Solid solutions
for a dynamic world

This image has been generated by Maintel's "Generative Art Tool" visualising real-time data on IT service status, reflecting uptime and performance metrics and powered by the Maintel Application Platform.

Maintel

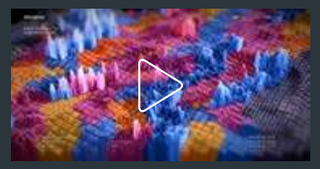
Annual Report & Accounts 2024

Maintel's brand story

Most of our lives occur in the digital space, from communications, work, entertainment, education, healthcare, shopping and banking. Organisations need communication infrastructure that helps them run efficiently and securely.

Solid solutions for a dynamic world

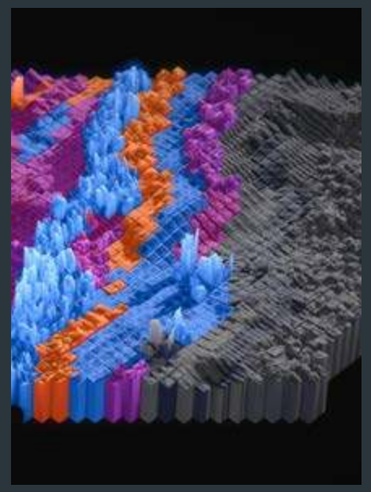
We deliver solid technology solutions. Enabling you to meet and exceed the ever-changing needs and expectations of customers, employees and the general public in a demanding, dynamic world.

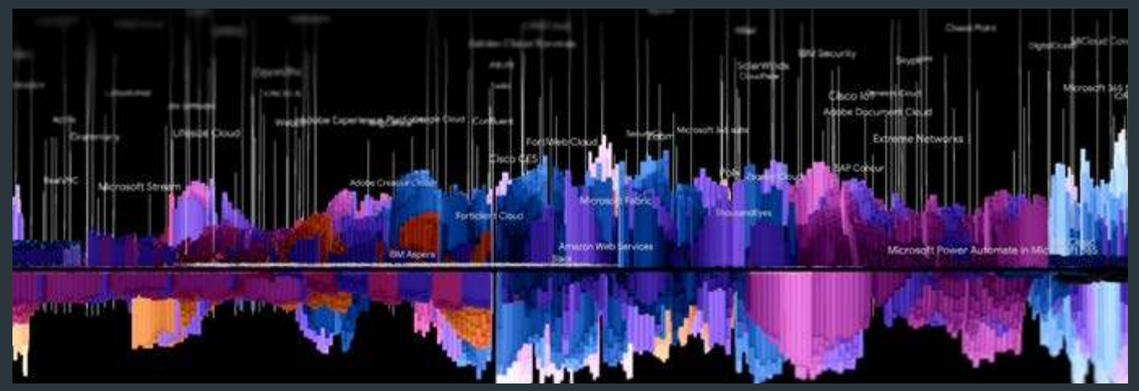


Brand video →

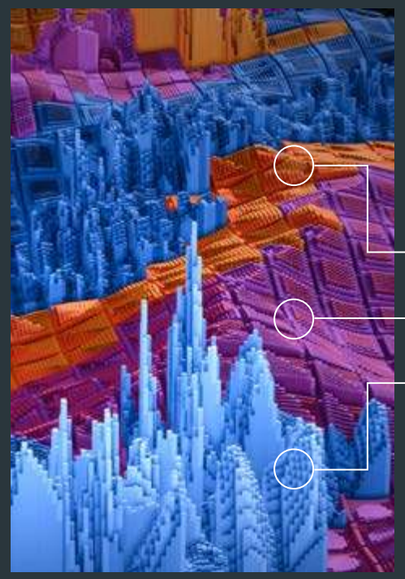
Cover Data art

As part of Maintel's recent rebranding we have created a generative art that visualises real-time service status data, reflecting uptime and performance metrics. As the health and availability of services change, the artwork dynamically evolves.





Generative art demands a resilient, reliable stream of data. Our Maintel Application Platform delivers just that, ensuring robust data collection, seamless collation, and proactive streaming, all accessible whenever needed. Built with solid technology and a forward-thinking approach, we empower creativity through dependable, on-demand data solutions.



Unified Comms & Collaboration

Secure Connectivity

Customer Experience

Our services →

What is inside

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Visit our website: maintel.co.uk
for further information

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Our heritage

The last three decades

1991
Maintel, founded by Tim Mason and Angus McCaffery, to provide telecommunications equipment maintenance and support service to UK businesses

2004
Maintel Holdings plc was admitted to trading on AIM, a sub-market of the London Stock Exchange (Stock ticker: MAI)

2006
Acquisition of District Holdings, adding approximately 400 customers to the Group

2010
Acquired part of Redstone's Avaya business for £1.8 million, which began ongoing partnership with Avaya

2011
Acquired Totility for £7.0 million, adding mobile telephony to the Group's portfolio

Over the last three decades, Maintel has grown significantly through organic growth and acquisitions, bringing scale, capabilities, customers and talent to the business.

During this period, the technological landscape has rapidly evolved and Maintel has adapted and progressed its customer offering to keep pace with new technologies and changing customer needs.

2016
Acquisition of Azzurri Communications for £48.5 million, an established technology and managed communications provider, adding a service provider core network, private cloud platform and a significant customer base

2014
Acquisition of Proximity Communications for £11.6 million, increasing the Group's capabilities in Unified Communications, contact centre, design authority, data networking, security and wireless

2013
Acquired the UK and Ireland operations of Datapoint group for £3.5 million, providing expertise for the Group to develop in new sectors including contact centres and opportunities in Ireland

2017
Acquisition of Intrinsic Technology for £5.25 million, a provider of secure communications solutions, enhancing the Group's capabilities in LAN networking and network security

2022
Comprehensive business review undertaken

2023
Start of five-year transformation plan to pivot Maintel from a Managed Services Provider generalist to a highly skilled specialist focused on three high-growth technology segments

Maintel

2024
Relaunched the Maintel brand offer
Solid solutions for a dynamic world

2024 at a glance

Financial Summary

Key Financials

Final results for the year to 31 December:

	2024	2023	(Decrease)/ increase
Group revenue (£'m)	**97.9**	101.3	(3.4%)
Gross profit (£'m)	**30.6**	31.2	(1.9%)
Adjusted EBITDA[1] (£'m)	**10.5**	9.1	15.4%
Profit/(loss) before tax (£'m)	**0.4**	(6.8)	105.9%
Adjusted profit before tax[2] (£'m)	**7.3**	5.5	32.7%
Basic earnings/(loss) per share (p)	**3.6**	(37.3)	109.7%
Adjusted earnings per share[3] (p)	**28.2**	23.6	19.5%
Net debt[4] (£'m)	**(16.6)**	(18.1)	8.3%

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.

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[4] 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.

Adjusted EBITDA

£10.5▲m

(2023: £9.1m)

Net debt[4]

£16.6▼m

(2023: £18.1m)

2024 at a glance continued

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.

Relaunched 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.

2024 Fast Facts

Each month our Service Desk resolves

18,000 to 20,000

tickets and alerts

>95%

of all incidents are resolved remotely

Over 17,000

customer WAN/LAN/WIFI devices monitored daily

Our carrier telephony services deliver more than

70 million

minutes of calls each month

Cloud communication SaaS applications delivered to

~180,000

subscribers

Key performance indicators

Revenue

3.4%

£97.9m (2023: £101.3m)

2024	**£97.9m**
2023	£101.3m
2022	£91.0m

The total of sales from all customers and partners in all markets. An indicator of the size of our Company.

Recurring revenue

75%

+1pp, at £73.3m (2023: 74%, at £75.0m)

2024	**75%**
2023	74%
2022	77%

The percentage of overall revenue that is contracted and recurring. An indicator of visibility and predictability of earnings.

Net debt

£1.5m

£16.6m (2023: £18.1m)

2024	**£16.6m**
2023	£18.1m
2022	£16.6m

The net position of cash debt at year-end (31 December 2024). A measure of control over the Group's liquidity.

Net promoter score

5.0%

63.00 (2023: 60.00)

2024	**63.00**
2023	60.00
2022	52.75

An internationally recognised metric which provides a good indication of the quality of customer experience provided.

Gross margin

31.3%

+0.4pp (2023: 30.9%)

2024	**31.3%**
2023	30.9%
2022	30.6%

The difference between revenue and cost of sales expressed as a percentage of revenue.

Adjusted EBITDA

15.4%

£10.5m (2023: £9.1m)

2024	**£10.5m**
2023	£9.1m
2022	£4.4m

Adjusted EBITDA is EBITDA adjusted for exceptional items and share based payments. An indicator of trading performance. See page 43.

Customer satisfaction score

2.2%

4.70 (2023: 4.60)

2024	**4.70**
2023	4.60
2022	4.72

A key measure of customer satisfaction taken as the average through the year from sampled responses each month.

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	– Brand refresh launched. – New customer collateral suite launched. – New, innovative website launched. – Nominated for "MSP of the Year" at both Comms Business and CRN awards.
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	– New logo sales team embedded, developing pipeline and closing initial deals. – New retention manager role created, identified customers needing additional support and created initial retention strategy. – Sales and Pre-Sales enablement for whitespace opportunity identification. – New sales methodology implemented. – Refocused Marketing 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.	– Launched new Maintel Application Platform. – Developed and launched Audiosafe call recording archive & migration App. – Launched Fortinet based SD-WAN and Zscaler based Security Service Edge managed services. – Launched new 8-step consultancy led engagement model. – Launched new Cyber Incident Response service.
People, Systems & Processes	Build a highly skilled, future-focused and engaged team, empowered though the digital transformation of our systems and processes	– Significant progress in infrastructure modernisation and strengthening of our security posture. – Completed first phase of our operational modernisation programme. – High talent recruits at senior level. – New internal comms strategy implemented.

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

Read more about Our Services and Platforms on pages 24 to 29

Maintel Today

Our Purpose

Why we exist

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

Our Vision

Where we want to be

To be the first-choice technology services partner of ambitious brands and public services, chosen because of our dependable enablement of their vision and operations.

Our Mission

How we will achieve our vision

To become trusted insiders within our clients' organisations. An embedded partner working in close collaboration to deliver their workplace, service and customer experience strategies.

We consult on the design, deploy and manage solid technology solutions – mission critical infrastructure, platforms and applications that ensure our clients' businesses run efficiently and securely, achieving their ambitions, while always being ready to adapt.

Our Values

Our values inform every aspect of how we work and behave with our key stakeholders, including our colleagues, customers, and partners.

Our values underpin the Group's goal to deliver solid solutions to our clients that help them make progress and succeed in a dynamic world.

CONSISTENT EXCELLENCE
CONSTANT IMPROVEMENT
COLLABORATIVE ATTITUDE

CONSISTENT EXCELLENCE
CONSTANT IMPROVEMENT
COLLABORATIVE ATTITUDE

Robust
We have a strong sense of confidence to navigate uncertainties with grace

Experienced
We are driven by knowledge and skills, with the ability to solve complex problems and provide effective guidance

Trustworthy
We consistently demonstrate reliability, honesty and integrity. Earning the confidence and respect of those around us

Disciplined
We possess a strong sense of responsibility and dedication, exhibiting resilience in the face of challenges, maintaining composure and focus

Customer Focused
We continually strive to exceed the expectations of our customers at every point of their journey

CONSISTENT EXCELLENCE
CONSTANT IMPROVEMENT
COLLABORATIVE ATTITUDE

Positive
We maintain a hopeful and constructive mindset, focusing on solutions rather than dwelling on problems

Adaptable
We have the ability to adjust our mindset and strategies in response to shifting circumstances or unexpected challenges

Curious
We have an insatiable desire for knowledge, exploration, and understanding of the world. We are open-minded and receptive

Sustainable
We pursue our ESG goals to continue to build a strong organisation, which contributes to a cleaner environment and strives for sustainable profitability

Forward-thinking
We pursue data driven insights to anticipate and drive better, smarter decision-making

CONSISTENT EXCELLENCE
CONSTANT IMPROVEMENT
COLLABORATIVE ATTITUDE

Empathetic
We are team-workers who set aside our own biases and judgments to offer meaningful support and assistance

Motivated
We have a genuine desire to make a positive impact. Go above and beyond to help others and support the achievement of team goals

Proactive
We take the initiative and anticipate potential challenges or opportunities, acting in advance to address them effectively and to maximise every opportunity

Respectful
We listen, value and treat everyone with dignity and kindness, regardless of differences in background, beliefs or perspectives. We nurture diversity and believe a good idea can come from anyone

Our people and culture

Our people are our most valuable asset – they are a key differentiator of our business performance, and their engagement, wellbeing and continuous improvement is a key focus for Maintel.

Our people strategy is aligned with our purpose, business strategy and values. It is focused on attracting, motivating, developing, rewarding and retaining the talent we need to be successful.

Our culture is an important aspect of who we are – our identity. It drives, how we deliver best in class solutions to our customers; how we add value to our clients by helping them transform and improve their businesses; how we ensure we stay ahead of the curve in a rapidly developing technology sector; and how we enable our people to reach their full potential. Our focus is on creating a culture where our people are empowered and engaged and where they work together to drive the business forward, whilst also developing their transferable skills and long-term career with Maintel.

Our brand values underpin our culture with consistent excellence, a collaborative attitude and constant improvement at the heart of everything we do. We continue to fully embrace and recognise the importance of work/life balance, offering a mixture of home and hybrid working, which in turn enables a flexible workforce and improves our ability to attract and retain key talent.

We're also proud of the diversity within our business, and the variety of talent we're able to attract and retain. Recognising and leveraging the benefits of differing experiences, backgrounds, cultures and personalities enables us to continually evolve and embrace new ideas and approaches, whilst also collectively celebrating our successes.

2024 has been another busy year for our people as we have continued to build and develop a highly skilled and future-focused team, and to transform our structures and processes in line with our new strategy.

In terms of recruitment, we have started to place greater focus on direct recruitment, and we've already seen some excellent talent join the business at minimal cost.

While we still work with agencies, this is an area we're aiming to develop further. We have improved our on-boarding programme, so that new recruits are supported with a buddy from day one. This programme has assisted with the on-boarding of a number of new colleagues from existing service providers as we bring additional services in-house. In addition, we have supported a number of apprentices and are delighted that two of these have now been permanently appointed to the business.

A review of our business needs in terms of office location has been undertaken, and as a result we closed our Cannock office in July 2024, embracing a more flexible and dynamic work model that allows our teams to work remotely and collaborate from anywhere using a nationwide office provider. We have also secured new office premises in London and our London-based staff relocated in April 2025. This is an exciting development for the Company and provides an excellent collaborative space for our employees and an excellent meeting place for our clients and suppliers.

We have continued to invest in our employee benefits, offering an increased range of flexible benefits to our people and widening the scope of our health cash plan and group income protection insurance cover to all employees. We have invested in a salary benchmarking tool to ensure that we are aware of pay and benefit trends in our sector and that we continue to provide market competitive remuneration packages.

There has also been continued investment in training and development. We continue to maintain a wide range of technical accreditations for our people; provide mandatory e-learning to ensure our people are up to date with legal and regulatory changes and this year provided training for line managers and our well-being ambassadors on how to support colleagues with mental health problems.

Employee Engagement

Maintel's success is dependent on the knowledge, skill and engagement of our employees, and the Board actively seeks out their views.

The Chief Executive Officer and members of the Operating Board hold regular 'town hall' meetings, both across the Company's offices and online. These sessions are well received, with our people appreciating the opportunity to receive regular updates on business performance, to find out what is happening in other teams around the company and to ask the questions that are important to them. There are also regular electronic updates to all staff via the Maintel communication and engagement platform.

The Group's employee representative and engagement forum, "Maintel Matters", meets regularly. It is chaired by a member of the Operating Board and has representatives from across the business and at all levels. It is an active forum and seeks employee views on proposed changes to office locations, working practices, office facilities, employment terms and conditions, environmental, health and safety matters and much more.

Overall employee engagement is measured annually. The 2024 employee engagement survey had an increased number of people completing the survey to 88% (2023: 82%) and delivered a significant increase in our Net Promotor Score, moving this to a positive score for the first time. The survey demonstrated that there is an excellent understanding of the future direction of Maintel (96%) and that there are strong managerial relationships with more people receiving direction and feedback and having a high level of belief in their manager's abilities and values. It also highlighted areas for improvement in terms of further improvements in cross functional sharing and collaboration; a need for better understanding of career and training and development opportunities; and the need to improve employees' sense of belonging. Our focus now is on sharing the results of the survey, celebrating the successes identified and working with our people to develop and implement an appropriate action plan.

Well-being

The physical, emotional and financial well-being of our employees continues to also be a key priority for us.

All employees are enrolled in our Health insurance cash plan, our employee assistance programme, and are provided with group income protection.

Our team of well-being ambassadors do an excellent job of identifying where further support is required and in promoting well-being opportunities. In 2024, they identified the need for the provision of training on how to support people with mental health issues, have been proactive in providing local volunteering opportunities and are in the process of establishing social based communities around key hobbies/interests.

Equality and Diversity

The Company actively supports the principle of equal opportunities in employment and is committed to ensuring that individuals are treated fairly and with respect. The Company opposes all forms of unlawful or unfair discrimination on the grounds of colour, race, religion or belief, nationality, ethnic or national origin, sex, gender, re-assignment, sexual orientation, marital or civil partner status, age or disability. We take every possible step to ensure that decisions on recruitment and selection, pay, training and promotion opportunities are based solely on objective and job-related criteria.

Investment case

Why invest?

The Group's business model and strategic approach are supported by our key strengths, which together aim to deliver value for all our stakeholders.

High growth market verticals

Focus on market verticals with high growth characteristics – financial services, public sector (particularly healthcare and social housing), retail and utilities – with long-term opportunity to build on Maintel's existing market penetration across the UK public and private sectors.

Read more about our markets and key drivers on pages 30 to 32

Strong R&D capabilities

A dedicated in-house approach to R&D ensures we continue to innovate our Maintel proprietary platforms and products, and build intellectual property which distinguishes us in the industry and enables is to offer personalised solutions for customers.

Read more about our proprietary platforms on page 27

Powerful technology partnerships

We have long-established strategic partnerships with selected world-class technology companies, enabling us to deliver unmatched communications solutions that help to transform communications in public and private sector organisations.

Read more about our services and platforms on pages 24 to 29

Highly skilled specialist cloud and managed communication service provider

Specialist provider focused on three strategic technology pillars – Unified Communications & collaboration, Customer Experience and Security & Connectivity – delivering mission critical services to customers, which enable them to thrive in a dynamic hybrid working and multi-cloud world.

Read more about our redefined value proposition on pages 14 to 17

High-quality, predictable earnings

Increasing quality and predictability of earnings underpinned by the Group's high-growth market verticals, strong recurring revenues and long-term customer relationships.

Read more about our 2024 Results on pages 42 to 44

Performance resilience

Continued focus by management on financial discipline with anticipative cost control and dynamic working capital management, strengthened cash generation with continuous debt reduction points to further improving financial performance of the company.

Read more about our 2024 Results on pages 42 to 44

Deep expertise

At the forefront of digital communications for more than 30 years, servicing customers in an evolving and changing technological landscape led by an experienced management team, supported by a strong sales team and customer service functions.

Read more about our service and platforms on pages 24 to 29

How we create value

Our business model and strategy

Our strategy prioritises organic growth, driven by cross-selling and up-selling services to existing customers, and bringing new customers into the Group.

The Group is focused on long-term value for all its stakeholders.

Our Inputs

- Highly skilled specialist cloud and managed communication service provider
- Strong R&D capabilities
- High growth market verticals and focused propositions
- Deep expertise in strategic technology segments
- Powerful technology partnerships
- Strong customer relationships

Key vertical markets

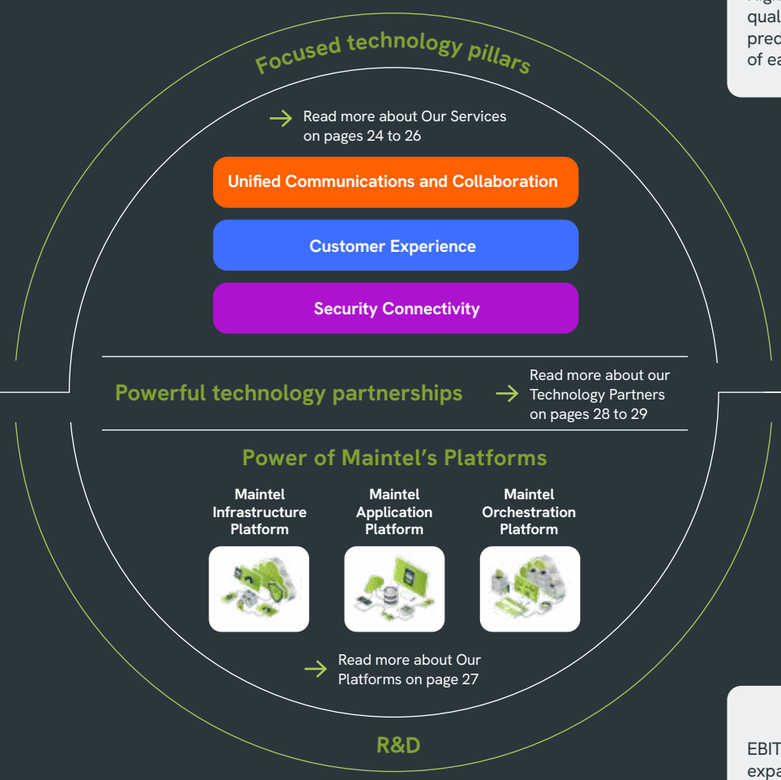
Private and Public Sector organisations with 250 to 10,000 FTEs

- Retail*
- Utilities
- Financial Services*
- Public sector: Education, Healthcare*, Local Government, Social Housing*

*Focused growth areas

→ Read more about Our Markets and Customers on pages 30 to 35

Our Methodology



Value Creation

- Higher quality and predictability of earnings
- Organic revenue stream growth across three strategic pillars
- Strong cash generation
- New client acquisition cross sell and pipeline generation
- Operational excellence and scalability
- EBITDA margin expansion

What we do

We consult on the design, deploy and manage network infrastructures, platforms and software, including our own, that keep ongoing operations running smoothly and dependably, protecting business as usual, while being flexible enough to adapt.

How we deliver solutions

We work with our customers to identify their requirements and develop, implement and maintain a best-in-class technology solution to meet their communications needs.

Outcomes

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

Our services and platforms

Our Services

Unified Communications and Collaboration

Our Unified Communications and collaboration solutions provide a suite of tools for customers, which enable their team members to collaborate. These services are focused on helping our customers and their people to be more effective, efficient and collaborative.

UCP / UCP+

Maintel UC Private and Maintel UC Private +

Solutions providing advanced capabilities and hybrid cloud blending between customer premise, private cloud and public cloud, ensuring security and data sovereignty for customers.

RC

Maintel RingCentral

Accelerating digital transformation by modernising and future-proofing communications with flexible cloud-based connectivity, eliminating legacy systems, whilst offering continuous innovation, and addressing critical issues such as the upcoming 2027 BT PSTN shutdown.

TC

Maintel Teams Connector

Connecting Microsoft Teams to the outside world via VoIP technology and adding advanced capabilities such as cross platform integration and call recording, using our carrier class Maintel Infrastructure Platform.

MM

Maintel Managed Mobile

Fully integrated enterprise solutions that simplify mobile workforce management, ensuring your employees can work efficiently, regardless of location.

UCA

Maintel UC Analytics

Aggregates data from multiple Unified Comms platforms to provide a single source of information from which actionable insights can be quickly gathered.

ST

Maintel SIP Trunking

Scalable, flexible, and cost-effective IP based telephony line service, tailored to meet the evolving needs of modern businesses, simultaneously supporting legacy telephony, private and public cloud environments.

Customer Experience

Maintel is uniquely placed to support the needs of organisations' omnichannel communications and distributed workforce to enhance the user and customer experience, while ensuring return on investment. Our Customer Experience solutions provide supportive technology which enables businesses to acquire, service and retain their customers, seamlessly and efficiently by delivering a best in class customer experience.

CXP

Maintel CX Private

Transitions customers from legacy to cloud contact centres in a highly secure environment with guaranteed data sovereignty.

AXP

Maintel Avaya Experience Platform

Smooth cloud transition, offering powerful tools for enhancing customer and employee experience, and advanced AI capabilities and cloud flexibility.

AS

Maintel AudioSafe

An independent solution providing both long term archiving for call recordings and legacy recording migration, centralised and accessed via the unique Maintel Portal.

GC

Maintel Genesys Cloud

Omni-channel connectivity enabling customers to communicate how, where and whenever they want, providing enhanced workforce engagement.

GH

Maintel Gamma Horizon

Simplifies and enhances customer communication, providing an easy-to-use, self-service feature set for small to medium businesses.

Security and Connectivity

Our security and connectivity solutions support our customers' people, partners and consumers to securely connect to their cloud platforms, applications and data, whilst protecting them from cyber threats.

SDW

Maintel SD-WAN

Seamless, dynamic and reliable connectivity between users, location and the cloud, with centralised management to orchestrate networks; proactive risk mitigation and robust security to protect data.

SSE

Maintel Security Service Edge

Converging critical network security functions into a single, cloud-based platform.

LAN

Maintel LAN

Traditional and software-defined wired and wireless local "in building" or "in campus" networks tailored to unique business needs, delivering reliable, secure, and efficient network infrastructure.

CS

Maintel Cyber Services

Providing expert guidance, proactive protection, and rapid threat response to help organisations strengthen their security posture.

SC

Maintel Secure Connect

Providing a seamless underlay network of diverse and flexible connectivity options, private connectivity to cloud platforms and secure Internet connectivity. Often complimented with Maintel SD-WAN.

Our services and platforms continued

On-premise Managed Services

Our on-premise support and managed services provide customers with four package solutions across Unified Communications, Customer Experience and Security and Connectivity pillars, which can meet a customer's needs, budgets and required outcomes, including options for support hours, value-added components and MAC packs. These packaged solutions range from traditional reactive "break-fix" services to innovative solutions:

Reactive solutions		Proactive solutions	Preventative solutions
Maintain	**Assist**	**Assure**	**Augment**
Enhancing efficiency and providing support when needed	Improving efficiency	Continuous improvement	Strategic planning
	Reducing risk	Reducing downtime	Preventing downtime
		Increased visibility	Increased understanding
			Maximising investment

Our Platforms

Maintel's intellectual property (IP) platforms underpin the services that the Group delivers to its customers and are designed to empower organisations with the flexibility, control and insights needed in the dynamic digital landscape. This IP is deployed alongside and complements technology and carrier partner services.

Our team of highly skilled Engineers, DevOps Specialists, Software Developers and Quality Assurance Analysts have the expertise to craft bespoke solutions across our technology pillars, including apps, integrations and software innovations.

Maintel Infrastructure Platform

Integrates the latest SD-WAN fabrics, traditional WAN technologies, private cloud solutions, and carrier-grade voice delivery platforms which support customers' need for cloud access, seamless communication, secure innovation deployment, and compliant technology integration.

Maintel Application Platform

We create custom apps and integrations that connect legacy and modern infrastructures, enabling seamless transitions to cloud-native platforms, which integrate our services with customer workflows and business applications.

Maintel Orchestration Platform

Our orchestration tools automate business operations, while monitoring tools provide complete observability of IT performance, providing customers with full visibility and control over their digital ecosystem.

Our services and platforms continued

Technology partners

Visit our website: maintel.co.uk/services for further information

Maintel has established strategic partnerships with world-class technology companies to deliver unparalleled communication solutions to customers. We work with partners whose capabilities, functionality, innovation, and vision align with our commitment to transforming public and private sector organisations.

While a host of partners and carriers are required to deliver complete solutions to customers, several form the core of our services, and these services are combined with our own intellectual property.

Unified Communications & Collaboration

Key technology partners

Avaya

Maintel holds the highest levels of accreditation with Avaya as a Diamond Edge Partner with co-delivery status across the whole Avaya enterprise portfolio, including specialisation in Avaya AXP.

As one of Avaya's most accredited partners in Europe, Maintel's experts support hundreds of thousands of interactions per day using Avaya technology.

Maintel is Avaya's leading partner for cloud services – supporting tens of thousands of users on Maintel's UC Private Pro Service.

Gamma

As a Platinum partner Maintel have the highest level of accreditation in Gamma's partner program.

Gamma's Unified Communication as a Service (UCaaS) platform fits perfectly in mid-market sized organisations, looking for a cost effective but powerful solution, and their market leading SIP Trunking platform underpins our Cloud Communication offerings.

Mitel

Maintel is a major partner of Mitel in Europe, holding the prestigious status of a top-level Platinum Partner.

Additionally, we have been named UKISA partner of the year at Mitel Next Awards. The award recognises Maintel's pivotal role in helping expanded Mitel's reach and implementing advanced communication solutions tailored to regional demands.

RingCentral

With deep expertise in on-premises telephony solutions and a proven track record in cloud telephony migration, Maintel stands as the leading technology provider for RingCentral in the UK.

As a RingCentral UK Wholesale partner, Maintel can provide enhanced commercial offerings.

Other partners include:

Colt, Crayon, Datatrack, Eircom, GTT, Microsoft, O2, Ribbon, Tollring, Virsae and Vodafone.

Customer Experience

Key technology partners

Avaya

Maintel holds the highest levels of accreditation with Avaya as a Diamond Edge Partner with co-delivery status across the whole Avaya enterprise portfolio, including specialisation in Avaya AXP.

As Avaya's most accredited partner in Europe, Maintel's experts support hundreds of thousands of interactions per day using Avaya technology.

Gamma

As a Platinum partner Maintel have the highest level of accreditation in Gamma's partner program.

Gamma's Contact Centre as a Service (CCaaS) platform fits perfectly in mid-market sized organisations, looking for a cost effective but powerful solution.

Genesys

As one of Genesys', leading UK partners, Maintel has a high level of expertise with Genesys Contact Centre technology.

As a Genesys Premier accredited and App Foundry Partner, which, when coupled with knowledge around other key contact centre technologies, ensures we can deliver solid contact centre solutions.

Other partners include:

ASC, Calabrio, Eckoh, eGain,, Netcall, Sycurio, Twilio and Verint.

Security & Connectivity

Key technology partners

BT Wholesale

As a long-standing partner of BT Wholesale, their connectivity portfolio and footprint is fully integrated with the Maintel Infrastructure Platform, allowing us to deliver connectivity services the length and breadth of the UK.

Cisco Partner

As a Gold Integrator Maintel has achieved the highest levels of accreditation with Cisco, including the Customer Experience Specialisation and the prestigious Powered By status across Catalyst SD-WAN, Meraki SD-WAN and Secure Access Service Edge (SASE).

Maintel holds advanced specialisms across Cisco's technology portfolio, including full accreditation in Enterprise Networking, Security, Collaboration, and Data Centre solutions.

Extreme Networks

As an Extreme Networks' Diamond Partner, Maintel demonstrates exceptional expertise in Extreme networking technology.

Holding Extreme's highest level of accreditation, Maintel brings years of experience in deploying Extreme's fabric networking technology, managing thousands of endpoints efficiently and effectively.

PXC (Formerly TalkTalk Business)

As a long standing partner of PXC, their cutting edge connectivity and carrier voice portfolio is fully integrated with the Maintel Infrastructure Platform, allowing us to deliver carrier diverse solution with complimentary coverage across the UK.

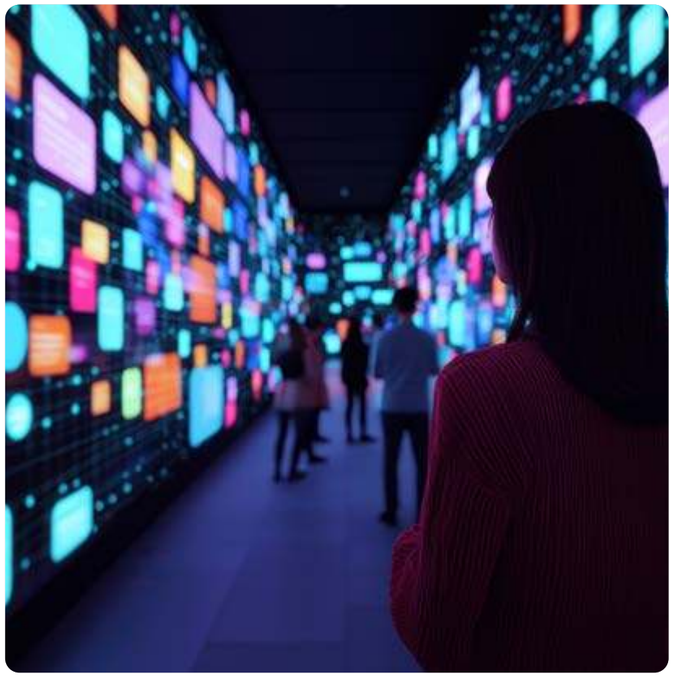
Other partners include:

Aruba, Colt, Convergence Group, Equinix, Fortinet, GTT, Highlight, NEOS Networks, Reliance Cyber, Virgin Media, O2 and ZScaler.

Our market and key drivers

Technology changes

For over 30 years, Maintel has been at the forefront of digital communications, where the technology landscape has continued to evolve and change.

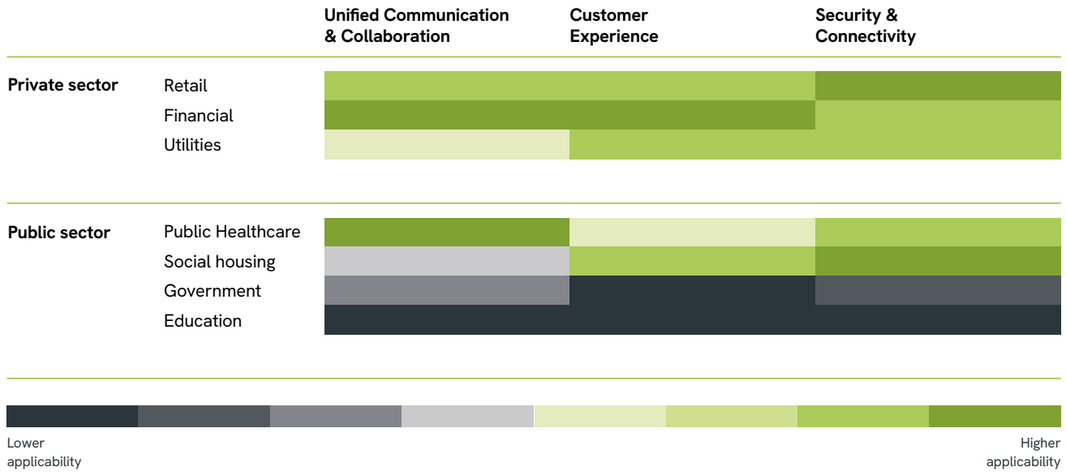


We are cognisant of both the challenges and opportunities that technological advancement will present to companies. Artificial Intelligence (AI) is one such development which we see playing a central role in how we operate our business and in how our managed service solutions will help our customers in the future. This is true for our key strategic pillars where AI, Large Language Models (LLM), Generative AI (GenAI) and Machine Learning (ML) are being harnessed to ensure Maintel can continue to deliver true business benefit to our customers.

Through the use of AI Assistants in our Unified Communications and Collaboration pillar, AI powered agent assistance, chatbots & analytics in our Customer Experience pillar, or the use of AI to detect cyber threats quicker and expedite an effective response in our Security & Connectivity pillar, we are embracing AI and providing solutions that encapsulate this as a part of our strategy for the future. Beyond AI, key next generation technologies such as Secure Access Service Edge (SASE), Security Service Edge (SSE) and Zerto Trust Strategies in the security & connectivity space, Augmented Reality in the collaboration and customer experience space, and the advancement in big data analytics capability, will increasingly play a role in the way that we and our customers operate.

Maintel has a track record of adapting and reacting to technological change which, alongside our deep sector expertise, ensures that we continue to support our customers through continual change by providing bespoke managed service solutions for their communications needs. Technology is ever evolving and Maintel remains at the forefront of these changes by providing solid solutions for a dynamic world.

Table 1: Strategic pillars and technology segment attributes vs key sector verticals



Our key markets

Maintel's core market consists predominantly of UK public and private sectors, of organisations with between 250 and 10,000 employees. Our key sector verticals and focus growth areas for the Group include:

- **Retail** – we provide solutions which ensure the smooth and secure running of more than 10,000 bricks and mortar retail sites within the UK
- **Financial Services** – our solutions enable banks, insurers and service providers to serve their customers securely across any channel

Public Sector:

- **Healthcare** – we are entrusted by more than 40% of the UK's NHS trusts to provide mission critical services that ensure the effective operation of hospitals and community care services.
- **Education** – we deliver communication solutions that help education organisations increase productivity, reduce cost, and improve the student experience by leveraging innovative digital technology.
- **Local Government** – our solutions enable the staff of over 35 unitary and other local authorities to better serve a combined total of over 15 million UK citizens.
- **Social Housing** – our solutions enable the smooth running of many UK housing associations, helping them to support the residents of over 300,000 homes.
- **Utilities** – our solutions support utility providers across energy and water to provide their products and services to their customers.

Our market and key drivers

Key drivers

The broader managed services market has seen the majority of players moving to a more generalised position, offering both communications and wider IT based services. Our repositioning to focus on Unified Communications & Collaboration, Customer Experience and Security & Connectivity across growth market verticals, successfully implemented in 2023, increasingly differentiates us in the market, allowing us to deeply address customer demand for tailored managed service solutions where we see long-term opportunities.

Maintel further differentiates itself from its peers through its approach to R&D and innovation. Investing in this area remains a priority for the Group and enables us to offer personalised solutions, delivered through technology partners complemented by Maintel's Platforms, that address the individual needs of customers.

We continue to see high growth opportunities across chosen technology segments and we are well-placed to capitalise on the addressable UK market.

The high growth opportunities outlined above are strongly aligned with Maintel's proposition.

The long-term opportunity for Maintel is further emphasised through the Company's existing market penetration, shown in the below table, which highlights the potential opportunity for significant further penetration across our key market verticals.

Table 2: High Growth Core Within Each Segment

	High growth opportunity	UK market size*	Compound Annual Growth Rate (CAGR)*
Unified Communication & Collaboration	Unified Communications as a Service (UCaaS)	£1.23bn	10.6%-12.7%
Customer Experience	Contact Centre as a Service (CCaaS)	£380m	17.2%
Security & Connectivity	Secure Access Service Edge (SASE)	£530m	16.4%

* Source: Altman Solon 2023

Table 3: Penetration of Target Industry Verticals

	Private Sector			Public Sector	
	Financial Services	Enterprise Retail	Utilities	Public Healthcare	Social Housing
Number of target organisations	1,091	2,800	54	215	1,600
Maintel's current penetration*	3.1%	1.1%	16.7%	46.0%	1.0%
Maintel's penetration > £100K spend*	1.10%	0.64%	9.26%	17.67%	0.13%

* Source: 2023 data from various regulatory/official web sources.

Financial Services

- Vanquis Banking Group
- Admiral Insurance
- Lowell Financial
- Creation Finance
- Westcott Credit Services

Public Health

- University College
- London Hospitals Trust
- Mid South Essex Health Trust
- Leeds Teaching Hospital
- Frimley NHS Trust
- NHS England

Public Sector

- Sanctuary Housing Group
- The Order of St John Care Trust
- Alliance Medical
- Durham County Council
- West Lothian Council

Retail

- JD Sports
- Curry's
- Southern Co-Op
- Matalan
- Sainsburys
- Kingfisher Group
- Harrods

Utilities

- Severn Trent Water
- Biffa Waste
- Electricity North West
- United Utilities

Our market and key drivers

Case studies

Avon

(a multinational company that sells cosmetics, skincare, perfume, and personal care products through a network of independent representatives, focusing on empowering women and supporting causes important to them.)

Avon Worldwide partnered with Maintel to streamline its voice services, consolidating disparate interactive voice response systems into a single, scalable solution across 30+ EMEA markets. The transformation improved call centre uptime, enhanced self-service capabilities for representatives, and simplified infrastructure management. With improved reporting, multi-language support, and seamless integration with existing tools, Avon Worldwide is now better positioned to support representatives and drive future growth.

Andrew Sykes

(the UK's largest specialist hire company, providing the best pumping, heating and cooling solutions for every conceivable need, location and application)

Andrews Sykes partnered with Maintel to enhance network visibility and management as the business expanded internationally. By deploying a Cisco Meraki solution, Maintel provided a centrally managed network that streamlined operations, reduced international travel by 95%, and cut WAN costs by 50%. The solution ensures secure, reliable connectivity, allowing the IT team to manage overseas sites remotely while supporting the company's sustainability goals and future cloud migration.

University College London Hospitals NHS Foundation Trust (UCLH)

(situated in the heart of London, UCLH is one of the largest NHS trusts in the United Kingdom and provides first-class acute and specialist services.)

University College London Hospital Trust partnered with Maintel to consolidate its outdated and costly communications infrastructure. By implementing a fully managed service, Maintel streamlined telephony, reduced costs, and provided a single point of contact for ongoing innovation. With dedicated on-site engineers and 24/7 support, the Trust now benefits from a modern, resilient system that enhances staff mobility, supports clinical applications, and improves patient care.

Vanquis Banking Group

Vanquis Banking Group is a FTSE All Share company and a leading specialist bank. Established in 1880, Vanquis lend responsibly, providing tailored products and services to 1.75 million UK customers through Vanquis, Moneybarn and Snoop.

Company purpose: 'To deliver caring banking so our customers can make the most of life's opportunities.'

Case study

VANQUIS

Deliver caring banking

The opportunity

As the business grew and evolved, legacy infrastructure was increasingly making it difficult to meet customer needs and becoming more challenging and costly to manage.

The project

Vanquis is transforming its business and technology to provide differentiated solutions that meet customer needs, increase flexibility and agility, and minimise risk. A key part of this transformation is implementing a modern Genesys Contact Centre platform to better engage and support their customers.

The outcome

Along with improved customer service and commercial sustainability, anticipated cost savings from 2026 are expected to be between £23 and £26 million as a result of the overall transformation.

Vanquis Banking Group implemented a Genesys Customer Contact solution to support their Strategy and deliver on their purpose: 'to deliver caring banking so our customers can make the most of life's opportunities.'

"We are all delighted with the success of the deployment – this is a significant milestone in Vanquis Banking Group's transformation journey. It has been a truly great collaborative effort and bodes well for the next deployment"

JEM WALTERS | Group CTO

"The successful initial deployment has given us the agility to respond to changing needs, and the foundation we now have allows us to consider when to introduce additional capabilities that will give us significant competitive advantage. Maintel, Genesys and Vanquis Banking Group worked closely together towards a single goal, and the new platform's AI capabilities will empower our colleagues to do the same for our customers, effortlessly improving the customer journey and offering the best and right service and products to meet each customer's needs."

PHIL PRINGLE | Group Chief Architect

Background

Since its foundation in 1880, Vanquis Banking Group has been supporting customers by lending and acting responsibly putting their customers at the centre of everything they do. Helping to aid financial inclusion and social mobility for their customers and the communities they live in, is a big part of why they are here.

They offer credit cards and loans as Vanquis, Vehicle Finance as Moneybarn, and through the award-winning fin-tech brand Snoop, the group provides people with a free credit score and personalised insights, to help them better manage and understand their finances. All their credit products are delivered online and are built with customer flexibility in mind.

The Challenge

Vanquis Banking Group offers a range of financial products to the 10-12 Million UK adults with lower levels of financial resilience and fewer savings. In addition to unsecured loans, the group includes credit cards, savings, vehicle finance, and most recently, access to the money saving app Snoop.

Additionally, the group offers white-label credit and loan agreements through Thimbl and plans to extend their B2B offerings in the future.

In 2021 Vanquis Banking Group recognised the need to modernise its technology platforms, to enable the business strategy. As well as needing to efficiently respond to changes in the regulatory environment, the business wanted to create a single customer view across its various products.

While the raw data was available to achieve this, the group needed to make more dynamic intelligence instantly available to its teams, so they could make the best decisions for both the customer and the business.

Why Maintel?

Based on the success of an existing relationship with Maintel through the credit card division, Vanquis commissioned Maintel to design and implement a new architecture.

Instead of simply seeking transactional supplier relationships, Vanquis was looking for a true partnership. Maintel was chosen as a partner with shared values, culture and desire for the best possible outcome. Maintel proposed Genesys Cloud™, which was a solution and company that Vanquis knew well.

The Solution

The contact centre architecture is the AI-powered Genesys Cloud platform that provides a single view of the customer across previously distributed and isolated technology systems. This allows Vanquis to offer customers the best support in their channel of choice at a time that suits the customer. This not only benefits the customer but supports the continued commercial sustainability of the business.

The new infrastructure is also designed to support Vanquis as it extends its B2B footprint with white labelled products. The Genesys Cloud platform allows effortless management of the customer journey through both the Vanquis and white label products, across multiple contact centre locations.

The Genesys back-end architecture makes the transition of the data points throughout continuous, so the various customer engagement channels have all the relevant information and interaction history to support the customer with the right information around the right products.

The Benefits

- Business agility: Regulatory changes can be made quickly and efficiently.
- Cost savings: The implementation of Genesys is one part of the overall Vanquis transformation journey, which is expected to provide an annualised saving of between £23 and £26 million annually from 2026.
- Reduced organisational risk: Replacement of aging legacy infrastructure reduces operational risk, and improved resiliency.
- Customer centricity: Customer needs are better served by providing customers with the right information in the channel of their choice.
- Commercial results: The ability to provide the right service and product to the right customer at the right time helps the business's long-term sustainability.

What does the future hold?

The first phase of the launch was completed seamlessly and successfully in January 2024, and the whole business will be subsequently incrementally transitioned to the new Genesys platform over the next 18 months.

Along with the new telephony solution offering flexibility and scalability for the future, Vanquis Banking Group is now perfectly positioned to benefit from the customer interaction and customer management AI capabilities of the Genesys platform moving forward.

Chief Executive Officer's statement

A year of change

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.

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.

Chief Executive Officer's statement continued

Our people are what have made our achievements this year possible.

Dan Davies
Chief Executive Officer

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 in the Business Review on pages 42 to 49

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.

Read more about our approach to Sustainability strategy on pages 50 to 55

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

2 May 2025

Visit our website: maintel.co.uk for further information

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 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)[1] 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).

	2024 £000	2023 £000	Increase/ (decrease)
Revenue	**97,862**	101,262	(3.4)%
Profit/(loss) before taxation	**374**	(6,780)	105.5%
Add back intangibles amortisation	**4,567**	5,111	(10.6)%
Exceptional items	**2,223**	6,979	(68.1)%
Share based remuneration	**126**	189	(33.3)%
Adjusted profit before tax	**7,290**	5,499	32.6%
Adjusted EBITDA[1]	**10,540**	9,139	15.3%
Basic Profit/(loss) per share	**3.6p**	(37.3p)	109.7%
Diluted	**3.5p**	(37.3p)	109.4%
Adjusted Earnings / (loss) per share[2]	**28.2p**	23.6p	19.5%
Diluted	**27.8p**	23.5p	18.3%

Notes

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

[2] Adjusted profit after tax divided by weighted average number of shares (note 10)

Business review continued

Cash performance

The Group generated net cash flows from operating activities of £8.5m (2023: £5.0m) resulting in a cash conversion[3] of 102% for the full year (2023: 97%).

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.

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

	2024 £000	2023 £000	Decrease
On-premise managed services	**22,248**	25,807	(13.8)%
Project revenue[4]	**24,602**	26,290	(6.4)%
Division revenue	**46,850**	52,097	(10.1)%
Division gross profit	**12,168**	12,285	(1.0)%
Gross margin (%)	**26%**	24%	

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.

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

[3] Calculated as operating cash flow (being adjusted EBITDA plus working capital) to adjusted EBITDA

[4] Project Revenue includes revenues from hardware, software, professional services and other non-recurring sales

Business review continued

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 +8.1% growth in the Security and Connectivity services and 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.

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).

	2024 £000	2023 £000	Increase/ (decrease)
Revenue	**3,390**	3,848	(11.9)%
Gross profit	**1,307**	1,568	(16.6)%
Gross margin (%)	**38.6%**	40.7%	
Number of customers	**446**	511	(12.7)%
Number of connections	**26,831**	28,445	(5.7)%

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

	2024 £000	2023 £000	Decrease
Other administrative expenses	**22,121**	24,123	(8.3)%

Business review continued

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.

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[3] 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.

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

[3] Calculated as operating cash flow (being adjusted EBITDA plus working capital) to adjusted EBITDA

Vision and Commitment

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.

We believe that businesses should play an active role in shaping a sustainable and inclusive future for all. Our strategy reflects our ongoing commitment to integrating all areas of sustainable principles; Environmental, Social and Governance into everything we do. We are focussed on reducing our environmental impact, promoting diversity and inclusion and ensuring the highest standards of corporate governance.

Our sustainability strategy continued

Environmental Strategy

Objective

To reduce our direct environmental footprint and innovate our internal working practices for a sustainable future.

Sustainable operations

- **Carbon reduction:** We have committed to achieving Net Zero by 2050
- **Energy Efficiency:** Reduce our energy consumption by working with our landlords to procure low carbon energy and implement energy-efficient technologies across our estate
- **Waste management:** Reduce the amount of waste sent to landfill by promoting recycling and reusing materials

Green product innovation

- **Circular economy:** Working with partners we have introduced "cradle-to-grave" lifecycle (full circular economy) for main product provisions

Supply Chain Sustainability

- **Sustainable sourcing:** Ensuring that our critical suppliers meet our sustainability standards, included in contractual arrangements
- **Environmental audits:** Conducting sustainability audits for critical suppliers to verify environmental practises and implement required improvement plans.

Climate risk management

- **Risk assessment:** Annual climate risk assessments are completed to identify potential disruptions caused by climate change and mitigation of risks as appropriate.
- Disclose climate-related risks and strategies in line with regulatory and certification requirements.

Social Strategy

Objective

To foster diverse, inclusive and socially responsible workplace and positively impact the communities and causes we interact with.

Employee Well-being and Diversity

- **Diversity and inclusion:** Achieve a 50% gender parity in senior management positions by 2030 and increase underrepresented minorities across our workforce.
- **Employee Health and Safety:** Improved employee health programs and flexible working arrangements to support employee well-being.
- **Training and Development:** Providing continuous career development opportunities and training programs including apprenticeships with a focus on succession planning across the business.
- **Well-being Ambassadors:** Trained ambassadors available at each office and for remote workers organising education and wellbeing group activities throughout the year.

Community Engagement

- **Volunteering:** We encourage employees to volunteer annually with local environmental and social organisations supporting sustainability initiatives in our communities
- **Philanthropy:** Employee-nominated annual charity with events taking place throughout the calendar year to raise funds for the elected charity.

Human rights

- **Fair labour practices:** Ensuring 100% of employees and contractors are paid fair wages with proper working conditions.
- **Supplier Audits:** Conduct regular human rights audits of critical suppliers and implement corrective actions if violations are identified.

Governance Strategy

Objective

To uphold the highest standards of corporate governance, transparency and accountability.

Corporate Sustainability Governance

- Established sustainability committee with Board level membership to oversee implementation and performance of the sustainability strategy.

Transparency and Reporting

- Publishing reports, certificates and gradings ensuring transparency in our sustainability practices and progress:
  - Maintaining International IEC/ISO standards;
    - ISO27001: Information Security, Cyber Security and Privacy Protection
    - ISO22301: Business Continuity
    - ISO14001: Environmental
    - ISO45001: Health and Safety
    - ISO9001: Quality
- Environmental reporting (risks and opportunities)
  - CDP
  - Streamlined Energy and Carbon Reduction (SECR) regulation
  - Energy Savings Opportunity Scheme (ESOS) regulation
- Sustainability
  - Ecovadis
  - Safe Contractor (Safe systems in procurement)

Third-Party Audits

- Maintel engage third-party independent auditors to audit and verify our sustainability claims as part of certification schemes and annual business reporting.

Ethical Business Practices

- **Anti-Corruption and Anti-Bribery:** We enforce a zero-tolerance policy on corruption and unethical behaviours through regular training for all employees and contractors, and maintaining a central register of gifts given and received in accordance with our published policy
- **Policies:** Our key policies are published on our website with a minimum annual review.
- **Data Privacy and Security:** We ensure the protection of customer data and adhere to the highest data privacy standards, complying with relevant current Data Protection regulations.

Metrics and Reporting

Objective

Measure and communicate our progress transparently.

Key Metrics

- **Environmental:** We are aiming to reduce our 2021 baseline by at least 90% from our baseline year or achieve (and maintain) a carbon intensity metric <1 tonne CO_2e per employee, whichever comes soonest. This is in line with Net Zero targets. To keep ourselves on track with these long-term targets we have set the following goals:
  - Reduce our Scope 1 and 2 by at least 50% from our 2021 baseline by 2030
  - Reduce our Scope 3 emissions by 30% from our 2021 baseline year by 2027
  - Reduce our Scope 3 emissions by 50% from our 2021 baseline year by 2032
- **Social:** Achieve 50% Board independence by the end of 2026
- **Governance:** Achieve a minimum of 4.5 out of 5 for Customer Satisfaction
- **Governance:** Zero regulatory fines in each financial year

Stakeholder Engagement and Communication

Objective

Engage with our stakeholders to build trust and align our sustainability efforts to their expectations.

Stakeholder Engagement

- **Regular surveys:** We conduct bi-annual materiality surveys to gather feedback from employees, customers and suppliers enabling us to align with the UN Sustainability Goals. Our next materiality survey is due in Q3 2025.
- **Customer Satisfaction:** We collect information from our customers following interactions with our Operational department to measure ourselves against our targets, implement improvements and communicate to our stakeholders
- **Net Promoter Score:** We carry out in depth regular interviews with our top customers to obtain a net promoter score across the products and services provided. Implementing identified improvements and providing regular feedback.

Continuous Improvement

Objective

To stay at the forefront of sustainability practices and innovation.

- **Innovation in sustainability:** Working with our partners to focus on sustainability innovations such as lower carbon technical solutions and sustainable product design.
- **Benchmarking:** Regularly compare our sustainable business improvement with industry trends and adjust our strategies based on best practise and emerging trends.
- **Certification:** Maintain our independently audited certifications and sustainable business badges and targeting ourselves to improve by reducing non-conformities and raising our standards to the highest possible.

On behalf of the Board

Dan Davies
Chief Executive Officer

2 May 2025

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Corporate governance statement

As a business it is our responsibility to ensure that the Board is performing its role effectively and has the capacity, ability, structure and support to enable it to continue to do so.

Maintain our integrity

We believe that a sound and well-understood governance structure is essential to maintain the integrity of the Group in all its actions, to enhance performance and to impact positively on our shareholders, people, customers, suppliers and other stakeholders. Maintel has adopted the Quoted Companies Alliance Corporate Governance Code ("QCA Code") as the benchmark for measuring our adherence to good governance principles.

We describe how we apply the latest principles below on pages 66 to 69. We take overall responsibility for compliance with the Code and provide explanations for any divergences from it.

Our governance framework

We are committed to upholding the highest standards of corporate governance and maintaining the trust of our stakeholders.

Our framework for corporate governance is built on our core values of Consistent Excellence, Constant Improvement and Collaborative Attitude which we believe are essential to sustaining the long-term success of our company.

The governance structure is designed to ensure that decisions are made in the best interests of the company and its stakeholders. Maintel is led by a Board of Directors which is responsible for overseeing the management of the Company, establishing strategic direction and ensuring policies and practices are in place to promote accountability and transparency. The Board are assisted by the Operating Board and a range of committees and supporting groups providing a diverse, open and transparent communication and management line.

Board of Directors

The Board delegates specific matters to 3 principal committees.

Nominations Committee
Ensures that the Board and its committees have the correct balance of skills, knowledge and experience with adequate succession plans in place

Renumeration Committee
Establishes and monitors the Renumeration Policy and ensures a clear link between performance and renumeration

Audit and Risk Committee
Oversees the financial reporting and monitoring financial internal controls and reviews principal and emerging risks along with the effectiveness of the company management system

Operating Board

The Board delegates the execution of the company strategy and day-to-day management of the business to the Operations Board, assisted by members of the supporting teams.

Health and Safety
Management of reporting, investigation and regulatory communication.

Data Protection and Information Security
Management of records, regulatory communication and employee compliance

Operational Risk
Management of operational risk assessments, escalation of identified Board level risk, regular board reporting

Sustainability
Cross functional team ensuring Environmental, Social and Governance activities are maintained and recorded

Compliance

Management of the company integrated management system, mandatory employee training and maintenance of company certifications, for example ISO standards, Cyber Essentials and PCI-DSS and production of regular Operating Board and Board of Directors reports.

Board of Directors

Board Committees:

N Nomination Committee

A Audit and Risk Committee

R Remuneration Committee

Dan Davies

Chief Executive Officer

Date of appointment
11 September 2020

Previous experience
Dan joined Maintel in 2014 as part of the acquisition of Proximity Communications, where he was the Product and Solutions Director and board member.

With over 20 years' experience in the communications sector and an engineering and design consultancy background, he is driven by making sure our technology has a meaningful impact on our customers' organisations, with business focussed outcomes that help them to achieve success.

Dan assumed the role of CEO in February 2025, having been interim CEO since February 2024. Prior to becoming CEO Dan served as the CTO from 2020 to 2024.

Key areas of expertise
Communications services experience, technological acumen, network infrastructure, commercial, M&A, regulatory issues, leadership and communication.

Committee
N

Gabriel Pirona

Chief Financial Officer

Date of appointment
2 May 2022

Previous experience
Gabriel Pirona trained at PwC and has over 25 years of financial experience, gained in both industry and public practice.

Prior to joining Maintel, he was Group Chief Financial Officer at Agilisys, the fast-growing cloud and digital transformation specialists. Prior to Agilisys, he was Group Chief Financial Officer at Selecta and has also served as Group Chief Financial Officer at Photo-Me International plc, and as Regional Chief Financial Officer at Recall, gaining extensive and relevant strategic financial and business transformation experience.

Key areas of expertise
Financial planning and management, treasury, working capital management, financing, M&A, risk assessment and mitigation, corporate governance and controls.

Committee
None

Clare Bates

Senior Independent Non-Executive Director

Date of appointment
11 May 2023

Previous experience
Clare has over 25 years of experience across a range of senior roles. Her experience spans a wide range of business sectors, forms of ownership; and cultures, primarily responsible for the creation and implementation of people strategies (including M&A integrations) and international cultural transformations.

Prior to Maintel, she was HR and Transformation Director at SSP Limited, a global insurance technology company Vice President, HR s at E. ON AG; and developed her skills through a long and varied career at Powergen plc.

Clare also runs her own consultancy business and provides unpaid support to community and charitable organisations.

Key areas of expertise
Senior Human Resources skills, executive recruitment and remuneration, M&A, corporate governance, cultural transformation, coaching and mentoring

Committee
N Chair R Chair A

Bob Beveridge

Independent Non-Executive Director

Date of appointment
3 July 2024

Previous experience
Bob has wide-ranging, recent and relevant financial experience as NED and plc CFO. He was recently Non-Executive Director and Senior Independent Director at Inspiration Healthcare plc; he is currently Chair of the Berkshire Local Enterprise Partnership and member of the Audit Committee of the Health Foundation.

Previously he was Group Finance Director of McBride plc and Cable and Wireless Communications plc.

Key areas of expertise
Senior financial skills relating to M&A, investor relations, risk management, financing, audit committees, corporate governance, digital technology and financial strategy.

Committee
A Chair R N

Angus McCaffery

Non-Executive Director

Date of appointment
3 July 2024

Previous experience
Angus co-founded Maintel in 1991, working in several senior commercial and business development roles.

He is an investor director in two other businesses: 4GD, a high-tech defence training business and Peter Page Carpets, an importer of fine rugs and carpets.

Angus holds approximately 12% of Maintel stock and is therefore not regarded as independent. Nonetheless he adds considerable value to the Board due to his industry knowledge and experience.

Key areas of expertise
In-depth communications services industry knowledge, technological acumen and M&A.

Committee
N

Board of Directors continued

The role of the Board of Maintel is to steer, monitor and oversee the businesses and activities of the Company to safeguard and enhance its total value and returns.

More detail on the composition of the Board is given under Principle 9 on page 69

Since the publication of the 2023 Annual Report, the Board has taken a number of steps to improve its effectiveness. Meetings have always been face-to-face, in-person and key members of the Operating Board have been invited to present on their areas of responsibility. A second independent Non-Executive Director, Bob Beveridge, was appointed as Chair of the Audit and Risk Committee, and Angus McCaffery was appointed as an investor director. Clare Bates was appointed Senior Independent Director. Dan Davies, who had held the role of Interim Chief Executive Officer since February 2024, was confirmed as permanent CEO in February 2025, and is responsible for all operational matters, the financial performance of the Group and the execution of the Group Strategy.

Since the departure of the Executive Chairman, the Senior Independent Director has ensured the effective running of the Board, with the assistance of One Advisory Ltd as Company Secretary. A Board evaluation exercise was carried out in December 2024 and the open nature and quality of board discussions and decision-making was noted.

Two Non-Executive Directors are independent of management and are free from any business or other relationship which could materially interfere with the exercise of their independent judgement. The Board has commenced a search for a new Independent Non-Executive Chairman at which point half of the Board members will be independent. We are satisfied that the broad range and depth of experience and individual strength of character of each of the Non-Executive Directors underpins their ability to exercise independent judgement and rigour to Board decisions. It is also satisfied that they commit sufficient time to the fulfilment of their duties as Directors of the Company. The Directors' biographies on pages 62 to 63 demonstrate the experience they bring to the Group.

The Board meets regularly, usually each month to review operational, commercial and financial performance, outlook, people issues, risk management and impact on future strategy. During 2024, it reviewed and agreed a refresh to the Maintel brand, and the underpinning Purpose and Values. It operates to a schedule of matters specifically reserved for its decision, and the delegation of authority to executives, which was updated during the year. The schedule of matters reserved for the Board's decision is available from the Company Secretary.

In line with the QCA Code all directors will stand for reappointment at the upcoming Annual General Meeting.

In accordance with its Articles, the Company provides an indemnity to all the Company's Directors in respect of all losses arising out of or in connection with the execution of their powers, duties and responsibilities as Directors. The Group also maintained insurance cover during the year for its Directors and Officers and those of subsidiary companies under a Directors' and Officers' liability insurance policy against liabilities that may be incurred by them while carrying out their duties. In each case, the Directors remain liable in the event of their negligence, default, breach of duty or breach of trust.

The Directors can seek independent professional advice as necessary, at the Company's expense within designated financial limits.

Board attendances

The following table shows the attendance of the Directors at meetings of the Board and the Audit and Risk, Remuneration and Nomination committees during the year.

Number of meetings in the year	Board	Audit and Risk committee	Remuneration Committee	Nomination committee
Number of meetings in the year	17	3	3	2
C Thompson (resigned 18 April 2024)	4	–	–	–
J D S Booth (resigned 19 June 2024)	10	1	2	1
G J Pirona	17	–	–	–
D J Davies	17	–	–	–
C E Bates	17	3	3	2
R J Beveridge (appointed 3 July 2024)	6	2	1	1
A J McCaffery (appointed 3 July 2024)	4	–	–	1

Our responsibilities

The Board is committed to driving long-term value for shareholders by delivering on our ambition to enable our clients to benefit from leading edge, managed communication services with complete reliability.

We believe that this can best be achieved by understanding and recognising, alongside our shareholders' goals, the legitimate interests of our other stakeholders and the communities we operate in by ensuring that our conduct is aligned with the environmental and social concerns of society at large.

We know that a sound and well understood governance structure is essential to achieving these objectives. The Board sets strategy and reviews operational performance in order to ensure that the Group's actions are consistently geared towards achieving its strategic aims.

Maintel has continued to adopt the 2018 QCA Corporate Governance Code ("QCA Code"), and we regard it as a benchmark for measuring our adherence to good governance principles. With the assistance of our Company Secretary, we completed an analysis of the new code and have implemented significant changes from last year's Report and are compliant in most respects. During 2025 we will again complete an analysis to ensure full compliance in next year's annual report. The Code sets out 10 principles, which provide a framework for assessing our performance as a Board and as a Company. We have conducted an analysis with the new 2023 code and actions are in place to achieve compliance with this code for the 2025 annual report.

The 10 Principles of the Code and the Company's application of them:

1. Establish a strategy and business model which promote long-term value for shareholders

The Group's strategy and business model are detailed in our redefined value proposition section, in particular on pages 14 to 16.

The principal risks and uncertainties affecting the Group's strategy and business model are shown on pages 80 to 81.

2. Seek to understand and meet shareholder needs and expectations

The Board is committed to providing shareholders with clear information on Maintel's financial position and strategy. We believe that a relationship of mutual trust between shareholders and the Board is essential for a well-governed Company to achieve its business objectives. The Group's website, www.maintel.co.uk, provides both historic and up-to-date detailed information for all stakeholders. It includes all Annual Reports, investor presentations and regulatory news service announcements.

Twice-yearly meetings are held with larger shareholders following results announcements and the Group's Broker and Nominated Advisor (NOMAD) provides formal (after the twice-yearly meetings) and informal ad hoc feedback on shareholder and prospective shareholder views.

The Company's AGM provides the opportunity for an exchange of views with private as well as institutional shareholders. The Board is committed to providing an open AGM and those who wish to attend the 2025 meeting will be welcome.

3. Take into account wider stakeholder and social responsibilities and their implications for long-term success

The Directors consider a range of stakeholders essential to the Group's success, in addition to our shareholders: our employees, whose talent, dedication and commitment both to the Company and its customers is essential for all aspects of our business operations; our customers – both direct and indirect – whom the Company exists to serve; our suppliers, who play a critical part in the products and services provided by the Company be that via technology or carrier capacity; and the wider society in which all our stakeholders exist.

Employees

Maintel's success is dependent on the knowledge, skill and engagement of its employees and the Board actively seeks out their views. Engagement is measured annually. The Chief Executive Officer and members of the Operating Board held regular 'town hall' meetings, both across the Company's offices and online, backed up with electronic updates to all staff via the Maintel communication and engagement platform. The Group's employee representative and engagement forum, "Maintel Matters", met at regular intervals throughout the year, with regular attendance by various members of the Operating Board. At these forums, employee views on proposed actions were sought and gained, providing vital input to decision making around the closure of the Cannock office; the re-location of the London office; re-structuring proposals; electric vehicle mileage rates; environmental matters and much else.

Additional information about the Group's employment policies can be found on pages 18 to 19.

Customers

The Group's product and service offerings are described on pages 24 to 29. These products and services are sold to both existing and prospective customers by the Group's Direct Sales Teams. The sales activities are supported by a multichannel marketing strategy centred around social media, blogs, industry events, exhibitions, and conferences. There is further contact through our Customer Operations and Professional Services teams whilst servicing the needs of our customers.

Key customer relationships also have the benefit of the Executive sponsorship within the Group. This includes Executive peering, periodic Executive service reviews which also provides a forum to discuss the customers priorities and how the Group can support at a strategic level. These forums also provide a means of communicating the Group's strategic direction to ensure we remain relevant to our customers ever changing needs. These engagements help inform the Group's product portfolio planning and development.

Our success depends on our ability to provide the products and services that our clients need – when they need them. The Group has placed additional emphasis on understanding the business outcomes our customers are trying to achieve. The Group then offer customer's technology-based solutions that achieve these desired outcomes.

Suppliers

The Group works with a number of key strategic suppliers, with whom we maintain regular communication and planning; each is allocated executive sponsor. The Group also employs product managers to monitor the evolution of products and services (from existing and potential new suppliers) and manage relationships with them; vendor managers maintain effective operational management. These key relationships also enable the Board to be informed about new market developments and the view of the market from the perspective of suppliers, providing vital input to the Strategic Review process.

Board responsibilities continued

Environment and Sustainability

Maintel has significantly expanded its commitments and reporting of its sustainability strategy in the past year, as outlined on pages 50 to 55. We believe that businesses should play an active role in shaping a sustainable and inclusive future for all. Our strategy reflects our ongoing commitment to integrating all areas of sustainable principles; Environmental, Social and Governance into everything we do. We are focussed on reducing our environmental impact, promoting diversity and inclusion and ensuring the highest standards of corporate governance.

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

Community engagement

We are committed to integrating social responsibility into our operations and culture. We encourage employees to volunteer annually with environmental and social organisations supporting local initiatives in our communities. Maintel also makes philanthropic donations through the nomination of an annual charity each year. This final choice of charity is made through an employee vote and events to raise funds, take place throughout the year.

4. Embed effective risk management, considering both opportunities and threats, throughout the organisation

The Group's Risk Management Processes are fully integrated within its Operating Model and administered within its Integrated Management System. The Operational Risk Registers contain information about risks associated with our compliance schedules, routine activities, products, services and suppliers and those risks identified by individuals and teams across the business. They are summarised across six areas: Business Continuity, Environmental, Health & Safety and Information Security, Cyber Security and personal data protection. Identified risks are recorded centrally, reviewed regularly for mitigation and changes to risk and control levels.

Risks are scored based on severity and likelihood and the most significant risks are defined as Corporate level Risk, which are reported to the Board, via the Audit and Risk Committee, with newly identified or intensified risks being addressed as the need arises.

The Audit and Risk Committee is responsible for the monitoring of risk and the risk management process annually; its report on pages 72 to 73 further describes its responsibilities and actions taken during 2024. The principal risks affecting the Group are described on pages 80 to 81.

5. Maintain the board as a well-functioning, balanced team led by the chair

2024 has been a year of transition for the Board; since July the Board has comprised two executive directors and three non-executive directors, of which two are independent. In the absence of a Chair, the Senior Independent non-executive Director has chaired Board meetings and been assisted by One Advisory Ltd, Company Secretary. Dan Davies has performed well as Interim Chief Executive Officer and was confirmed as permanent CEO in February 2025.

Non-Executive Directors are expected to spend a minimum of two to three days per month on Maintel duties. However, all the Non-Executive Directors have been generous in devoting considerable time to their roles in 2024 to maintain the effectiveness of the Board during this transitionary period. For example, a total of 17 Board meetings were held during the year instead of the normal 11.

The Company has effective procedures in place to monitor and deal with conflicts of interest.

The record of Directors' attendance at Board and committee meetings during 2024 can be found on page 65.

6. Ensure that between them the Directors have the necessary up-to-date experience, skills and capabilities

The Directors' biographies on pages 62 to 63 show the depth of skills and experience of each Director, which the Board believes represents an appropriate balance at this stage of the Company's development. All the Directors recognise the importance of continued professional development and embrace opportunities to attend conferences; participate in networking forums; and to keep their professional qualifications and accreditations up to date.

The Company continues to employ the services of ONE Advisory Limited to assist the Board and senior management with advice on the AIM Rules, QCA Code compliance and the maintenance of good standards of governance

7. Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement

In December 2024, each Board member individually completed a questionnaire covering Board composition; responsibilities and roles; Decision making; Crisis management; Board meetings; role of the Chair; Strategy; Management information and reporting; Risk management; Training development and succession; Committee structure; Stakeholder engagement; and Individual performance. The results were collated by the Senior Independent Director and fed back to the Board in January 2025. A key outcome of this review was the need to recruit an experienced Non-executive Chair to complement the existing range of skills and experience present on the Board.

Another area of potential weakness that was identified was a lack of attention to the performance, development and succession processes for Board members. As a result, after the end of the reporting period, performance and development discussions have been held with each member of the Board. The review highlighted significant improvement since the last survey (carried out in 2021) in regard to Board engagement with the Senior Management team; visibility in offices outside of London; improved balance between operational, governance and strategic matters and general Board administration. However, the need for succession planning for both Board and Senior Management remained an area of weakness and improved processes will be put in place in 2025.

8. Promote a corporate culture that is based on ethical values and behaviours

The Board recognises the importance of establishing and maintaining a consistent, positive corporate culture.

During 2024, Maintel developed a refreshed set of values, with the involvement of a group of employees and other stakeholders to ensure that we captured the "essence" of Maintel and the ethical behaviours that would ensure our continued success. As outlined on page 11, these fall into three broad headings: Consistent Excellence, Constant Improvement and Collaborative Attitude.

The annual employee engagement survey gives us a great opportunity to monitor our culture by giving every employee the chance to give us feedback. In 2024, we achieved an excellent completion rate of 88% and received very positive feedback on our culture. Our employees are enthused by our refreshed set of values and a series of value engagement workshops to be run in 2025 will further embed these into our operational and performance management processes.

9. Maintain governance structures and processes that are fit for purpose and support good decision-making by the Board

Maintaining appropriate corporate governance structures is an ongoing process that requires commitment and attention to detail.

The Group has chosen to adopt the QCA "Code" and have actively reviewed our procedures against this code, with the assistance of our Company Secretary.

After the interim measure of combining the Chair and CEO positions in 2022, the Board decided in February 2024 (following input from both the NOMAD and One Advisory Ltd) to restore the traditional leadership structure, as outlined in the Code. Since July 2024 the Board has maintained a balance of executive and non-executive directors with sufficient independence. Audit, Remuneration and Nomination Committees have clear terms of reference and have operated effectively during the year. Regular Board meetings have taken place, face-to-face, with open, effective discussions of key matters. The search for an independent Non-Executive Chair is ongoing and will add further experience and leadership skills to the Board.

The Group's Risk Management system is robustly managed and reported to the Board via the Audit Committee.

10. Communicate how the Company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders

The Group's principal means of ensuring dialogue with its stakeholders, including shareholders, is via its website, its Annual Report, the Annual General Meeting and investor meetings. The Chief Executive Officer and Chief Financial Officer make presentations to institutional investors, shareholders and potential shareholders immediately following the release of the interim and full-year results. The Chairs of the Audit and Remuneration Committees are also available if required. The Board receives detailed external and independent feedback (from the Group's NOMAD) from these meetings. This vital and often frank feedback is discussed by the Board.

The Group's website has an extensive and well-resourced back catalogue of corporate information including historic Annual Reports, Interim Statements and other circulars and investor presentations.

Regular informal meetings between the Executive and Non-executive Directors are aimed at ensuring strong relations are maintained. Since July 2024 all scheduled Board Meetings have taken place face-to-face and Non-executive Directors continue to meet with other senior managers informally to give advice and assistance, sometimes at Groupwide events.

Board responsibilities continued

Directors' responsibilities

The Directors are responsible for preparing the Strategic Report, the Directors' Report and the Financial Statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare Group and Company financial statements for each financial year. The Directors have elected under company law and are required by the AIM Rules of the London Stock Exchange to prepare the Group financial statements in accordance with UK-adopted International Accounting Standards and have elected under company law to prepare the company financial statements in accordance with UK-adopted International Accounting Standards and applicable law.

The Group and Company financial statements financial statements are required by law and UK-adopted International Accounting Standards to present fairly the financial position of the Group and the Company and the financial performance of the group. The Companies Act 2006 provides in relation to such financial statements that references in the relevant part of that Act to financial statements giving a true and fair view are references to their achieving a fair presentation.

Under Company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Company and of the profit or loss of the group for that period.

In preparing each of the Group and Company financial statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether they have been prepared in accordance with UK-adopted International Accounting Standards;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and the Company will continue in business.

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

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Section 172 statement

A Director of a Company must act in a way that they consider, in good faith, would most likely promote the success of the Company for the benefit of its members as a whole, taking into account the factors listed in section 172 of the Companies Act 2006 (s.172 CA).

Engaging with our stakeholders and acting in a way that promotes the long-term success of the Company, while taking into account the impacts of business decisions on our stakeholders, are central to the Directors' strategic thinking and duties in accordance with s.172 CA. We are aware that each stakeholder group requires a tailored engagement approach in order to foster effective and mutually beneficial relationships. Our understanding of stakeholders is then factored into boardroom discussions, regarding the potential long-term impacts of our strategic decisions on each group, and how we might best address their needs and concerns. The Board acknowledges its duty to act fairly between members, balance competing interests from the Group's various stakeholders in reaching decisions. Where there are conflicting interests, the Board will act as fairly as it is able to take into account the implications of each stakeholder. See pages 66 to 69 for who our key stakeholders are and how the Board has made principal decisions relating to each stakeholder group.

The Board's intent is to maintain high standards of business conduct. See page 69 for how the Board promotes a corporate culture that is based on ethical values and behaviours.

Throughout this Annual Report, including particularly the Corporate Governance Report, we provide examples of how we:

- Take into account the likely consequences of long-term decisions
- Foster relationships with stakeholders
- Understand the importance of engaging with our employees
- Understand our impact on our local community and the environment; and
- Demonstrate the importance of behaving responsibly.

As part of their induction, Directors are briefed on their duties and they can access professional advice on these, either from the Company Secretary or, if they judge it necessary, from an independent adviser. It is important to recognise that in a large organisation such as Maintel, the directors fulfil their duties partly through a governance framework that delegates day-to-day decision-making to managers and details of this can be found in our Governance Report on page 61.

The following paragraphs summarise how the Directors fulfil their duties:

Risk management

Maintel provides business-critical services to its clients. It is therefore vital that we effectively identify, evaluate, manage, and mitigate the risks we face, and that we continue to evolve our approach to risk management.

For details of our principal risks and uncertainties, and on how we manage our risk environment, please see pages 80 to 81, the Audit and Risk Committee Report on pages 72 to 73 and the Remuneration Committee Report on pages 74 to 79.

Responsible business

The Board's intention is to behave responsibly and ethically at all times, in line with our Company values, and to ensure that our management teams operate the business in a responsible manner and to the highest standards of business conduct and good governance. For further details on how we promote these practices through our people, please see pages 18 to 19.

Business relationships

Our strategy prioritises organic growth, driven by cross-selling and up-selling services to existing clients and bringing new clients into the Group. To do this, we need to develop and maintain strong client relationships. We value and have continued to strengthen how we engage with our clients and suppliers during the year.

For further details on how we work with our clients and suppliers, please see pages 24 to 29.

Shareholders

The Board is committed to openly engaging with our shareholders, as we recognise the importance of a continuing effective dialogue, whether with major institutional investors or private shareholders. It is important to us that shareholders understand our strategy and objectives, so these must be explained clearly, feedback listened to, and any issues or questions raised properly considered.

For further details on how we engage with our shareholders, please see page 69.

Employees

The Board understands how vital our employees are to the success of our business. During 2024, the Board engaged with employees through regular consultations and CEO updates, in addition to providing our staff a voice on matters that concern them through a directly elected employee forum. Maintel also maintains a whistleblowing procedure and a prevention of modern slavery policy.

For further details on how we engage with our employees, please see page 19.

Audit and Risk Committee

Following the departure of John Booth, the Audit and Risk Committee has been chaired by Bob Beveridge, a chartered accountant with recent and relevant financial experience. Clare Bates, Senior Independent Director also sits on the committee. It therefore comprises two independent Non-Executive Directors and it met four times during the year. The committee's report to shareholders is set out on pages 72 to 73.

Remuneration Committee

Clare Bates is Chair of the Remuneration Committee, a qualified HR professional, with recent and relevant experience. Its other current member is Bob Beveridge. The Committee met three times during the year. The committee's report to shareholders on Directors' remuneration is set out on pages 74 to 79.

Nomination Committee

Clare Bates is Chair of the Nomination Committee. The other members are Bob Beveridge, Angus McCaffery and Dan Davies. The Committee's terms of reference include:

- Reviewing the structure, size, composition and effectiveness of the Board; and
- Identifying and nominating suitable candidates to fill vacancies on the Board.

The Committee met twice during 2024.

Report of the Audit and Risk Committee

The Audit Committee comprises two members: Bob Beveridge, a chartered accountant with recent and relevant financial experience, and Clare Bates, business degree qualified (with a specialism in accounting) and 15 years' experience of sitting on Boards in a variety of different types of business ownership.

It met four times including one meeting in early January 2025 with 100% attendance. The Chief Financial Officer, external auditors, as well as internal relevant subject matter experts, attended meetings at the invitation of the Committee Chairman. The Committee also met with the external auditors without the presence of Executive Directors or management.

Role

The Audit Committee is responsible for ensuring that the financial performance of the Group is properly reported and reviewed. Its role includes monitoring the integrity of the financial statements (including annual and interim accounts and results announcements), reviewing internal control and risk management systems, reviewing any changes to accounting policies, reviewing and monitoring the extent of the non-audit services undertaken by external auditors and advising on the appointment of external auditors.

Main Activities

The main items of business carried out in the year included:

- consideration of matters of judgement and other key audit matters
- review of interim and full year financial statements and the annual report
- consideration of the external audit report
- going concern review
- review of the risk management process and internal control procedures
- meeting with the external auditor without management present
- review of the 2024 audit plan and audit engagement letter
- review of effectiveness of the external auditor

Financial Reporting

The Committee has recently concluded that the annual report and financial statements for the year ended 31 December 2024, taken as whole, are fair, balanced and understandable and provided the information necessary for shareholders to assess the Group's business model, strategy and performance.

During the year, the Committee considered the following key matters of judgement:

- Valuation of goodwill and intangible assets arising from prior acquisitions, including Azzurri and Intrinsic Technology, review for potential impairment, ensuring the reasonableness of key assumptions, considering the impact of sensitivities to these assumptions and identifying the degree of sensitivity which would lead to a potential impairment.
- Alternative performance measures; reviewed rationales and methodology of calculations.
- Exceptional items.

In terms of Going Concern the committee considered a range of scenarios for both the budget and the five-year business plan including a reasonable worst-case scenario. It was concluded that the going concern basis is appropriate.

External Audit

A review of the prior year's audit effectiveness took place and improvements were agreed, including earlier testing; the 2024 Audit plan was agreed in November.

The Committee held two meetings to review and sign off the results of the audit and the Annual Report in 2025.

The Committee considered a number of factors to assess the auditor's objectivity and independence, including their internal procedures, the degree and nature of challenges and scepticism shown by the partner. The committee is satisfied with RSM's independence, objectivity and expertise and has approved the 2024 audit plan. A full review will take place after the publication of the Annual Report for 2024.

In terms of Going Concern the committee considered a range of scenarios for both the budget and the five-year business plan including a reasonable worst-case scenario. It was concluded that the going concern basis is appropriate.

Risk Management and Internal Controls

The risk management processes and systems are well established and integrated into operational management practices and the Integrated Management System. A quarterly review takes place at the Operating Board and a report prepared for the Audit Committee and Board, analysing strategic, operational and financial risks, the procedures in place to mitigate those risks and uncertainties and the potential impact on the Group. The risk register was reviewed twice and the risk management process was reviewed in a deep dive exercise.

The principal risks and uncertainties to which the Group is exposed are set out in the Corporate Governance section on pages 80 to 81.

Key internal control procedures are as follows:

- Management responsibility and authorisation controls – an established management structure, monthly finance reporting process, clearly defined levels of responsibility and delegation of authorities built into the systems. A delegated list of authorities was updated in the year and approved by the Committee.
- Corporate planning process – an annual budget and five-year strategic plan is updated each year and approved by the Board. Following approval of the annual budget by the Board financial performance and variances against budget are analysed and reported monthly and challenged centrally.
- Key Performance Indicators (KPI's) – a set of operational, financial and non-financial KPI's is reported each month to the Board.
- Strong cash management – the Group maintains tight cash management controls with very detailed short-term forecasting, management procedures, delegated authorities, appropriate segregation of duties and dual signatories on all bank accounts.
- A whistleblowing process which is well established but will be reviewed and updated in 2025.

The Finance systems have been reviewed in detail and a programme of work instigated to improve efficiencies, remove duplication and improve management information, pending a more all-embracing review of the order to cash processes in 2025.

The Committee concluded that the control environment is sufficient to give assurance that the accounting and reporting of financial performance is accurate.

Conclusion

The Committee considers it has acted in accordance with its responsibilities. The Chair of the Audit Committee will be available at the Annual General Meeting to answer any questions about the work of the committee.

Bob Beveridge
Chairman, Audit and Risk Committee

Report of the Remuneration Committee

The Remuneration Committee comprises two members: Clare Bates, a qualified HR professional with recent and relevant HR experience, and Bob Beveridge who joined in July 2024, following the resignation of John Booth from the Board.

It met three times during the year with 100% attendance. Attendees at Committee meetings included the Chief People Officer, Chief Executive Officer, and Chief Financial Officer who attended at the invitation of the Chair of the Committee to enhance the usefulness of the meetings. The Committee has access to independent professional advice as necessary, at the Company's expense.

Introduction

On behalf of the Board, I am pleased to present the report of the Remuneration Committee for the year ended 31 December 2024. As the Company is listed on AIM, we are required to comply with AIM Rule 19 in respect of remuneration disclosures. However, we have also chosen to provide additional voluntary disclosures in line with AIM best practice

The information in this report is structured as follows:

- A description of the Company's remuneration policy and its alignment with Company strategy, setting out the key elements of this policy
- Details of how the remuneration policy was applied in 2024
- How the remuneration policy will be applied in 2025

The Remuneration Committee is committed to structuring Senior Executive Remuneration that is competitive, incentivises and rewards good performance, and that will help the Group continue to grow profitably. Each year the remuneration framework and the packages of the Directors are reviewed to ensure they continue to attract, retain and motivate executives and drive towards these objectives.

The Committee's remit is to determine and agree with the Board:

- The broad policy regarding remuneration of the Chairman, Executive Directors and certain Senior Managers, ensuring that it is aligned with the Group's strategy, performance and governance standards
- The individual remuneration and incentive packages for Executive Directors
- In consultation with the Chief Executive Officer, the remuneration package for key Senior Managers (including bonus and share incentive plans); and
- To provide oversight of employee benefits and incentives across the Group

The Committee's full terms of reference can be found on the investor section of the Company's website.

Remuneration Policy

The Group operates in large competitive markets with areas of significant growth potential. The Group's Executive Director remuneration policy is designed to attract, reward, incentivise and retain Directors of the calibre required to maintain the Group's position in the marketplace, through effective delivery of the Group's short and long-term strategic objectives.

The key features of remuneration and the policy for each element of the packages for Executive Directors are shown in the table below:

Element of remuneration	Purpose and link to strategy	Policy and approach	Maximum	Performance
Base salary – the core element of pay that reflects the individual's role and position within the Company	To pay a competitive, sustainable level of fixed remuneration which allows us to attract and retain high calibre executives,	Reviewed annually by the committee. Salary increases will normally be in line with pay review levels across the whole Group. However, reference is also made to benchmark data from Maintel's key competitors and other relevant comparators as well as to any changes in responsibility or an individual's personal contribution to the Groups strategy.	n/a	n/a
Comprehensive benefit package	To provide market competitive benefits	Standard benefits are provided to all employees – Life assurance cover of 4 times salary; permanent income protection cover, and access to a comprehensive range of flexible benefits. In addition, for Executives and Senior Managers, private medical insurance; private dental insurance and car allowances are also provided.	n/a	n/a
Pension	To provide a level of retirement benefit	The Executive Directors (together with all other eligible staff) participate in a money purchase pension scheme.	Standard employer pension contribution of 3% of base salary	n/a
Annual Bonus	A cash bonus designed to incentivise collective effort across the senior management team and achievement of the annual plan and budget.	Executive directors and other senior management participate in a discretionary bonus scheme, which is triggered by a minimum level of adjusted EBITDA. Once the trigger has been activated, bonus payments are made on a sliding scale with up to 60% based on achievement of annual financial targets and a further up to 40% based on the achievement of specific annual non-financial targets.	100% of base salary	Sliding scale, triggered by a minimum level of adjusted EBITDA

Report of the Remuneration Committee continued

Element of remuneration	Purpose and link to strategy	Policy and approach	Maximum	Performance
Long term incentive plan (LTIP)	To encourage and reward delivery of the Group's long-term growth objectives and provide alignment with shareholders.	All share option awards offered to Executive Directors have minimum three-year vesting schedules and are made based on the potential value that will be created. The Company has a limited ability to award nominal priced options through a tax-efficient Company Share Option Plan (CSOP), but the majority of its awards are market value options. Share-based incentives ensure that Executive Directors' incentives are directly aligned with the achievement of share price increases. The plan rules include amongst other things claw-back and malus provisions.	Shares issued or issuable to satisfy awards made in the last 10 years (669,530) must not exceed 10% of the Company's issued share capital (14,361,492) Current situation is 4.66%).	Whilst there are no performance conditions other than continued employment, reward is directly aligned with the achievement of share price increases.
Non-Executive Directors	The Remuneration Committee determines the fee for the Chairman. Fees for the Non-Executive Directors are recommended by the Executive Directors and approved by the Board.	The Non-Executive Directors each have a contract terminable on three months' notice. The level of remuneration of the Non-Executive Directors is reviewed annually. Fee increases are normally in line with the standard pay review for all employees. Fees may include a basic fee and additional fees for further responsibilities. Travel and other reasonable expenses may be re-imbursed. All Non-Executive Directors are subject to annual re-election by shareholders.	n/a	n/a

The Remuneration Committee considers that:

- Overall remuneration packages attract and retain the right level of people to ensure that Maintel can achieve its long-term strategic objectives
- Salary increases and benefit changes are typically in line with those awarded to all employees
- Bonus payments are completely aligned to company success, with specific annual bonus KPI's being aligned with the corporate KPI's required to achieve the Company's strategic plan.
- Bonus is only paid if a minimum level of EBITDA is achieved, and thereafter is paid on a sliding scale, with 100% of bonus being paid on the achievement of a stretch level of EBITDA.
- LTIP awards are made on the basis of the potential value that will be created during the vesting period.
- All recent share option awards have been market value options and therefore any "gain" is fully aligned with share price performance.
- The levels of bonus opportunity and LTIP awards are sufficient to motivate the Directors whilst being proportionate to the long-term value created for the benefit of shareholders.

Directors' service agreements

Each Executive Director has a six-month rolling service agreement. Copies of all Directors' service agreements and letters of appointment are made available for inspection upon request to the Company Secretary at the Company's registered office, 5th Foor, 69 Leadenhall Street, London, EC3A 2BG.

Application of the remuneration policies for the year ended 31 December 2024

Base salary and benefits

The 2024 budgeting process provided for a general companywide salary increase envelope of 3%, with a further 1% salary pot available for required salary adjustments and to reflect outstanding performance.

Dan Davies was appointed Interim Chief Executive Officer in February 2024 and was awarded a temporary responsibility uplift to his Chief Technical Officer salary. This uplift amount was determined by the Committee taking account of his level of skill and experience as well as benchmark data relating to similar positions in comparable companies. The standard 3% increase was made to his core salary only with effect from 1 April 2024.

Taking account of his individual performance and benchmark data relating to similar positions in comparable companies, the Chief Financial Officer salary was also increased by 3% with effect from 1 April 2024.

The Non-Executive Directors also received a fee increase of 3% with effect from 1 April 2024, in line with the standard for the Group.

No changes were made to pension and benefit packages.

Bonuses

The 2024 bonus scheme was designed to ensure that any bonus payment relied on the Executive directors and other senior managers working together as a cohesive team, to deliver a minimum level of adjusted EBITDA. Once the trigger had been activated, bonus payments were to be made on a sliding scale with up to 60% of bonus opportunity being paid based on the achievement of annual financial targets and a further up to 40% of bonus opportunity based on the achievement of specific annual non-financial targets.

As the financial performance of the Group was below the minimum level of EBITDA required, no bonus payments were made.

However, following an assessment of the performance of the Operating Board and particularly the CEO and the CFO, and the achievement of many of the non-financial targets that had been set, the Remuneration Committee agreed to award a small discretionary cash bonus. The level of bonus paid to the Executive Directors is shown on page 78.

Long term incentive plan

Maintel has a policy of providing long term incentives to Senior Executives, which are aligned with the interests of shareholders and the long-term sustainability of the Group.

The Remuneration Committee reviewed the potential value that was being created through the share option grants that were made in April 2023 and decided that there was no need for further share options to be awarded in 2024. Details are set out on page 78.

How the remuneration policy will be applied in 2025

Base salary and benefits

The Committee has reviewed the Company's remuneration policies and their application both to the Executive Directors, senior managers and the wider workforce in general. In doing so, it took into account the macroeconomic environment, including expectations for inflation and the state of the employment markets in which the Group operates. As a result, a companywide salary increase envelope of 2% has been agreed (2024: 3%), with a further 1% salary pot available for required salary adjustments and to recognise outstanding performance. The distribution of this total salary increase pot will depend on the existing salary of an individual compared with benchmark data for the role; any changes to role and responsibilities and the individual personal performance of that individual. Any increases will be effective from 1 April 2025.

Dan Davies was appointed Chief Executive Officer on 25 February 2025, and his remuneration package was determined by the Committee taking account of the advice from the executive search firm involved in the CEO recruitment process, his performance in the role of Interim CEO; and benchmark data relating to similar positions in comparable companies. The level of salary set was inclusive of the April 2025 pay award.

No changes are proposed to standard benefit packages.

Non-Executive Director fees will be increased in line with the standard pay award available to all employees.

Report of the Remuneration Committee continued

Bonuses

The Committee has reviewed the operation of the Group's bonus scheme in 2024 and has adopted the same framework, but with the usual annual refresh of appropriate minimum adjusted EBITDA levels and KPI measures, in line with our corporate goals for the year. Bonus payments will again rely on the whole senior management team working together and will be triggered by a minimum level of adjusted EBITDA, with up to 60% of the bonus opportunity being paid on the achievement of specific corporate financial targets and up to 40% of bonus opportunity dependent on the achievement of corporate non-financial targets.

The Committee has however decided to adjust the bonus ratchet mechanism, so that small bonus payments will be triggered earlier but with maximum bonus payments only being paid if a stretch (above budget) level of EBITDA, as well as all financial and non-financial targets are achieved.

No Executive Director's bonus target for 2025 is above 100% of salary.

Long term incentive plan

Following the appointment of Dan Davies as permanent CEO, an additional 80,000 market value share options, with a three-year vesting period will be awarded and will be announced in an RNS immediately following the grant date.

In parallel, the Committee intends to undertake a full review of the operation of the Company's long term incentive plan and grant policy to ensure that our approach continues to meet best practice standards and appropriately incentivises performance.

Details of Directors' remuneration in 2024

The remuneration of the Directors in office during the year was as follows:

£'000	Salaries/ fees	Benefits	Bonus/ commissions	Pension contributions	Total 2024[1]	Total 2023[1]
Non-executive Directors						
J D S Booth[2]	20	–	–	1	**21**	40
C E Bates[3]	116	–	–	–	**116**	25
N J Taylor[4]	–	–	–	–	**–**	16
A J McCaffery[5]	23	–	–	–	**23**	–
R J Beveridge[6]	20	–	–	–	**20**	–
Executive Directors						
C Thompson[7]	160	1	–	5	**166**	293
I MacRae[8]	–	–	–	–	**–**	195
G J Pirona	249	–	54	7	**310**	504
D J Davies[9]	245	10	55	8	**318**	346
	833	11	109	21	**974**	1,419

1 Excluding social security costs in respect of the above amounting to £101,000 (2023: £171,000).
2 John Booth resigned as a Director on 19 June 2024. This represents his remuneration up to this date.
3 Clare Bates has received additional remuneration during the year associated with her duties as Senior Independent Director (in the absence of a Chair) and some one-off project work
4 Nicholas Taylor resigned as a Director on 30 May 2023. This represents his remuneration up to this date.
5 Angus McCaffery was appointed as a Director on 3 July 2024. This represents his remuneration from this date.
6 Robert Beveridge was appointed as a Director on 3 July 2024. This represents his remuneration from this date.
7 Carol Thompson was Executive Chair and Interim Chief Executive Officer until 27 February 2024 and left as a Director on 18 April 2024. This represents her remuneration up to this date.
8 Ioan MacRae resigned as a Director on 28 February 2023. This represents his remuneration up to this date.
9 Daniel Davies was appointed as Interim Chief Executive Officer on 27 February 2024.

Share scheme interests awarded in 2024

No awards were made under the Maintel 2015 long-term incentive plan in 2024.

Statement of Directors' Shareholding and Share Interests on 31 December 2024 and 31 December 2023

		Options			
	Beneficially owned shares	With performance conditions	Without performance conditions	Vested and unexercised	Exercised during the year
Executive Directors					
D J Davies	–	–	100,000	–	–
G J Pirona	–	–	125,000	–	–
Non-Executive Directors					
A McCaffery	1,662,882	–	–	–	–
Total 2024	**1,662,882**	**–**	**225,000**	**–**	**–**
Total 2023	3,501,796	–	425,000	–	–

The number of beneficially owned shares reduced by 1,838,914 from 3,501,796 to 1,662,882 This is due to the resignation of John Booth from the Board, the sale of Carol Thompson's beneficially owned shares, and the appointment of Angus McCaffery as a Non-Executive Director.

The number of options issued decreased by 200,000 due to these options lapsing upon Carol Thompson leaving the Company.

The report of the Remuneration Committee was approved by the Board on 2 May 2025.

We hope you will find this Report informative and look forward to receiving your support at the forthcoming AGM.

Clare Bates
Chair of the Remuneration Committee

Managing risks and opportunities

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.	—
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.	—
Cyber-attacks on Maintel, customer or supplier systems rendering them unusable temporarily or permanently.	The Group has an outsourced Security Operations Centre (SOC) and compliments 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 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.	↓
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 churn and continue to develop our customer offering and service delivery.	—

— Risk unchanged from last year

↓ Risk reduced compared with last year

↑ Risk increased compared with last year

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

Directors' report

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

Strategic Report

The Strategic Report on pages 6 to 55 is incorporated in the Directors' report by reference. The Business review also contains an indication of likely future developments for the business.

Results and dividends

The consolidated statement of comprehensive income is set out on page 94 and shows the profit of the Group for the year.

The Company did not pay any dividend during the year (2023: £nil).

Directors

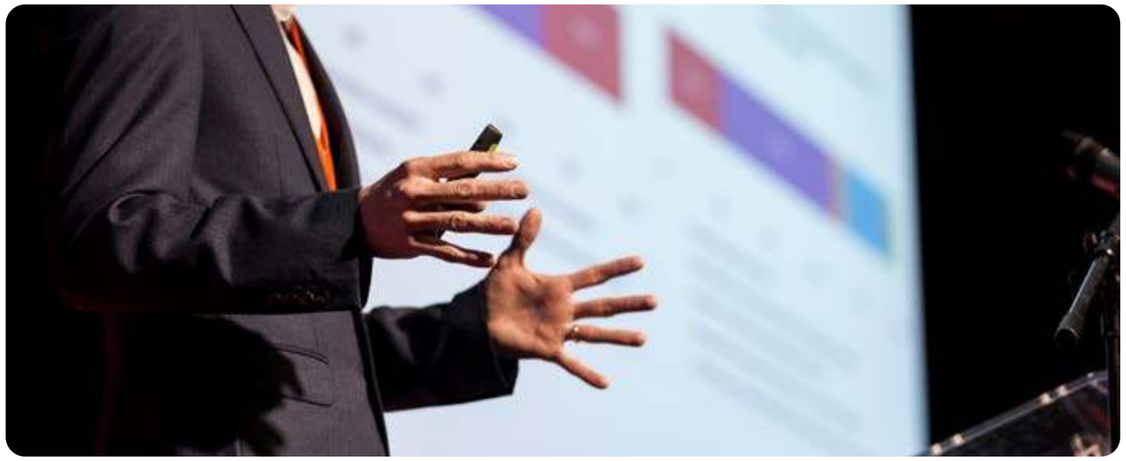
The Directors of the Company during the year and their interests in the ordinary shares of the Company at 31 December 2024 can be found on page 79.

Substantial shareholders

In addition to the Directors' shareholdings, the Company had been notified of the following shareholdings of 3% or more in the ordinary share capital of the Company at 31 March 2025:

	Number of 1p ordinary shares	% of issued ordinary shares
J Booth	3,500,000	24.37
Harwood Capital LLP	2,718,000	18.93
J A Spens	2,508,083	17.46
Herald Investment Trust Plc[1]	804,217	5.60

[1] John Booth is a shareholder in Herald Investment Trust Plc, which has notified the Company of an interest in 804,217 1p ordinary shares; this is in addition to Mr Booth's beneficial holding listed above.



Share capital

Details of the share capital of the Company are shown in note 24 of the financial statements.

No new shares were issued in the year (2023: nil). No shares were repurchased during the year (2023: nil).

The existing authority for the repurchase of the Company's shares is for the purchase of up to 2,152,787 shares. A fresh authority, for the purchase of up to 2,152,787 shares, will be sought at the forthcoming annual general meeting.

Employees

Maintel's success is dependent on the knowledge, experience and engagement of its employees. Its ability to attract and retain those people is key and therefore the Group is committed to providing a competitive total employment package that includes both financial and non-financial rewards, to align employee interests with those of the Group.

Our culture values the differences between people, and we seek to reflect the diversity of society in all aspects of our business. We ensure fair and equitable access to opportunities and take every possible step to ensure that decisions on recruitment and selection, pay, training and promotion opportunities are based solely on objective and job-related criteria.

The Company actively supports the principle of equal opportunities in employment and is committed to ensuring that individuals are treated fairly and with respect. The Company opposes all forms of unlawful or unfair discrimination on the grounds of colour, race, religion or belief, nationality, ethnic or national origin, sex, gender, re-assignment, sexual orientation, marital or civil partner status, age or disability. The approach to communication with employees is reviewed on a regular basis to ensure relevance of both delivery methods and content of information. This currently includes channels such as face-to-face updates from the Operating Board and regular news updates emailed to all employees, as well as regular team and individual meetings with employees. Two-way communication is key to the success of the Group and an employee forum developed in previous years is now a well-established mechanism to achieve this, accompanied by an annual employee survey, with appropriate action being taken on the results. The Company established a Share Incentive Plan in 2006, allowing all employees to invest tax effectively in its shares, and so aligning employee interests with those of shareholders. Under the plan, shares are acquired by employees out of pre-tax salary, with ownership vesting at that time, and are held by trustees on behalf of the employees.

Maintel employs 134 women, 30.25% of our workforce. We believe that achieving greater gender equality strengthens our company by giving us a better understanding and an overall more balanced view.

Environment

The Group acknowledges its responsibilities for the environment and Maintel's environmental sustainability progress is reported in accordance with the Streamlined Energy and Carbon Reporting (SECR) and Energy Savings Opportunity Scheme (ESOS) regulations using Global Reporting Index (GRI) methodology and maintains IIEC/ ISO 14001 Environment certification.

A full review of energy consumption across our offices and operations was undertaken for the 12 months to December 2024. The table below identifies the measurements across all Maintel offices using an Operational Control boundary:

Scope 1 = Direct emissions from Gas and vehicles owned or controlled by Maintel

Scope 2 = Indirect emissions associated with the purchase of electricity

Scope 3 = Indirect emissions associated with employee travel, Upstream transport and distribution, Waste generated in operations and employee commuting.

Directors' report continued

Notable changes for 2024 are:

- **Scope 1** Combustion of fuel and owned transport reduced by 75% due to the removal of company owned vehicles.
- **Scope 3** Business travel reduction of 47% as employees make appropriate use of video conferencing
- **Scope 3** Waste generated in operations reduced by 82% as "no print" policy implemented
- **Scope 3** Upstream transportation and distribution reduced 38% as online billing project completed.

	2024	2023	(Decrease)
Energy use (kWh)			
Scope 1: Combustion of fuel, owned transport	**2,028.38**	8,024.43	(75)%
Scope 2: Consumption of Electricity (Location based)	**127,535.65**	130,955.14	(3)%
Scope 3: Business Travel by means not owned or controlled by Maintel	**363,424.22**	698,195.45	(48)%
Total energy use kWh	**492,988.25**	**837,175.02**	**(41)%**
GHG emissions (tonne CO_2e)			
Scope 1: Combustion of fuel, owned transport	**0.50**	1.99	(75)%
Scope 2: Consumption of Electricity (Location based)	**26.41**	27.12	(3)%
Total gross Scope 1 & Scope 2 emissions	**26.91**	**29.11**	**(8)%**
Average number of employees	**445**	482	(5)%
Intensity ratio: Total CO_2e Scope 1 and Scope 2 emissions per employee	**0.06**	**0.06**	**–**
Scope 3: Business Travel in employee-owned vehicles	**92.48**	173.24	(47)%
Scope 3: Upstream Transportation and Distribution	**0.93**	1.50	(38)%
Scope 3: Waste generated in operations	**11.35**	64.79	(82)%
Scope 3: Employee commuting	**81.87**	91.90	(11)%
Total gross CO_2e emissions	**213.54**	**360.54**	**(41)%**
Gold Standard offset	**–**	**–**	**–**
Total net CO_2e emissions	**213.54**	**360.54**	**(41)%**

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 a revolving credit facility ("RCF") of £20m with a £6m term loan on a reducing basis. Repayments started in October 2022. At 31 December 2024, £0.8m remained outstanding, which was fully repaid by 24 March 2025, accordingly to 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 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 renewable annually.

As highlighted in the risk management section (see pages 80 to 81) 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, 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.

Corporate Governance Code

Maintel has adopted the QCA Corporate Governance Code ("the Code"). See page 66 for details.

Financial instruments

Details of the use of financial instruments by the Group are contained in note 23 of the Financial Statements.

Annual General Meeting

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

Stakeholder engagement

Details of stakeholder engagement can be found on pages 67 to 68.

Research and development

In the year, £859,000 (2023: £973,000) was expensed to the statement of profit and loss in relation to research and development expenditure, in addition to £727,000 capitalised (2023: £630,000).

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, England, 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.

Auditors

- As far as the Directors are aware, there is no relevant audit information of which the company's auditors are unaware; and
- The Directors have taken all of the steps that he/she ought to have taken as a Director in order to make him/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Signed on behalf of the Board

Dan Davies
Chief Executive Officer

2 May 2025

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Independent auditor's report to the members of Maintel Holdings Plc

Opinion

We have audited the financial statements of Maintel Holdings plc (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2024 which comprise the consolidated statement of comprehensive income, the consolidated statement of financial position, the consolidated statement of changes in equity, the consolidated statement of cash flows, the company balance sheet, the company statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law and UK-adopted International Accounting Standards. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2024 and of the group's profit for the year then ended;
- the group financial statements have been properly prepared in accordance with UK-adopted International Accounting Standards;
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Summary of our audit approach

Key audit matters

Group
Revenue recognition

Parent company
None

Materiality

Group
Overall materiality: £425,000
(2023: £400,000)

Performance materiality: £318,000
(2023: £300,000)

Parent company
Overall materiality: £1,280,000
(2023: £1,350,000)

Performance materiality: £961,000
(2023: £1,010,000)

Scope

Our audit procedures covered 100% of revenue, 100% of total assets and 100% of profit before tax.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the group financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on the overall audit strategy, the allocation of resources in the audit and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the group financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue Recognition

Key audit matter description	The Group has a number of revenue streams. Details of accounting policies applied during the period are given in note 2(e) to the consolidated financial statements. Management make judgements in relation to revenue recognition for project revenue sales under IFRS 15 Revenue from contracts with customers. These include identifying Maintel's performance obligations in its contracts with customers and allocation of transaction price which impacts the valuation of the revenue recognised. We consider there to be a significant risk around the valuation of project revenue. We also consider there to be a risk of misstatement of the financial statements relating to project and non-project revenue transactions occurring close to the year end, as transactions could be recorded in the wrong financial period (cut-off), as well as completeness in relation to project and non-project revenue.
How the matter was addressed in the audit	In order to address the risks associated with these revenue streams we obtained an understanding of the process and controls around revenue recognition. Our procedures also included reviewing a sample of contracts to assess whether: – revenue was recognised in accordance with the Group's accounting policy and the requirements of IFRS 15; – revenue was recognised appropriately based on whether Maintel had identified the appropriate performance obligations per the underlying contract, allocated the transaction price as required and completed its performance obligations under the contract prior to the reporting date by reference to its obligations stated in the customer contracts. Underlying contracts and correspondence with customers on supply and installation works were obtained; discussions with project managers were undertaken; and – other terms within the contract had any material accounting or disclosure implications. In addition, we have: – Performed data analytics testing to assess the valuation of revenue. The analytic tool assesses 100% of transactions affecting the relevant sales cycle (revenue, receivables, cash, etc) during the year, leveraging work completed in other parts of the audit to gain assurance over expected/in-cycle transactions. The remaining population of unexpected, unusual and out-of-cycle transactions was then sampled, reviewed and agreed to supporting documentation as necessary; – tested the reconciliation between the group's revenue recording systems and completed gap-analysis to test completeness of revenue recognised; and – Separately tested revenue cut-off by reviewing a sample of invoices raised around the year end to determine whether the revenue has been accounted for in the correct period.

No key audit matters have been identified in respect of the parent company financial statements.

Independent auditor's report continued

Our application of materiality

When establishing our overall audit strategy, we set certain thresholds which help us to determine the nature, timing and extent of our audit procedures. When evaluating whether the effects of misstatements, both individually and on the financial statements as a whole, could reasonably influence the economic decisions of the users we take into account the qualitative nature and the size of the misstatements. Based on our professional judgement, we determined materiality as follows:

	Group	Parent company
Overall materiality	£425,000 (2023: £400,000)	£1,280,000 (2023: £1,350,000)
Basis for determining overall materiality	4.0% of adjusted EBITDA	4.5% of net assets
Rationale for benchmark applied	Profit measure used for the trading activities of the Group.	Parent company is a holding company so net assets used as the benchmark.
Performance materiality	£318,000 (2023: £300,000)	£961,000 (2023: £1,010,000)
Basis for determining performance materiality	75% of overall materiality	75% of overall materiality
Reporting of misstatements to the Audit Committee	Misstatements in excess of £21,200 and misstatements below that threshold that, in our view, warranted reporting on qualitative grounds.	Misstatements in excess of £64,000 and misstatements below that threshold that, in our view, warranted reporting on qualitative grounds.

An overview of the scope of our audit

The group consists of three components, all of which are based in the United Kingdom and the Republic of Ireland. Full scope audits were performed on two components; the remaining component is dormant and therefore no audit procedures were performed.

The coverage achieved by our audit procedures was:

	Number of components	Revenue	Total assets	Loss before tax
Full scope audit	2	100%	100%	100%
Dormant	1	0%	0%	0%
Total	**3**	**100%**	**100%**	**100%**

All audit work was completed by the group audit team and no component auditors were used in our audit.

Conclusions relating to going concern

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. Our evaluation of the directors' assessment of the group's and parent company's ability to continue to adopt the going concern basis of accounting included reviewing and evaluating management's forecasts and the results of scenario analysis. Disclosure of the group's going concern assessment is on page 99 of the accounting policies and based on the results of the audit procedures outlined above, we have no observations to report.

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 group's or the parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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 in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 70, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors 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 group's and the parent 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

Independent auditor's report continued

intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

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

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory frameworks that the group and parent company operate in and how the group and parent company are complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

The most significant laws and regulations were determined as follows:

Legislation / Regulation	Additional audit procedures performed by the Group audit engagement team included
UK-adopted International Accounting Standards, FRS 101 and Companies Act 2006	Review of the financial statement disclosures and testing to supporting documentation; and completion of disclosure checklists to identify areas of non-compliance.
Tax compliance regulations	Inspection of any advice received from internal / external tax advisors; and consideration of whether any matter identified during the audit required reporting to an appropriate authority outside the entity.

The areas that we identified as being susceptible to material misstatement due to fraud were:

Risk	Audit procedures performed by the audit engagement team:
Revenue recognition	The audit procedures performed in relation to revenue recognition are documented in the key audit matter section of our auditor's report.
Management override of controls	Testing the appropriateness of journal entries and other adjustments; Assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and Evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

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

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

William Farren FCA (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP,
Statutory Auditor
Chartered Accountants
25 Farringdon Street
London EC4A 4AB

2 May 2025

Consolidated statement of comprehensive income

for the year-ended 31 December 2024

	Note	2024 £000	2023 £000
Continuing operations:			
Revenue	4	**97,862**	101,262
Cost of sales		**(67,233)**	(70,022)
Gross profit		**30,629**	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		**(29,037)**	(36,402)
Operating profit/(loss)	7	**2,392**	(4,612)
Financing costs	8	**(2,018)**	(2,168)
Profit/(loss) before taxation		**374**	(6,780)
Taxation credit	9	**138**	1,429
Profit/(loss) for the year		**512**	(5,351)
Other comprehensive expense for the year			
Items that maybe reclassified to profit or loss:			
Exchange differences on translation of foreign operations		**-**	(16)
Total comprehensive income/(expense) for the year		**512**	(5,367)
Earnings/(loss) per share (pence)			
Basic	10	**3.6p**	(37.3)p
Diluted	10	**3.5p**	(37.3)p

The notes on pages 99 to 129 form part of these consolidated financial statements.

Consolidated statement of financial position

at 31 December 2024

	Note	31 December 2024 £000	31 December 2024 £000	31 December 2023 £000	31 December 2023 £000
Non-current assets					
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
			50,283		51,260
Current assets					
Inventories	17	**790**		1,677	
Trade and other receivables	18	**24,708**		25,408	
Cash and cash equivalents		**4,127**		4,846	
Total current assets			**29,625**		31,931
Total assets			**79,908**		83,191
Current liabilities					
Trade and other payables	19	**41,668**		43,938	
Lease liabilities	22	**417**		909	
Borrowings	21	**744**		2,322	
Total current liabilities			**42,829**		47,169
Non-current liabilities					
Other payables	19	**1,747**		502	
Lease liabilities	22	**484**		731	
Borrowings	21	**20,000**		20,579	
Total non-current liabilities			**22,231**		21,812
Total liabilities			**65,060**		68,981
Total net assets			**14,848**		14,210
Equity					
Issued share capital	24		**144**		144
Share premium	25		**24,588**		24,588
Other reserves	25		**64**		64
Retained losses	25		**(9,948)**		(10,586)
Total equity			**14,848**		14,210

The consolidated financial statements were approved and authorised for issue by the Board on 2 May 2025 and were signed on its behalf by:

Gabriel Pirona
Chief Financial Officer

The notes on pages 99 to 129 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
At 31 December 2023	**144**	**24,588**	**64**	**(10,586)**	**14,210**
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
At 31 December 2024	**144**	**24,588**	**64**	**(9,948)**	**14,848**

The notes on pages 99 to 129 form part of these consolidated financial statements.

Consolidated statement of cash flows

for the year-ended 31 December 2024

	2024 £000	2023 £000
Operating activities		
Profit/(loss) before taxation	**374**	(6,780)
Adjustments for:		
Amortisation of intangible fixed assets	**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)**	–
Operating cash flows before changes in working capital	**8,292**	5,262
Decrease in inventories	**887**	917
Decrease in trade and other receivables	**700**	2,058
Decrease in trade and other payables	**(1,419)**	(3,265)
Net cash inflows from operating activities	**8,460**	4,972
Investing activities		
Purchase of plant and equipment	**(552)**	(418)
Purchase of intangible assets	**(3,092)**	(2,424)
Investment in internally generated development expenditure	**(727)**	(630)
Net cash outflows from investing activities	**(4,371)**	(3,472)
Financing activities		
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)**	–
Net cash outflows from financing activities	**(4,794)**	(2,769)
Net decrease in cash and cash equivalents	**(705)**	(1,269)
Cash and cash equivalents at start of year	**4,846**	6,136
Exchange differences	**(14)**	(21)
Cash and cash equivalents at end of year	**4,127**	4,846

Consolidated statement of cash flows

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
At 31 December	**20,744**	22,901
Current	**744**	2,322
Non-current	**20,000**	20,579

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)**	–
At 31 December	**901**	1,640
Current	**417**	909
Non-current	**484**	731

The notes on pages 99 to 129 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 (see pages 80 to 81) 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.

Notes forming part of the consolidated financial statements

continued

2. Accounting policies continued

Project and on-premise managed services (renamed in FY24 from its previous name of "managed service and technology sales")

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 earnt 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).

Notes forming part of the consolidated financial statements

continued

2. Accounting policies continued

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 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.

Notes forming part of the consolidated financial statements

continued

2. Accounting policies continued

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 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.

Notes forming part of the consolidated financial statements

continued

3. Accounting estimates and judgements continued

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.

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

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

Analysis of revenue by geographical location:

	2024 £000	2023 £000
United Kingdom	**97,162**	99,526
European Union	**524**	1,655
Rest of the world	**176**	81
	97,862	101,262

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

Notes forming part of the consolidated financial statements

continued

4. Segment information continued

Analysis of revenue by timing of recognition:

	2024 £000	2023 £000
Revenue recognised at a point in time	**24,602**	26,290
Revenue recognised over time	**73,260**	74,972
	97,862	101,262

Analysis of movements in deferred income:

	2024 £000	2023 £000
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	**(19,331)**	(21,866)

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.

Analysis of other expenses:

	Project and on premise managed services £000	Network services £000	Mobile £000	Central £000	Total £000
Other expenses					
Intangibles amortisation	–	–	–	(4,567)	**(4,567)**
Depreciation	–	–	–	(1,232)	**(1,232)**
Exceptional items	(216)	(39)	–	(1,968)	**(2,223)**

Year-ended 31 December 2023

	Project and on-premise managed services £000	Network services £000	Mobile £000	Central £000	Total £000
Revenue	52,097	45,317	3,848	–	**101,262**
Gross profit	12,285	17,387	1,568	–	**31,240**
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)	**(6,979)**
Operating loss					**(4,612)**
Financing costs					**(2,168)**
Loss before taxation					**(6,780)**
Taxation					**1,429**
Loss after taxation					**(5,351)**

Analysis of other expenses:

	Project and on-premise managed services £000	Network services £000	Mobile £000	Central £000	Total £000
Other expenses					
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.

Notes forming part of the consolidated financial statements

continued

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
Total employees	**445**	482

Staff costs, including Directors, consist of:

	£000	£000
Wages and salaries	**25,381**	26,167
Social security costs	**2,991**	2,859
Pension costs	**722**	709
Share-based payments	**126**	189
Total staff costs	**29,220**	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
Total Directors' remuneration	**974**	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
Total remuneration of the highest paid Director	**318**	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 74 to 79.

7. Operating profit/(loss)

	2024 £000	2023 £000
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[1]	**–**	53
Impairment of right of use assets[1]	**259**	761
Impairment of intangible fixed assets[1]	**–**	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

[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

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

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

Notes forming part of the consolidated financial statements

continued

9. Taxation

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

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:

	2024 £000	2023 £000
Profit/(loss) before tax	**374**	(6,780)
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
Total taxation credit on profit/(loss) on ordinary activities	**(138)**	(1,429)

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 £000	2023 £000
Profit/(loss) after tax	**512**	(5,351)
Adjustments:		
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
Adjusted earnings used in adjusted EPS	**4,053**	3,395

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

	2024 Number (000s)	2023 Number (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
Weighted average number of ordinary shares of 1p each used as the denominator in calculating diluted EPS (2023: Adjusted diluted EPS)	**14,576**	14,438
Earnings/(loss) per share		
Basic	**3.6p**	(37.3)p
Diluted	**3.5p**	(37.3)p
Adjusted – basic	**28.2p**	23.6p
Adjusted – diluted	**27.8p**	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.

Notes forming part of the consolidated financial statements

continued

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		**8,191**	1,971
Share-based payments	27	**126**	189
Exceptional items	12	**2,223**	6,979
Adjusted EBITDA		**10,540**	9,139

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	**2,223**	6,979

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
Cost							
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)
At 31 December 2024	**40,516**	**43,721**	**–**	**2,876**	**17,301**	**250**	**104,664**
Amortisation and Impairment							
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)
At 31 December 2024	**317**	**41,999**	**–**	**2,237**	**12,023**	**192**	**56,768**
Net book value							
At 31 December 2024	**40,199**	**1,722**	**–**	**639**	**5,278**	**58**	**47,896**
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:

	2024 £000	2023 £000
Network services division	**21,134**	21,134
Project and on-premise managed services division	**15,758**	15,758
Mobile division	**3,307**	3,307
Total carrying value of goodwill	**40,199**	40,199

Notes forming part of the consolidated financial statements

continued

13. Intangible assets continued

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 to calculate the cash flows 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	Azzurri 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
At 31 December 2024	**513**	**3,083**	**3,596**
Depreciation and impairment			
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
At 31 December 2024	**488**	**2,162**	**2,650**
Net book value			
At 31 December 2024	**25**	**921**	**946**
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).

Notes forming part of the consolidated financial statements

continued

16. Right of use assets

	Land and buildings £000	Office and computer equipment £000	Total £000
Cost			
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
At 31 December 2024	**5,352**	**1,288**	**6,640**
Depreciation and impairment			
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
At 31 December 2024	**4,999**	**809**	**5,808**
Net book value			
At 31 December 2024	**353**	**479**	**832**
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 £000	2023 £000
Current trade and other receivables		
Trade receivables	**10,507**	12,336
Other receivables	**1,071**	315
Prepayments	**11,139**	11,450
Accrued income	**1,991**	1,307
Total current trade and other receivables	**24,708**	25,408

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.

Notes forming part of the consolidated financial statements

continued

19. Trade and other payables

	2024 £000	2023 £000
Current trade and other payables		
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
Total current trade and other payables	**41,668**	43,938

	2024 £000	2023 £000
Non-current other payables		
Deferred income	**1,631**	–
Intangible licences and other payables	**–**	298
Advanced mobile commissions	**20**	61
Other payables	**96**	143
Total non-current trade and other payables	**1,747**	502

20. Deferred taxation

	Property, plant and equipment £000	Intangible assets £000	Tax losses £000	Other £000	Total £000
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	(762)	1,854	(1,295)	(268)	(471)
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	**(604)**	**556**	**(488)**	**(73)**	**(609)**

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

	2024 £000	2023 £000
Current bank loan – secured	**744**	2,322
Non-current bank loan – secured	**20,000**	20,579
Total borrowings	**20,744**	22,901

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-depending 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. Please see Note 29 for further details.

Notes forming part of the consolidated financial statements

continued

22. Lease liabilities

	2024 £000	2023 £000
Maturity analysis – contractual undiscounted cash flows		
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	**973**	1,730
Discounted lease liabilities included in the statement of financial position		
Current	**417**	909
Non-current	**484**	731
Total lease liabilities included in the statement of financial position	**901**	1,640
Amounts recognised in the comprehensive income statement		
Interest expense on lease liabilities	**69**	73
Expenses relating to short term leases	**1**	1
Amounts recognised in the statement of cash flows		
Total cash outflow (including payments relating to short term leases)	**1,079**	1,049

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.

	Financial assets measured at amortised cost	
	2024 £000	2023 £000
Current financial assets		
Trade receivables	**10,507**	12,336
Accrued income	**1,991**	1,307
Other receivables	**1,034**	315
Total	**13,532**	13,958

	Financial assets measured at amortised cost	
	2024 £000	2023 £000
Non-current financial liabilities		
Other payables	**116**	502
Lease liabilities	**484**	731
Borrowings	**20,000**	20,579
Total	**20,600**	21,812
Current financial liabilities		
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
Total	**21,291**	22,952

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
Total	**463**	560	**261**	193

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.

Notes forming part of the consolidated financial statements

continued

23. Financial instruments continued

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)
Provision at end of year	**136**	194

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
31 December 2024					
Expected credit loss % range	0%-1%	2%-5%	3%-10%	10%-100%	
Gross debtors (£'000)	10,015	119	81	428	**10,643**
Expected credit loss rate (£'000)	(39)	(25)	(2)	(70)	**(136)**
Accrued income	1,991	–	–	–	**1,991**
					12,498

	Current	< 30 days	31–60 days	> 60 days	Total
31 December 2023					
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**
					13,643

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:

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

	0 to 6 months £000	6 to 12 months £000	2 to 5 Years £000	More than 5 years £000	Total £000
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
At 31 December 2023	21,248	3,793	23,127	–	48,168

Notes forming part of the consolidated financial statements

continued

23. Financial instruments continued

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			
	2024 Number	2023 Number	2024 £000	2023 £000
Ordinary shares of 1p each	**14,361,492**	14,361,492	**144**	144

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 74 to 79 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
Outstanding at 31 December	**654,530**	**206.26p**	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).

Outstanding share options by exercisable price range

	2024 Number of Share options	2023 Number of Share options
Exercisable Price range		
115p to 175p	**375,000**	575,000
221p to 274p	**50,000**	–
330p to 375p	**229,530**	252,034
Total share options outstanding	**654,530**	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.

Notes forming part of the consolidated financial statements

continued

27. Share-based payments continued

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:

	2024 £000	2023 £000
Short term employment benefits	**1,613**	1,952
Social security costs	**197**	241
Contributions to defined contribution pension schemes	**36**	49
	1,846	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.

Company balance sheet

at 31 December 2024

Company number 3181729

	Note	31 December 2024 £000	31 December 2024 £000	31 December 2023 £000	31 December 2023 £000
Non-current assets					
Investment in subsidiaries	3		**46,417**		46,417
Deferred tax	4		**488**		861
Trade and other receivables	5		**2,722**		6,962
			49,627		54,240
Current assets					
Trade and other receivables	5	**38**		8	
Cash and cash equivalents		**233**		126	
Total current assets			**271**		134
Total assets			**49,898**		54,374
Current liabilities					
Trade and other payables	6	**847**		346	
Borrowings	7	**744**		2,322	
Total current liabilities			**1,591**		2,668
Non-current liabilities					
Borrowings	7	**20,000**		20,579	
Total non-current liabilities			**20,000**		20,579
Total liabilities			**21,591**		23,247
Total net assets			**28,307**		31,127
Equity					
Issued share capital	8		**144**		144
Share premium			**24,588**		24,588
Capital redemption reserve			**31**		31
Retained earnings			**3,544**		6,364
Shareholders' funds			**28,307**		31,127

The Company has taken advantage of the exemption under S408 of the Companies Act 2006 and has not presented its own profit and loss account in these financial statements. The loss for the year of the Company, after tax and dividend income, was £2.9m (2023: £5.0m).

The Company financial statements were approved and authorised for issue by the Board on 2 May 2025 and were signed on its behalf by:

Gabriel Pirona
Chief Financial Officer

The notes on pages 132 to137 form part of these financial statements.

Company statement of changes in equity

for the year-ended 31 December 2024

	Share capital £000	Share premium £000	Capital redemption reserve £000	Retained earnings £000	Total £000
At 1 January 2023	144	24,588	31	11,154	35,917
Loss and total comprehensive loss for year	–	–	–	(4,979)	(4,979)
Transactions with owners in their capacity as owners:					
Share-based payments	–	–	–	189	189
At 31 December 2023	144	24,588	31	6,364	31,127
Loss and total comprehensive loss for year	–	–	–	(2,946)	(2,946)
Transactions with owners in their capacity as owners:					
Share-based payments	–	–	–	126	126
At 31 December 2024	**144**	**24,588**	**31**	**3,544**	**28,307**

The notes on pages 132 to137 form part of these financial statements.

Notes forming part of the Company financial statements

at 31 December 2024

1. Accounting policies

The Company financial statements have been prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework*.

The principal accounting policies are summarised below; they have been applied consistently throughout the year and the preceding year.

(a) Basis of preparation

The financial statements of the Company have been prepared in accordance with FRS 101 and the Companies Act 2006.

(b) Investments

Investments in subsidiary undertakings are stated at cost unless, in the opinion of the Directors, there has been impairment to their value, in which case they are written down to their recoverable amount.

(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

At 31 December 2024, the Company 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 Company 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 (see pages 80 to 81) 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 (which include the Company and its trading subsidiary), 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 has 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) Financial assets and liabilities

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

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 Company reviews the amount of credit loss associated with amounts owed by its subsidiary undertaking in accordance with IFRS 9.

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

Derivative financial instruments held by the Company represent foreign exchange contracts held to manage the cash flow exposures of forecast transactions denominated in foreign currencies. The Company enters into derivative financial instruments principally with financial institutions with investment grade credit ratings.

Foreign exchange contracts are held at fair value using techniques which employ the use of market observable inputs. The key inputs used in valuing the derivatives are the exchange rates at year end between Pound Sterling and US Dollar. Market values have been used to determine fair value and have been obtained from an independent third party. Any movements in the fair value of the foreign exchange contracts are recognised in the consolidated statement of comprehensive income as no hedge accounting is applied.

(f) 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 statement of comprehensive income over the period of the borrowing using the effective interest method.

(g) 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 on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

The following temporary differences are not provided for:

- The initial recognition of goodwill;
- The initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination; and
- Differences relating to investments in subsidiaries to the extent that it is probable that the differences will not reverse in the foreseeable future.

The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

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

(h) Dividends

Dividends unpaid at the balance sheet 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 accounts.

(i) Foreign currency

The presentation and functional currency of the Company is Pound Sterling. Transactions in currencies other than Pound Sterling are recorded at the rates of exchange prevailing on the dates of the transactions.

(j) Disclosure exemptions adopted

In preparing these financial statements the Company has taken advantage of disclosure exemptions conferred by FRS101. Therefore, these financial statements do not include:

- Certain disclosures regarding the Company's capital;
- A statement of cash flows;
- The effect of future accounting standards not yet adopted;
- The disclosure of the remuneration of key management personnel; and
- Disclosure of related party transactions with other wholly owned members of the Group headed by Maintel Holdings Plc.

In addition, and in accordance with FRS101 further disclosure exemptions have been adopted because equivalent disclosures are included in the consolidated financial statements of Maintel Holdings Plc. These financial statements do not include certain disclosures in respect of:

- Share-based payments
- Impairment of assets
- Disclosures required in relation to financial instruments and capital management

(k) Judgements and key areas of estimation uncertainty

The Company makes certain estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

The principal use of estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year relate to the potential impairment of the carrying value of investments and amounts owed by its subsidiary undertaking.

The Company assesses at each reporting date whether there is an indication that its investments and amounts owed by its subsidiary undertaking may be impaired. In undertaking such an impairment review, estimates are required in determining an asset's recoverable amount; those used are shown in Note 13 of the consolidated accounts. These estimates include the asset's future cash flows and an appropriate discount to reflect the time value of money. The range of estimates reflects the relative risk profiles of the relevant cash generating units.

Notes forming part of the Company financial statements

continued

2. Employees

Staff costs, including Directors, consist of:

	2024 £000	2023 £000
Wages and salaries	**953**	1,383
Social security costs	**118**	171
Pension costs	**21**	36
Total staff costs	**1,092**	1,590

	2024 Number	2023 Number
The average number of employees, including Directors, during the year was:	**5**	5

3. Investment in subsidiaries

	Shares in subsidiary undertakings £000
Cost	
At 1 January 2023, 31 December 2023 and 31 December 2024	49,640
Provision for impairment	
At 1 January 2023	80
Impairment in the year	3,143
At 31 December 2023 and 31 December 2024	3,223
Net book value	
At 31 December 2024	**46,417**
At 31 December 2023	46,417

Details of the Company's subsidiaries are shown in Note 14 of the consolidated financial statements.

During the prior year, the Company recognised an impairment charge of £3,143,000 in relation to its investment in Warden Midco Limited.

Based on the results of the current year impairment review of the carrying value of investments in subsidiary undertakings, no further impairment charges have been recognised by the Company for the year ended 31 December 2024 (2023: £Nil). Having assessed the anticipated future cash flows, the Directors do not currently foresee any reasonable changes in assumptions that would have led to such any further impairment charges in the year ended 31 December 2024.

4. Deferred taxation

	Tax losses £000	Total £000
At 1 January 2023	312	**312**
Credit to income statement	549	**549**
Asset at 31 December 2023	861	**861**
Charge to income statement	(373)	**(373)**
Asset at 31 December 2024	488	**488**

The deferred tax asset arises on current year taxable losses which are expected to be utilised against future year taxable profits.

The Board has reviewed the Group and Company's 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 Company's losses can be utilised. The Company will benefit from losses utilised by its trading subsidiary, as these will increase its subsidiary's future resources available for investment into operations, which is expected to result in growth and distributions to the Company. 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 deferred tax asset balance at 31 December 2024 has been calculated on the basis that the associated assets and liabilities will unwind at 25%.

5. Trade and other receivables

	2024 £000	2023 £000
Current trade and other receivables		
Prepayments	**1**	1
Other tax and social security	**37**	7
Total current receivables	**38**	8

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

	2024 £000	2023 £000
Non-current trade and other receivables		
Amounts owed by subsidiary undertakings	**2,722**	6,962
Total non-current receivables	**2,722**	6,962

The amounts owed by subsidiary undertakings are unsecured, with no interest payable, and are repayable on demand. The Company has assessed the position of the balance at 31 December 2024 and 2023, and concluded that classification as a non-current asset is appropriate given that repayment of the balance is expected in more than 12 months from the year ends.

In applying IFRS 9, the Company reviews the amount of credit loss associated with its amounts owed by subsidiary undertakings. Amounts owed by subsidiary undertakings are stated after an expected credit loss provision of £Nil (2023: £Nil).

Notes forming part of the Company financial statements

continued

6. Trade and other payables

	2024 £000	2023 £000
Trade payables	**166**	42
Accruals and deferred income	**681**	304
Total payables	**847**	346

7. Borrowings

	2024 £000	2023 £000
Current bank loan – secured	**744**	2,322
Non-current bank loan – secured	**20,000**	20,579
Total borrowings	**20,744**	22,901

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-depending 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.

8. Share capital

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

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. There are no restrictions on the distribution of dividends or the repayment of share capital.

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

9. Related party transactions

Transactions with other Group companies have not been disclosed as permitted by FRS101, as the Group companies are wholly owned.

10. 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 11 for details of new registered office).

A former employee commenced legal action against the Company 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.

11. Post balance sheet events

On 28 March 2025, the Company 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 Company 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.

Glossary

Item	Description
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 Platform 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.

Item	Description
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.

Directors, Company details and advisers

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Chief Financial Officer

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Senior Independent
Non-Executive Director

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