

# **Zoom Holding Limited**

Consolidated Interim Report

Period Ended

30 June 2022

Registered number 05777758

# Zoom Holding Limited

## Consolidated Interim Report For the period ended 30 June 2022

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#### Directors

Anna Dellis  
Nick Horler  
Paul Miles  
Kevin O'Connor  
Bernardo Sottomayor  
Yaad Virdee

#### Secretary and registered office

Beach Secretaries Limited, Bluebird House, Mole Business Park, Leatherhead, KT22 7BA

#### Company number

05777758

#### Auditors

Deloitte LLP, 1 New Street Square, London, EC4A 3HQ

# Zoom Holding Limited

## Consolidated statement of comprehensive income For the period ended 30 June 2022

	6 months ended 30 June 2022 Unaudited £'000	6 months ended 30 June 2021 Unaudited £'000	12 months ended 31 December 2021 Audited £'000
<b>Turnover</b>	<b>50,986</b>	42,766	88,648
Cost of sales	<b>(26,108)</b>	(19,538)	(40,644)
<b>Gross profit</b>	<b>24,878</b>	23,228	48,004
Administrative expenses	<b>(10,381)</b>	(9,405)	(20,850)
Charge for bad debts	-	-	(1,030)
Total administrative expenses	<b>(10,381)</b>	(9,405)	(21,880)
<b>Group operating profit</b>	<b>14,497</b>	13,823	26,124
Other interest receivable and similar income	<b>1</b>	6	6
Interest payable and similar charges	<b>(17,026)</b>	(16,082)	(33,167)
<b>Loss on ordinary activities before taxation</b>	<b>(2,528)</b>	(2,253)	(7,037)
Taxation on profit on ordinary activities	<b>(2,487)</b>	4,908	(2,016)
<b>Loss for the financial year and total comprehensive income for the year</b>	<b>(5,015)</b>	2,655	(9,053)

The statement of comprehensive income has been prepared on the basis that all operations are continuing operations. There were no items of comprehensive income in the current and prior year.

# Zoom Holding Limited

## Consolidated balance sheet at 30 June 2022

	30 June 2022 Unaudited £'000	30 June 2022 Unaudited £'000	30 June 2021 Unaudited £'000	30 June 2021 Unaudited £'000	31 December 2021 Audited £'000	31 December 2021 Audited £'000
<b>Fixed assets</b>						
Intangible assets		22,418		27,908		25,164
Tangible assets		403,081		366,939		383,836
Deferred tax asset		9,118		18,400		11,605
		<u>434,617</u>		<u>413,247</u>		<u>420,605</u>
<b>Current assets</b>						
Debtors	12,672		12,138		9,974	
Cash at bank and in hand	33,187		58,028		37,558	
	<u>45,859</u>		<u>70,166</u>		<u>47,532</u>	
<b>Creditors: amounts falling due within one year</b>	<u>(31,000)</u>		<u>(26,825)</u>		<u>(25,372)</u>	
<b>Net current assets</b>		<u>14,859</u>		<u>43,341</u>		<u>22,160</u>
<b>Total assets less current liabilities</b>		<u>449,476</u>		<u>456,588</u>		<u>442,765</u>
<b>Creditors: amounts falling due after more than one year</b>		<u>(655,965)</u>		<u>(646,354)</u>		<u>(644,239)</u>
<b>Net assets</b>		<u>(206,489)</u>		<u>(189,766)</u>		<u>(201,474)</u>
<b>Capital and reserves</b>						
Called up share capital		134,241		134,241		134,241
Profit and loss account		(340,730)		(324,007)		(335,715)
		<u>(206,489)</u>		<u>(189,766)</u>		<u>(201,474)</u>

The consolidated interim report was approved by the Board of Directors and authorised for issue on 26 September 2022 and were signed on its behalf by:

Paul Miles  
Director



## Zoom Holding Limited

### Consolidated statement of changes in equity For the period ended 30 June 2022

	Share capital 30 June 2022 Unaudited £'000	Profit and loss account 30 June 2022 Unaudited £'000	Total equity 30 June 2022 Unaudited £'000	Share capital 30 June 2021 Unaudited £'000	Profit and loss account 30 June 2021 Unaudited £'000	Total Equity 30 June 2021 Unaudited £'000	Share capital 31 December 2021 Audited £'000	Profit and loss account 31 December 2021 Audited £'000	Total Equity 31 December 2021 Audited £'000
1 January	134,241	(335,715)	(201,474)	134,241	(326,662)	(192,421)	134,241	(326,662)	(192,421)
Comprehensive income for the period Profit / (loss) for the period	-	(5,015)	(5,015)	-	2,655	2,655	-	(9,053)	(9,053)
Total comprehensive income for the year	-	(5,015)	(5,015)	-	2,655	2,655	-	(9,053)	(9,053)
Contributions by and distributions to owners	-	-	-	-	-	-	-	-	-
Share issue	-	-	-	-	-	-	-	-	-
Total contributions by and distributions to owners	-	-	-	-	-	-	-	-	-
30 June	134,241	(340,730)	(206,489)	134,241	(324,007)	(189,766)	134,241	(335,715)	(201,474)

# Zoom Holding Limited

## Consolidated statement of cash flows For the period ended 30 June 2022

	6 months ended 30 June 2022 Unaudited £'000	6 months ended 30 June 2021 Unaudited £'000	Year ended 31 December 2021 Audited £'000
<b>Cash flows from operating activities</b>			
<b>Profit/(Loss) for the financial period</b>	<b>(5,015)</b>	2,655	(9,053)
Adjustments for:			
Depreciation and amortisation of fixed assets	8,104	7,704	15,767
Net interest payable/(receivable)	17,025	16,076	33,161
Taxation expense	2,487	(4,908)	2,016
(Increase)/Decrease in trade and other debtors	(1,840)	(3,398)	(1,234)
Increase/(decrease) in trade creditors	4,559	3,439	1,099
(Gain)/Loss on disposal of tangible assets	(20)	(18)	(51)
<b>Cash from operations</b>	<b>25,300</b>	21,550	41,705
Interest paid	(5,132)	(16,024)	(34,967)
Taxation paid	(986)	-	-
<b>Net cash generated from operating activities</b>	<b>19,182</b>	5,526	6,738
<b>Cash flows from investing activities</b>			
Proceeds from sale of tangible fixed assets	53	41	127
Purchases of tangible fixed assets	(23,607)	(24,334)	(46,102)
Interest received	1	6	6
<b>Net cash used in investing activities</b>	<b>(23,553)</b>	(24,287)	(45,969)
<b>Cash flows from financing activities</b>			
Loan notes issued	-	60,000	60,000
Capex loan draw down	-	-	-
<b>Net cash from financing activities</b>	<b>-</b>	60,000	60,000
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>(4,371)</b>	41,239	20,769
Cash and cash equivalents at beginning of year	37,558	16,789	16,789
<b>Cash and cash equivalents at end of period</b>	<b>33,187</b>	58,028	37,558
<b>Cash and cash equivalents comprise:</b>			
Cash at bank and in hand	33,187	58,028	37,558
Bank overdrafts	-	-	-
	<b>33,187</b>	58,028	37,558

# Zoom Holding Limited

## Notes forming part of the consolidated interim report For the period ended 30 June 2022

### 1 Financial Information

The interim financial information for the 6 months ended 30 June 2022 does not constitute statutory accounts within the meaning of section 435 of the Companies Act 2006. It has been prepared using accounting policies and principles consistent with those applied in the preparation of the audited accounts of Zoom Holding Limited Group for the period ended 31 December 2021.

The interim financial information has been prepared in accordance with FRS 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland. The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £1,000.

The financial statements have been prepared under the historical cost convention.

### 2 Comparatives

The comparatives in the interim financial information are the figures included in the audited financial statements for Zoom Holding Limited for the period ended 31 December 2021, together with the unaudited results for the 6 months ending 30 June 2021.

### 3 Analysis of Turnover

	6 month ended 30 June 2022 Unaudited £'000	6 month ended 30 June 2021 Unaudited £'000	12 month ended 31 December 2021 Audited £'000
Analysis by class of business:			
Gas transportation	18,231	16,764	34,362
Gas metering	4,551	4,796	9,539
Electricity distribution	27,842	20,847	44,028
Release of deferred income on third party contributions	362	359	719
	<u>50,986</u>	<u>42,766</u>	<u>88,648</u>

The Group's revenue is generated in the United Kingdom (excluding Northern Ireland).

### 4 Debtors

	Group 30 June 2022 Unaudited £'000	Group 30 June 2021 Unaudited £'000	Group 31 December 2021 Audited £'000
Trade debtors	8,789	9,197	8,317
Other debtors	-	31	53
Corporation tax	858	-	-
Prepayments and accrued income	3,025	2,910	1,604
	<u>12,672</u>	<u>12,138</u>	<u>9,974</u>

All debtors are due within one year.

# Zoom Holding Limited

## Notes forming part of the consolidated interim report For the period ended 30 June 2022 (continued)

### 5 Debtors (continued)

The amounts owed by group undertakings relate to intercompany balances which do not bear interest and are repayable on demand by the Company when sufficient funds are available to do so.

### 5 Creditors: amounts falling due within one year

Group	30 June 2022 Unaudited £'000	30 June 2021 Unaudited £'000	31 December 2021 Audited £'000
Trade creditors	15,756	15,750	12,889
Loan interest due	2,106	2,001	-
Taxation and social security	219	163	182
Other creditors	3,540	1,414	847
Corporation tax	-	-	128
Accruals and deferred income	9,379	7,497	11,326
	<b>31,000</b>	<b>26,825</b>	<b>25,372</b>

### 6 Creditors: amounts falling due after more than one year

Group	30 June 2022 Unaudited £'000	30 June 2021 Unaudited £'000	31 December 2021 Audited £'000
Loan notes	312,691	312,467	311,972
Capex loan	30,000	30,000	30,000
8% PIK notes	257,686	251,919	247,003
12% PIK notes	23,560	19,618	23,072
Deferred income	32,028	32,350	32,192
	<b>655,965</b>	<b>646,354</b>	<b>644,239</b>

The deferred income relates to contributions, from owner-occupiers of premises, partly to offset the capital expenditure on the infill networks, which are received at the time of initial connection. These receipts are released to the statement of comprehensive income account, as a reduction in the depreciation charge, over the useful life of the related assets.

The loan notes are secured by an All Assets charge over the assets of the Group, and are structured as follows :-

£54m at 2.69% Senior Secured Tranche A note due 6th October 2027  
 £85m at 3.05% Senior Secured Tranche B note due 6th October 2032  
 £30m at 2.116% Senior Secured note due 13th February 2035  
 £30m at 2.53% Senior Secured note due 30th June 2036  
 £85m at 3.35% Senior Secured Tranche C note due 6th October 2037  
 £30m at 2.736% Senior Secured note due 13th May 2041

The 12% and 8% PIK loan notes are listed on the Channel Island Stock Exchange and mature in 2036. The Capex loan is repayable in full in October 2026 and incurs interest at a rate of Sonia plus 1.62%.



# Zoom Holding Limited

Notes forming part of the consolidated interim report  
For the period ended 30 June 2022 (*continued*)

## 6 Creditors: amounts falling due after more than one year (continued)

The maturity of sources of debt finance is as follows:

Group	30 June 2022 Unaudited £'000	30 June 2021 Unaudited £'000	31 December 2021 Audited £'000
In one year or less, or on demand	-	-	-
In more than one year but not more than five years	30,000	30,000	30,000
In more than five years	593,937	584,004	582,047
	<u>623,937</u>	<u>614,004</u>	<u>612,047</u>

## 7 Financial instruments

The Group's financial instruments may be analysed as follows:

	Group 30 June 2022 Unaudited £'000	Group 30 June 2021 Unaudited £'000	Group 31 December 2021 Unaudited £'000
<b>Financial assets</b>			
<i>measured at amortised cost:</i>			
Cash at bank	33,187	58,028	37,558
Trade debtors	8,789	9,197	8,317
Other debtors	-	31	53
	<u></u>	<u></u>	<u></u>
<b>Financial liabilities</b>			
<i>measured at amortised cost:</i>			
Trade creditors	15,756	15,750	12,889
Other creditors	3,540	1,414	847
Accrual less than one year	8,669	6,794	11,326
Loan notes	312,691	312,467	311,972
Bank loan	30,000	30,000	30,000
12% PIK notes	23,560	19,618	23,072
8% PIK notes	257,686	251,919	247,003
	<u></u>	<u></u>	<u></u>

# Zoom Holding Limited

Notes forming part of the consolidated interim report  
For the period ended 30 June 2022 (*continued*)

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<b>8 Capital commitments</b>	<b>30 June 2022 Unaudited £'000</b>	<b>30 June 2021 Unaudited £'000</b>	<b>31 December 2021 Audited £'000</b>
<b>Group</b>			
Contracted but not provided for	<b>178,418</b>	158,004	177,793
	<hr/>	<hr/>	<hr/>
<b>9 Reconciliation of operating profit to EBITDA</b>			
<b>Group</b>			
Group Operating Profit	<b>14,497</b>	13,823	26,124
Add back net depreciation	<b>7,742</b>	7,345	15,047
	<hr/>	<hr/>	<hr/>
EBITDA	<b>22,239</b>	21,168	41,171
	<hr/>	<hr/>	<hr/>

## 10 Related party disclosures

The parent undertaking is 3i MIA Holdings Limited, which is wholly owned by 3i Managed Infrastructure Acquisitions LP ("3i MIA LP").

The Company is ultimately controlled by 3i MIA LP, an English limited partnership, which is managed by 3i Investments plc. 3i Investments plc is wholly owned by 3i Group plc. The general partner of 3i MIA LP is 3i Managed Infrastructure GP (2017) LLP.