



## Interim Report

July 1 to Sept 30, 2024



## Calligo Interim Report (Unaudited)

### Foreword

This report includes the interim accounts of Calligo Holdings Limited and Calligo (UK) Limited for the period from 1 July 2024 to 30 September 2024.

### CEO Q3, FY 24

In this most recent quarter, the Company appointed a new CEO in Mr. Ray Walsh. Mr. Walsh joins with over 30 years of technology leadership and CEO roles in both Private Equity backed and Public entities and also enjoys a long relationship with Calligo from the earliest days and served as a Non-Executive Director from 2016 to 2019.

In October, the Company successfully executed a restructuring programme to bring expense and staffing levels back in line with current revenues. We expect further costs savings and efficiencies to be identified and implemented by the beginning of 2025. In concert with these efforts, Sales growth is the top priority. Creating more focused product and prospect targets has already begun to deliver results with a number of new clients signed to material contracts for core Calligo products and services. These successes will begin to contribute to the income statement in early 2025.

Management is confident we have the platform and cost basis to begin to grow in the coming months and quarters.

### Financial Discussion

Q3 FY24 revenues decreased by £0.9m or 15.1% year-on-year on a like for like basis with £0.55m attributable to the Cloud/Managed Services segment, £0.3m driven by the reduction in the Data/Privacy segment and the balance attributable to other/product income. Adjusted EBITDA in Q3 FY24 was a negative £8k (note 4).

Net cash movement from working capital over the quarter was a negative £0.12m reflecting an increase in DSO to 40 days. Net Capex in the quarter was insignificant as expected.

Net debt at 30 September 2024 was £41.0m implying a net leverage ratio of 167.5x based on the Adj. EBITDA for the last twelve months of £0.245m. The net debt figure includes all interest capitalised in accordance with the written procedure approved by the bondholders in February 2024.

## Calligo Holdings Limited

### Condensed consolidated statement of profit or loss

£ '000	Notes	(Unaudited) 2024 Q3	(Unaudited) 2023 Q3	(Unaudited) 2024 YTD	(Unaudited) 2023 YTD	(Audited) FY 23
Revenue	2	5,004	5,896	16,056	18,633	24,515
		<b>5,004</b>	<b>5,896</b>	<b>16,056</b>	<b>18,633</b>	<b>24,515</b>
Costs of Material		(1,617)	(1,857)	(5,253)	(5,707)	(7,652)
Employee Benefits Expense		(2,712)	(2,876)	(8,648)	(9,091)	(11,102)
Depreciation, Amortisation and Impairment of Non-Financial Assets		(633)	(732)	(1,949)	(2,213)	(9,505)
Impairment of Financial Assets		0	(0)	(1)	(0)	(158)
Other Expenses		(1,175)	(1,131)	(3,581)	(3,655)	(4,738)
<b>Operating (loss)/profit</b>		<b>(1,133)</b>	<b>(700)</b>	<b>(3,376)</b>	<b>(2,033)</b>	<b>(8,640)</b>
Finance income		-	-	-	-	2
Finance costs		(880)	(1,153)	(1,836)	(3,242)	(4,436)
Other financial items		(306)	160	205	414	(37)
<b>(Loss)/profit before tax</b>		<b>(2,319)</b>	<b>(1,693)</b>	<b>(5,007)</b>	<b>(4,861)</b>	<b>(13,111)</b>
Tax expense		(14)	(90)	(47)	(127)	(247)
<b>(Loss)/profit for the period/year from continuing operations</b>		<b>(2,333)</b>	<b>(1,783)</b>	<b>(5,054)</b>	<b>(4,988)</b>	<b>(13,358)</b>
<b>Profit for the period/year from discontinued operations</b>		<b>-</b>	<b>59</b>	<b>-</b>	<b>149</b>	<b>579</b>
<b>(Loss)/profit for the period/year</b>		<b>(2,333)</b>	<b>(1,724)</b>	<b>(5,054)</b>	<b>(4,839)</b>	<b>(12,779)</b>
<b>Profit/(loss) attributable to:</b>						
Owners of the Group		<b>(2,333)</b>	<b>(1,724)</b>	<b>(5,054)</b>	<b>(4,839)</b>	<b>(12,779)</b>

## Calligo Holdings Limited

### Condensed consolidated statement of other comprehensive income

£ '000	(Unaudited) 2024 Q3	(Unaudited) 2023 Q3	(Unaudited) 2024 YTD	(Unaudited) 2023 YTD	(Audited) FY 23
Loss for the period/year	(2,333)	(1,724)	(5,054)	(4,839)	(12,779)
Foreign Exchange Differences on Retranslation	570	(83)	847	100	99
<b>Total Comprehensive (loss)/income for the period/year</b>	<b>(1,763)</b>	<b>(1,807)</b>	<b>(4,207)</b>	<b>(4,739)</b>	<b>(12,680)</b>
<b>Total Comprehensive (loss)/income for the period/year attributable to:</b>					
Owners of the Group	<b>(1,763)</b>	<b>(1,807)</b>	<b>(4,207)</b>	<b>(4,739)</b>	<b>(12,680)</b>

**Calligo Holdings Limited**  
**Condensed consolidated statement of changes in equity**

£ '000	Share Capital	Share Premium	Retained earnings	Total equity
<b>Balance at 1 Jan 2024</b>	296	27,145	(55,782)	(28,341)
Issue of share capital	–	(17)	–	(17)
(Loss)/profit for the period	–	–	(5,054)	(5,054)
Other comprehensive (loss)/income	–	–	847	847
<b>Balance at 30 September 2024 - unaudited</b>	<b>296</b>	<b>27,128</b>	<b>(59,989)</b>	<b>(32,565)</b>
<b>Balance at 1 Jan 2023 - restated</b>	286	24,171	(42,224)	(17,767)
Transactions with owners	10	2,974	–	2,984
(Loss)/profit for the period	–	–	(4,839)	(4,839)
Other comprehensive (loss)/income	–	–	100	100
<b>Balance at 30 September 2023 - unaudited</b>	<b>296</b>	<b>27,145</b>	<b>(46,963)</b>	<b>(19,522)</b>
<b>Balance at 1 Jan 2023 - restated</b>	286	24,171	(42,224)	(17,767)
Employee share based compensation	–	–	(878)	(878)
Issue of share capital	10	2,974	–	2,984
(Loss)/profit for the period	–	–	(12,779)	(12,779)
Other comprehensive (loss)/income	–	–	99	99
<b>Balance at 31 December 2023 - audited</b>	<b>296</b>	<b>27,145</b>	<b>(55,782)</b>	<b>(28,341)</b>

**Calligo Holdings Limited**  
**Condensed consolidated statement of cash flows**

£ '000	<i>(Unaudited)</i> 2024 Q3	<i>(Unaudited)</i> 2023 Q3	<i>(Unaudited)</i> 2024 YTD	<i>(Unaudited)</i> 2023 YTD	<i>(Audited)</i> FY 23
<b>Operating activities</b>					
(Loss)/profit before tax	(2,319)	(1,693)	(5,007)	(4,861)	(12,477)
Non cash adjustments	2,130	2,000	4,907	5,370	12,076
Net changes in working capital	(123)	269	(1,410)	998	1,628
Taxes paid	(71)	(6)	(158)	(128)	(253)
<b>Net cash from operating activities</b>	<b>(383)</b>	<b>570</b>	<b>(1,668)</b>	<b>1,379</b>	<b>974</b>
<b>Investing activities</b>					
Purchase of property, plant and equipment	(93)	128	(178)	(738)	(813)
Sale of fixed assets	20	19	60	60	1,368
Purchase of other intangible assets	–	(0)	–	(78)	(79)
Interest received	–	0	–	0	2
<b>Net cash used in investing activities</b>	<b>(73)</b>	<b>147</b>	<b>(118)</b>	<b>(756)</b>	<b>478</b>
<b>Financing activities</b>					
Net proceeds from issue of share capital	–	(0)	–	2,984	2,984
Interest paid	–	(1,055)	(28)	(2,997)	(2,997)
Shareholder Loan	–	–	3,000	–	–
Cost of equity raise	(0)	–	(17)	–	–
(Repayments)/receipts of leases	(406)	(423)	(1,248)	(1,169)	(1,418)
<b>Net cash (used in)/from financing activities</b>	<b>(406)</b>	<b>(1,478)</b>	<b>1,707</b>	<b>(1,182)</b>	<b>(1,431)</b>
<b>Net change in cash and cash equivalents</b>	<b>(862)</b>	<b>(761)</b>	<b>(79)</b>	<b>(559)</b>	<b>21</b>
Cash and cash equivalents, beginning of period	<b>2,154</b>	<b>1,552</b>	<b>1,371</b>	<b>1,350</b>	<b>1,350</b>
<b>Cash and cash equivalents, end of period</b>	<b>1,292</b>	<b>791</b>	<b>1,292</b>	<b>791</b>	<b>1,371</b>
Cash and cash equivalents	1,292	755	1,292	755	1,335
Cash in escrow included in other debtors	–	36	–	36	36
<b>Cash and cash equivalents, end of period</b>	<b>1,292</b>	<b>791</b>	<b>1,292</b>	<b>791</b>	<b>1,371</b>

**Calligo Holdings Limited**  
**Consolidated statement of financial position**

£ '000	(Unaudited) 2024 Q3	(Unaudited) 2023 Q3	(Audited) FY 23
<b>Assets</b>			
<b>Non-Current</b>			
Goodwill	4,437	11,826	4,653
Other Intangible Assets	1,011	1,746	1,526
Other Long-Term Assets	211	341	420
Property, Plant & Equipment	1,828	2,765	2,267
Right of Use Assets	2,538	3,416	2,961
<b>Total Non-Current Assets</b>	<b>10,025</b>	<b>20,094</b>	<b>11,827</b>
<b>Current</b>			
Inventory	19	41	20
Prepayments & Other Short-Term Assets	780	873	925
Trade & Other Receivables	2,113	2,379	2,014
Cash & Cash Equivalents	1,292	755	1,335
<b>Total Current Assets</b>	<b>4,204</b>	<b>4,048</b>	<b>4,294</b>
<b>Total Assets</b>	<b>14,229</b>	<b>24,142</b>	<b>16,121</b>
<b>Equity &amp; Liabilities</b>			
<b>Equity</b>			
Share Capital	296	296	296
Share Premium	27,128	27,145	27,145
Retained Earnings	(59,989)	(46,963)	(55,782)
<b>Total Equity</b>	<b>(32,565)</b>	<b>(19,522)</b>	<b>(28,341)</b>
<b>Non-Current</b>			
Lease Liabilities - LT	2,782	4,030	3,111
Borrowings	38,543	33,891	34,023
Other Liabilities	-	0	-
<b>Total Non-Current Liabilities</b>	<b>41,325</b>	<b>37,921</b>	<b>37,134</b>
<b>Current</b>			
Provisions	132	106	183
Trade & Other Payables	3,785	4,116	5,245
Lease Liabilities - ST	940	860	1,169
Contract Liabilities	224	170	218
Tax Liabilities	388	491	513
<b>Total Current Liabilities</b>	<b>5,469</b>	<b>5,743</b>	<b>7,328</b>
<b>Total Liabilities</b>	<b>46,794</b>	<b>43,664</b>	<b>44,462</b>
<b>Total Equity &amp; liabilities</b>	<b>14,229</b>	<b>24,142</b>	<b>16,121</b>

## Calligo Holdings Limited – supplementary notes

### Note 1: Accounting policies

#### Statement of compliance

The Group's consolidated financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

#### Basis of preparation

The Group's consolidated financial statements have been prepared on an accruals basis. Monetary amounts are expressed in GBP sterling currency and are rounded to the nearest thousands.

#### Basis of consolidation

The Group's financial statements consolidate those of the parent company and all of its subsidiaries at the relevant reporting date. All subsidiaries have a statutory reporting date of 31 December.

All transactions and balances between Group companies are eliminated on consolidation, including unrealised gains and losses on transactions between Group companies. Where unrealised losses on intra-group asset sales are reversed on consolidation, the underlying asset is also tested for impairment from a Group perspective. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

#### Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out in the audited financial statements for the year ended 31 December 2023. There has been no change to these policies for Quarter 3, 2024.

### Note 2: Revenue

A summary of revenue for the reporting period is as follows:

Revenue £ '000	(Unaudited) 2024 Q3	(Unaudited) 2023 Q3	(Unaudited) 2024 YTD	(Unaudited) 2023 YTD	(Audited) FY 23
MMR	4,665	5,392	14,520	16,565	21,853
NRR	339	504	1,536	2,068	2,662
<b>Total</b>	<b>5,004</b>	<b>5,896</b>	<b>16,056</b>	<b>18,633</b>	<b>24,515</b>

### Note 3: Share capital and dividends

There were no changes in issued share capital in Calligo Holdings Limited during the quarter ended 30 September 2024.

There were no dividends declared or paid by Calligo Holdings Limited during the quarter ended 30 September 2024.

### Note 4: Adjusted EBITDA`

A reconciliation of operating (loss)/profit to Adjusted EBITDA is as follows:

Adjusted EBITDA bridge £ '000	(Unaudited) 2024 Q3	(Unaudited) 2023 Q3	(Unaudited) 2024 YTD	(Unaudited) 2023 YTD	(Audited) FY 23
Operating (loss)/profit (incl Lux)	(1,133)	(633)	(3,376)	(1,858)	(8,379)
D&A, goodwill impairment provision	634	770	1,951	2,329	9,654
Exceptional items	501	397	1,394	1,747	2,099
Bank & credit card charges reclassified as other financial items	(10)	(11)	(31)	(33)	(44)
<b>EBITDA</b>	<b>(8)</b>	<b>523</b>	<b>(62)</b>	<b>2,185</b>	<b>3,330</b>
Removal of Lux trading performance	-	(106)	-	(294)	(409)
QoE and other adjustments	-	-	-	-	(720)
<b>Adjusted EBITDA</b>	<b>(8)</b>	<b>417</b>	<b>(62)</b>	<b>1,891</b>	<b>2,201</b>

## Note 5: Exceptional items

A summary of exceptional items is as follows:

£ '000	(Unaudited) 2024 Q3	(Unaudited) 2023 Q3
Restructuring Expenses	306	204
Bond Issuance & debt raising Fees	66	8
Bond Arrangement Fees (Amortised, non cash item)	126	126
M&A Transaction Costs	–	34
Other items	3	25
	<b>501</b>	<b>397</b>

## Note 6: Net leverage ratio

£ '000	2024 Q3
Senior debt (net of unamortised Prepayment fee)	35,402
Shareholder loan	3,140
Add: short & long term leases	3,722
Less: cash (net of restricted elements)	(1,215)
<b>Net debt</b>	<b>41,049</b>
Last twelve months Adj EBITDA	245
<b>Net leverage ratio</b>	<b>167.5</b>

## Calligo (UK) Limited

### Condensed consolidated statement of profit or loss

£ '000	(Unaudited) 2024 Q3	(Unaudited) 2023 Q3	(Unaudited) 2024 YTD	(Unaudited) 2023 YTD	(Audited) FY 23
Revenue	3,403	4,206	11,070	13,417	17,554
	<b>3,403</b>	<b>4,206</b>	<b>11,070</b>	<b>13,417</b>	<b>17,554</b>
Costs of Material	(1,083)	(1,343)	(3,699)	(4,216)	(5,680)
Employee Benefits Expense	(2,341)	(2,404)	(7,310)	(7,572)	(10,043)
Depreciation, Amortisation and Impairment of Non-Financial Assets	(477)	(529)	(1,461)	(1,627)	(8,717)
Impairment of Financial Assets	(0)	(0)	(1)	(0)	(148)
Other Expenses	(811)	(577)	(2,090)	(1,991)	(2,825)
<b>Operating (loss)/profit</b>	<b>(1,309)</b>	<b>(647)</b>	<b>(3,491)</b>	<b>(1,989)</b>	<b>(9,859)</b>
Finance income	–	–	–	–	2
Finance costs	(826)	(1,138)	(1,745)	(3,195)	(4,378)
Other financial items	(294)	165	230	421	(30)
<b>(Loss)/profit before tax</b>	<b>(2,429)</b>	<b>(1,620)</b>	<b>(5,006)</b>	<b>(4,763)</b>	<b>(14,265)</b>
Tax expense	(16)	(90)	(48)	(127)	(205)
<b>(Loss)/profit for the period/year</b>	<b>(2,445)</b>	<b>(1,710)</b>	<b>(5,054)</b>	<b>(4,890)</b>	<b>(14,470)</b>
<b>(Loss)/profit attributable to: Owners of the Group</b>	<b>(2,445)</b>	<b>(1,710)</b>	<b>(5,054)</b>	<b>(4,890)</b>	<b>(14,470)</b>

## Calligo (UK) Limited

### Condensed consolidated statement of other comprehensive income

£ '000	(Unaudited) 2024 Q3	(Unaudited) 2023 Q3	(Unaudited) 2024 YTD	(Unaudited) 2023 YTD	(Audited) FY 23
Loss for the period/year	(2,445)	(1,710)	(5,054)	(4,890)	(14,470)
Foreign Exchange Differences on Retranslation	197	(92)	482	122	123
<b>Total Comprehensive (loss)/income for the period/year</b>	<b>(2,248)</b>	<b>(1,802)</b>	<b>(4,572)</b>	<b>(4,768)</b>	<b>(14,347)</b>
<b>Total Comprehensive (loss)/income for the period/year attributable to: Owners of the Group</b>	<b>(2,248)</b>	<b>(1,802)</b>	<b>(4,572)</b>	<b>(4,768)</b>	<b>(14,347)</b>

## Calligo (UK) Limited

### Condensed consolidated statement of changes in equity

£ '000	Share Capital	Retained earnings	Total equity
<b>Balance at 1 Jan 2024</b>	6,661	(49,286)	(42,625)
(Loss)/profit for the period	–	(5,054)	(5,054)
Other comprehensive (loss)/income	–	482	482
<b>Balance at 30 September 2024 - unaudited</b>	<b>6,661</b>	<b>(53,858)</b>	<b>(47,197)</b>
<b>Balance at 1 Jan 2023 - restated</b>	6,661	(34,939)	(28,278)
(Loss)/profit for the period	–	(4,890)	(4,890)
Other comprehensive (loss)/income	–	122	122
<b>Balance at 30 September 2023 - unaudited</b>	<b>6,661</b>	<b>(39,707)</b>	<b>(33,046)</b>
<b>Balance at 1 Jan 2023 - restated</b>	6,661	(34,939)	(28,278)
(Loss)/profit for the period	–	(14,470)	(14,470)
Other comprehensive (loss)/income	–	123	123
<b>Balance at 31 December 2023 - audited</b>	<b>6,661</b>	<b>(49,286)</b>	<b>(42,625)</b>

**Calligo (UK) Limited**  
**Condensed consolidated statement of cash flows**

£ '000	(Unaudited) 2024 Q3	(Unaudited) 2023 Q3	(Unaudited) 2024 YTD	(Unaudited) 2023 YTD	(Audited) FY 23
<b>Operating activities</b>					
(Loss)/profit before tax	(2,429)	(1,620)	(5,006)	(4,763)	(14,265)
Non cash adjustments	1,801	1,649	3,876	4,401	13,136
Net changes in working capital	164	954	(431)	4,282	5,629
Taxes paid	(66)	(8)	(145)	(59)	(120)
<b>Net cash from operating activities</b>	<b>(530)</b>	<b>975</b>	<b>(1,706)</b>	<b>3,861</b>	<b>4,380</b>
<b>Investing activities</b>					
Purchase of property, plant and equipment	(66)	178	(166)	(596)	(709)
Sale of fixed assets	8	19	59	60	81
Purchase of other intangible assets	–	(0)	–	(79)	(79)
Interest received	–	0	–	0	2
<b>Net cash used in investing activities</b>	<b>(58)</b>	<b>197</b>	<b>(107)</b>	<b>(615)</b>	<b>(705)</b>
<b>Financing activities</b>					
Interest paid	26	(1,055)	–	(3,004)	(2,998)
Shareholder Loan	–	–	3,000	–	–
Receipt/(repayments) of leases	(25)	(221)	(703)	(762)	(1,204)
<b>Net cash (used in)/from financing activities</b>	<b>1</b>	<b>(1,276)</b>	<b>2,297</b>	<b>(3,766)</b>	<b>(4,202)</b>
<b>Net change in cash and cash equivalents</b>	<b>(587)</b>	<b>(104)</b>	<b>484</b>	<b>(520)</b>	<b>(527)</b>
Cash and cash equivalents, beginning of period	1,679	719	608	1,135	1,135
<b>Cash and cash equivalents, end of period</b>	<b>1,092</b>	<b>615</b>	<b>1,092</b>	<b>615</b>	<b>608</b>
Cash and cash equivalents	1,092	579	1,092	579	572
Cash in escrow included in other debtors	–	36	–	36	36
<b>Cash and cash equivalents, end of period</b>	<b>1,092</b>	<b>615</b>	<b>1,092</b>	<b>615</b>	<b>608</b>

**Calligo (UK) Limited**  
**Consolidated statement of financial position**

£ '000	(Unaudited) 2024 Q3	(Unaudited) 2023 Q3	(Audited) FY 23
<b>Assets</b>			
<b>Non-current</b>			
Goodwill	4,406	11,139	4,510
Other Intangible Assets	1,036	1,746	1,526
Other Long-Term Assets	217	341	420
Property, Plant & Equipment	1,819	2,580	2,177
Right of Use Assets	1,962	2,886	2,583
<b>Non-current assets</b>	<b>9,440</b>	<b>18,692</b>	<b>11,216</b>
<b>Current Assets</b>			
Inventory	19	41	20
Prepayments & Other Short-Term Assets	418	517	469
Trade & Other Receivables	2,017	2,099	16,483
Cash & Cash Equivalents	1,092	579	572
<b>Current Assets</b>	<b>3,546</b>	<b>3,236</b>	<b>17,544</b>
<b>Total Assets</b>	<b>12,986</b>	<b>21,928</b>	<b>28,760</b>
<b>Equity &amp; Liabilities</b>			
<b>Equity</b>			
Share Capital	6,661	6,661	6,661
Retained Earnings	(53,858)	(39,707)	(49,286)
<b>Total equity</b>	<b>(47,197)</b>	<b>(33,046)</b>	<b>(42,625)</b>
<b>Non-current</b>			
Lease Liabilities - LT	2,593	3,709	3,098
Borrowings	38,543	33,891	34,023
<b>Non-current liabilities</b>	<b>41,136</b>	<b>37,600</b>	<b>37,121</b>
<b>Current</b>			
Provisions	124	106	173
Trade & Other Payables	17,799	15,988	32,589
Lease Liabilities - ST	569	627	813
Contract Liabilities	158	158	176
Tax Liabilities	397	495	513
<b>Current liabilities</b>	<b>19,047</b>	<b>17,374</b>	<b>34,264</b>
<b>Total liabilities</b>	<b>60,183</b>	<b>54,974</b>	<b>71,385</b>
<b>Total Equity &amp; liabilities</b>	<b>12,986</b>	<b>21,928</b>	<b>28,760</b>