>

Capital contribution

Capital contributions represent accumulated contributions made to the company. There were no capital contributions made during the year (2023: €nil).

19. Capital commitments

At 31 December 2024 the Company had capital commitments as follows:

	2024 €	2023 €
Contracted for but not provided in these financial statements	<u>1,289,006</u>	<u>1,039,050</u>

20. Financial commitments

At 31 December 2024, the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2024 €	2023 €
Not later than 1 year	280,740	292,666
Later than 1 year and not later than 5 years	1,122,960	1,122,960
Later than 5 years	2,195,175	2,475,915
	<u>3,598,875</u>	<u>3,891,541</u>

Property leases include land and buildings and repeater sites. The operating leases payments in relation to telecommunication infrastructure (excluding repeater sites) are cancellable so no commitments have been shown.

COLT TECHNOLOGY SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

21. Ultimate parent company and controlling party

The immediate parent company is Colt Technology Services Europe Limited, a company incorporated in the United Kingdom.

The ultimate parent Company and controlling party is SHM Lightning Investors LLC which is registered in the United States of America. SHM Lightning Investors LLC's financial statements are not publicly available.

The intermediate holding corporation is Colt Group Holdings Limited. Colt Group Holdings Limited is a private company limited by shares and is incorporated in the United Kingdom and registered in England and Wales. The address of its registered office is Colt House, 20 Great Eastern Street, London, England, EC2A 3EH.

Copies of the Colt Group Holdings Limited consolidated financial statements can be obtained from Colt House, 20 Great Eastern Street, London, EC2A 3EH, UK.

22. Subsequent events

On 16 April 2025, the Group entered into an agreement to sell six data centres across key European cities to a data centre provider, headquartered in the Netherlands. In addition, the Group will divest two data centres in London to a UK-based data centre operator. The sale was completed on 1 September 2025.

In mid-August 2025, Colt detected a cyber incident affecting one of its internal business support systems. As a precautionary measure, certain systems across the Colt Group were proactively and temporarily shut down. Management promptly reported the incident to the relevant authorities, and external cybersecurity experts were engaged to support internal teams in managing the response and mitigating associated risks.

The Colt Group has incurred, and expects to continue incurring, costs related to the investigation and remediation of the incident. This incident has been classified as a non-adjusting event and has had no impact on the financial results of this subsidiary for the year ended 31 December 2024. There were no other events affecting the Company's operations since the balance sheet date.

23. Approval of financial statements

The board of Directors approved these financial statements for issue on 21 January 2026.