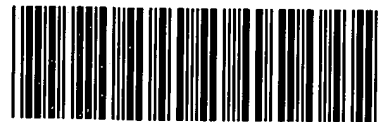

MUSCOVITE MIDCO LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE 15-MONTH PERIOD ENDED 31 MARCH 2024

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MUSCOVITE MIDCO LIMITED

COMPANY INFORMATION

Directors P J Newman (appointed 7 November 2023)
J J Brading (appointed 7 November 2023)
N A Czymek-Lauer (appointed 10 June 2025)

Registered number 12313708

Registered office 12 Gough Square
London
EC4A 3DW

Independent auditor S&W Audit
Chartered Accountants & Statutory Auditor
45 Gresham Street
London
EC2V 7BG

MUSCOVITE MIDCO LIMITED

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MUSCOVITE MIDCO LIMITED

STRATEGIC REPORT FOR THE 15-MONTH PERIOD ENDED 31 MARCH 2024

Introduction

The directors present their Strategic Report on Muscovite Midco Limited (the “Company”) together with the audited financial statements for the 15-month period ended 31 March 2024.

Background and principal activities

The principal activity of the Company until the 7th of November 2023 was that of an intermediate holding entity within the Muscovite Topco Limited Group, whose principal activity was to partner with digital operating platform providers and sell to midmarket to mid-enterprise customers. However on 7 November 2023 the Company was acquired by NTT Data Business Solutions AG and it's planned the operations of the Company were discontinued on 31 March 2024.

Business review and financial key performance indicators

The results for the year and the Company's financial position at the end of the year are shown in the attached financial statements on pages 11 to 13 and the following. The Company has made a Total comprehensive income for the period of £111,019,888 (*year ended 31 December 2022 - £Nil*). The Company does not have any employees nor trade with third party customers in its own right, as such the directors believe that key performance indicators for the Company are not necessary or appropriate for an understanding of the development, performance or position of the business.

Principal risks and uncertainties

The directors consider that the only risks and uncertainties at the Company level are the impairment of the holding value of the Amounts owed by group undertakings. This is managed through regular meetings with the board of directors of the Company and review of all available management information.

Directors' statement of compliance with duty to promote the success of the Company

The Companies (Miscellaneous Reporting) Regulations 2018 ('2018 MRR') require Directors to explain how they considered the interests of key stakeholders and the broader matters set out in section 172(1) (A) to (F) of the Companies Act 2006 ('S172') when performing their duty to promote the success of the Company under S172. This includes considering the interest of other stakeholders which will have an impact on the long-term success of the company. The S172 statements for the Company is the same as that of its parent entity, NTT DATA Business Solutions Limited.

MUSCOVITE MIDCO LIMITED

STRATEGIC REPORT (CONTINUED)
FOR THE 15-MONTH PERIOD ENDED 31 MARCH 2024

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



P J Newman
Director

Date: 07/11/2025

MUSCOVITE MIDCO LIMITED

DIRECTORS' REPORT FOR THE 15-MONTH PERIOD ENDED 31 MARCH 2024

The directors present their report and the financial statements for the 15-month period ended 31 March 2024.

Results and dividends

The loss for the 15-month period, after taxation, amounted to £134,971 (*year ended 31 December 2022 - profit £Nil*).

There was a payment of £191,516,814 ordinary dividends paid in 2024 (*year ended 31 December 2022 - £Nil*). The directors do not recommend payment of a dividend.

Directors

The directors who served during the year and up the signing date of this report were:

L D Goodman (resigned 7 November 2023)
V DeLuca (resigned 7 November 2023)
V O'Neill-King (resigned 7 November 2023)
P J Newman (appointed 7 November 2023)
J Puerzer (appointed 7 November 2023, resigned 5 June 2025)
N Rotter (appointed 7 November 2023, resigned 20 March 2024)
J J Brading (appointed 7 November 2023)
N A Czymek-Lauer (appointed 10 June 2025)

Disclosure of information to auditor

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

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

MUSCOVITE MIDCO LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE 15-MONTH PERIOD ENDED 31 MARCH 2024

Post balance sheet events

1. On the 1 of April 2024, the net assets of the company were transferred to NTT Data Business Solutions Limited. This Company will no longer trade on a standalone basis and will be wound up in due course.

2. Subsequent to the year end, the Board identified that as part of the reorganisation of the company certain dividends were paid by the company that were not compliant with the Companies Act 2006 because, at the time of payment, the Company did not have sufficient distributable reserves for the dividends.

Once identified, the Directors took the necessary legal and procedural steps to rectify the position prior to the filing of these financial statements. The remedial actions had no impact on the amounts reported in these financial statements and did not affect the company's overall financial position at year end. As a result of the subsequent remedial steps, the Company's distributable reserves have been restored to a positive position as originally intended.

MUSCOVITE MIDCO LIMITED

DIRECTORS' REPORT (CONTINUED)
FOR THE 15-MONTH PERIOD ENDED 31 MARCH 2024

Auditor

Owing to the acquisition by NTT Data Business Solutions Limited, the auditor, S&W Audit, will not be reappointed in accordance with section 485 of the Companies Act 2006 as NTT Data Business Solutions will retain their auditors.

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



P J Newman
Director

Date: 07/11/2025

MUSCOVITE MIDCO LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE 15-MONTH PERIOD ENDED 31 MARCH 2024

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 financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

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

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MUSCOVITE MIDCO LIMITED

Opinion

We have audited the financial statements of Muscovite Midco Limited (the 'Company') for the 15-month period ended 31 March 2024 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2024 and of its loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- 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 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, 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.

Emphasis of matters - not a going concern

We draw attention to note 2.3 to the financial statements which details the Company's plans to transfer its trade, assets and liabilities to the immediate parent within 12 months of the signing of these financial statements.

As such, the financial statements have not been prepared on a going concern basis. Our opinion is not modified in respect of this matter.

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

MUSCOVITE MIDCO LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MUSCOVITE MIDCO LIMITED (CONTINUED)

Other information

The other information comprises the information included in the Annual Report and Financial Statements, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the Annual Report and Financial Statements. 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 period for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report has 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 Company and its environment obtained in the course of the audit, we have not identified material misstatements in 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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 5, 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.

MUSCOVITE MIDCO LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MUSCOVITE MIDCO LIMITED (CONTINUED)

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

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained a general understanding of the company's legal and regulatory framework through inquiry of management concerning:

- their understanding of relevant laws and regulations;
- the entity's policies and procedures regarding compliance; and
- how they identify, evaluate and account for litigation claims.

We also drew on our existing understanding of the company's industry and regulation. We understand that the company complies with the framework through:

- Ensuring staff are adequately up to date on training.

In the context of the audit, we considered those laws and regulations:

- which determine the form and content of the financial statements;
- which are central to the company's ability to conduct its business; and
- where failure to comply could result in material penalties.

We identified the following laws and regulations as being of significance in the context of the company:

- The Companies Act 2006 and FRS 102 in respect of the preparation and presentation of the financial statements.

We performed the following specific procedures to gain evidence about compliance with the significant laws and regulations identified above:

- We made enquiries of management, including relating to legal correspondence, and reviewed board meeting minutes. Through these procedures we identified an instance of non-compliance with the Companies Act 2006 in relation to certain dividends declared without sufficient distributable reserves. Further details of this matter, and the remedial actions taken, are set out in the post balance sheet events note in the Directors' Report.

MUSCOVITE MIDCO LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MUSCOVITE MIDCO LIMITED (CONTINUED)

- We obtained written management representations regarding disclosure of the above non-compliance with laws and regulations.

The senior statutory auditor led a discussion with senior members of the engagement team regarding the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur. The areas identified in this discussion were:

- manipulation of the financial statements via fraudulent journal entries.

These areas were communicated to the other members of the engagement team not present at the discussion.

The procedures we carried out to gain evidence in the above areas included:

- testing journal entries, focusing particularly on postings to unexpected or unusual accounts including unexpected double entries; and
- reviewing and challenging significant estimates made by management.

A further description of our responsibilities is available on the Financial Reporting Council's website at: 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.

Nicholas Jacques

Nicholas Jacques (Nov 7, 2025 18:36:33 GMT)

Nicholas Jacques (Senior Statutory Auditor)

for and on behalf of

S&W Audit

Chartered Accountants

Statutory Auditor

45 Gresham Street

London

EC2V 7BG

Date: 07/11/2025

MUSCOVITE MIDCO LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE 15-MONTH PERIOD ENDED 31 MARCH 2024

		15-month period 31 March 2024 £	31 December 2022 £
	Note		
Administrative expenses		(13,500)	-
Operating (loss)/profit		(13,500)	-
Interest receivable and similar income	6	5,659,388	4,143,777
Interest payable and similar expenses	7	(5,780,859)	(4,143,777)
(Loss)/profit before tax		(134,971)	-
Tax on (loss)/profit	8	-	-
(Loss)/profit for the financial 15-month period		(134,971)	-
Other comprehensive income for the 15-month period			
Capital gain from transfer of shares	3	134,032,000	-
Income from fixed asset investments	5	57,484,814	-
Amounts written off investments	9	(80,361,955)	-
Other comprehensive income for the 15-month period		111,154,859	-
Total comprehensive income for the 15-month period		111,019,888	-

The notes on pages 14 to 25 form part of these financial statements.

MUSCOVITE MIDCO LIMITED
REGISTERED NUMBER:12313708

BALANCE SHEET
AS AT 31 MARCH 2024

	Note	31 March 2024 £	31 December 2022 £
Fixed assets			
Investments	9	-	1
		<u>-</u>	<u>1</u>
Current assets			
Debtors: amounts falling due within one year	10	-	43,549,873
		<u>-</u>	<u>43,549,873</u>
Creditors: amounts falling due within one year	11	(13,500)	(43,549,873)
		<u>(13,500)</u>	<u>(43,549,873)</u>
Net current (liabilities)/assets		(13,500)	-
Net (liabilities)/assets		(13,500)	1
Capital and reserves			
Called up share capital	12	2	1
Profit and loss account	13	(13,502)	-
		<u>(13,500)</u>	<u>1</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



P J Newman
Director

Date: 07/11/2025

The notes on pages 14 to 25 form part of these financial statements.

MUSCOVITE MIDCO LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE 15-MONTH PERIOD ENDED 31 MARCH 2024**

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2022	1	-	-	1
Comprehensive income for the year				
Result for the year	-	-	-	-
At 1 January 2023	1	-	-	1
Comprehensive income for the 15-month period				
Loss for the 15-month period	-	-	(134,971)	(134,971)
Net effect of loan distributions	-	-	43,671,343	43,671,343
Capital gain from transfer of shares	-	-	134,032,000	134,032,000
Dividend income	-	-	57,484,814	57,484,814
Amounts written off investments	-	-	(80,361,955)	(80,361,955)
Dividends paid	-	-	(191,516,814)	(191,516,814)
Shares issued (note 13)	1	36,812,081	-	36,812,082
Capital reduction	-	(36,812,081)	36,812,081	-
At 31 March 2024	2	-	(13,502)	(13,500)

The notes on pages 14 to 25 form part of these financial statements.

MUSCOVITE MIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE 15-MONTH PERIOD ENDED 31 MARCH 2024

1. General information

Muscovite Midco Limited is a private company, limited by shares, domiciled and incorporated in England and Wales (Registered number: 12313708). The registered office address is 12 Gough Square, London, EC4A 3DW.

The financial statements have been prepared for the 15-month period ended 31 March 2024.

The financial statements for the prior year have been prepared for the 12 month period ended 31 December 2022.

The Company's functional and presentational currency is GBP.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

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

The following principal accounting policies have been applied:

2.2 Financial Reporting Standard 102 - reduced disclosure exemptions

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

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of NTT Data Business Solutions A.G. as at 31 March 2024 and these financial statements may be obtained at www.de.nttdata.com or can be obtained from Königsbreede 1, 33605 Bielefeld, Germany.

MUSCOVITE MIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE 15-MONTH PERIOD ENDED 31 MARCH 2024

2. Accounting policies (continued)

2.3 Going concern

The financial statements have been prepared on a basis other than that of a going concern.

The Directors transferred the trade, assets and liabilities of Muscovite Midco Limited to the immediate parent undertaking on the 1 April 2024 and the Company ceased to trade. All operations of the business have continued with the new owners, under the immediate parent undertaking. This integration has now been completed and has streamlined the operations within the United Kingdom and improved the operating results.

As required by UK accounting standards, the directors have prepared the financial statements on the basis that the Company is no longer a going concern. No material adjustments arose as a result of ceasing to apply the going concern basis. All assets and liabilities were transferred to the immediate parent undertaking at their carrying amounts.

2.4 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.5 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.6 Valuation of investments

Initial measurement

Financial assets are initially recognised at fair value plus transaction costs except for financial assets at fair value through profit or loss, which are recognised at fair value.

Derecognition

Purchases and sales of investments are recognised on trade-date – the date on which the Company commits to purchase or sell the asset. Investments are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. The gain or loss on sale of the investment is included in the statement of comprehensive income.

MUSCOVITE MIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE 15-MONTH PERIOD ENDED 31 MARCH 2024

2. Accounting policies (continued)

2.7 Financial instruments

The Company has elected to apply the provisions of Section 11 “Basic Financial Instruments” of FRS 102 to all of its financial instruments.

The Company has elected to apply the recognition and measurement provisions of IFRS 9 Financial Instruments (as adopted by the UK Endorsement Board) with the disclosure requirements of Sections 11 and 12 and the other presentation requirements of FRS 102.

Financial instruments are recognised in the Company's Balance Sheet when the Company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables, cash and bank balances, are initially measured at their transaction price including transaction costs and are subsequently carried at their amortised cost using the effective interest method, less any provision for impairment, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Discounting is omitted where the effect of discounting is immaterial. The Company's cash and cash equivalents, trade and most other receivables due with the operating cycle fall into this category of financial instruments.

Other financial assets

Other financial assets, which includes investments in equity instruments which are not classified as subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the recognised transaction price. Such assets are subsequently measured at fair value with the changes in fair value being recognised in the profit or loss. Where other financial assets are not publicly traded, hence their fair value cannot be measured reliably, they are measured at cost less impairment.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting date.

Financial assets are impaired when events, subsequent to their initial recognition, indicate the estimated future cash flows derived from the financial asset(s) have been adversely impacted. The impairment loss will be the difference between the current carrying amount and the present

MUSCOVITE MIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE 15-MONTH PERIOD ENDED 31 MARCH 2024

2. Accounting policies (continued)

2.7 Financial instruments (continued)

value of the future cash flows at the asset(s) original effective interest rate.

If there is a favourable change in relation to the events surrounding the impairment loss then the impairment can be reviewed for possible reversal. The reversal will not cause the current carrying amount to exceed the original carrying amount had the impairment not been recognised. The impairment reversal is recognised in the profit or loss.

Financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after the deduction of all its liabilities.

Basic financial liabilities, which include trade and other payables, bank loans and other loans are initially measured at their transaction price after transaction costs. When this constitutes a financing transaction, whereby the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Discounting is omitted where the effect of discounting is immaterial.

Debt instruments are subsequently carried at their amortised cost using the effective interest rate method.

Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if the payment is due within one year. If not, they represent non-current liabilities. Trade payables are initially recognised at their transaction price and subsequently are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

Other financial instruments

Derivatives, including forward exchange contracts, futures contracts and interest rate swaps, are not classified as basic financial instruments. These are initially recognised at fair value on the date the derivative contract is entered into, with costs being charged to the profit or loss. They are subsequently measured at fair value with changes in the profit or loss.

Debt instruments that do not meet the conditions as set out in FRS 102 paragraph 11.9 are subsequently measured at fair value through the profit or loss. This recognition and measurement would also apply to financial instruments where the performance is evaluated on a fair value basis as with a documented risk management or investment strategy.

Financial assets and financial liabilities are recognised in the Balance Sheet when the Company

MUSCOVITE MIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE 15-MONTH PERIOD ENDED 31 MARCH 2024

2. Accounting policies (continued)

2.7 Financial instruments (continued)

becomes a party to the contractual provisions of the instrument.

Trade and other debtors and creditors are classified as basic financial instruments and measured at initial recognition at transaction price. Debtors and creditors are subsequently measured at amortised cost using the effective interest rate method. A provision is established when there is objective evidence that the group will not be able to collect all amounts due.

Cash and cash equivalents are classified as basic financial instruments and comprise cash in hand and at bank, short-term bank deposits with an original maturity of three months or less and bank overdrafts which are an integral part of the Company's cash management.

Financial liabilities and equity instruments issued by the Company are classified in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Interest bearing bank loans, overdrafts and other loans which meet the criteria to be classified as basic financial instruments are initially recorded at the present value of cash payable to the bank, which is ordinarily equal to the proceeds received net of direct issue costs. These liabilities are subsequently measured at amortised cost, using the effective interest rate method.

Derecognition of financial instruments

Derecognition of financial assets

Financial assets are derecognised when their contractual right to future cash flow expire, or are settled, or when the Company transfers the asset and substantially all the risks and rewards of ownership to another party. If significant risks and rewards of ownership are retained after the transfer to another party, then the Company will continue to recognise the value of the portion of the risks and rewards retained.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Company's contractual obligations expire or are discharged or cancelled.

MUSCOVITE MIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE 15-MONTH PERIOD ENDED 31 MARCH 2024

2. Accounting policies (continued)

2.8 Taxation

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

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

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.9 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

MUSCOVITE MIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE 15-MONTH PERIOD ENDED 31 MARCH 2024

3. Judgments in applying accounting policies and key sources of estimation uncertainty

Impairment of fixed asset investments (Company)

In accordance with FRS 102 the directors assess at each period end whether there have been any indicators of impairment relating to fixed asset investments. During the year the company subscribed for 1 ordinary share in BidCo for consideration of £80.3m, being settlement of the BidCo loan note and other group debt, which was left outstanding on intercompany. Subsequently, the investment in BidCo was transferred to NTT Data Business Solutions Limited, at fair value of £134m. The carrying amount of £80.3m was written off against retained earnings, with the surplus of £53.7m credited directly to retained earnings. The transaction has been accounted for as a distribution in specie recognised directly in equity.

4. Employees

The Company has no employees other than the directors, who did not receive any remuneration (2022 - £Nil).

MUSCOVITE MIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE 15-MONTH PERIOD ENDED 31 MARCH 2024

5. Income from fixed asset investments

	15-month period 31 March 2024 £	Year ended 31 December 2022 £
Dividends received	<u>57,484,814</u>	<u>-</u>

6. Interest receivable

	15-month period 31 March 2024 £	Year ended 31 December 2022 £
Interest receivable from group undertakings	<u>5,659,388</u>	<u>4,143,777</u>

7. Interest payable and similar expenses

	15-month period 31 March 2024 £	Year ended 31 December 2022 £
Interest payable to group undertakings	<u>5,780,859</u>	<u>4,143,777</u>

MUSCOVITE MIDCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 15-MONTH PERIOD ENDED 31 MARCH 2024**

8. Taxation

	15-month period 31 March 2024 £	Year ended 31 December 2022 £
Total current tax	-	-
Deferred tax		
Total deferred tax	-	-
Taxation on profit on ordinary activities	-	-

Factors affecting tax charge for the 15-month period/year

The tax assessed for the 15-month period/year is lower than (2022 - the same as) the standard rate of corporation tax in the UK of 23.82% (year ended 31 December 2022 - 19.00%). The differences are explained below:

	15-month period 31 March 2024 £	Year ended 31 December 2022 £
Loss on ordinary activities before tax	(134,971)	-
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2022 - 19%)	(32,144)	-
Effects of:		
Expenses not deductible	3,215	-
Effects of group relief/other reliefs	28,929	-
Total tax charge for the 15-month period/year	-	-

Factors that may affect future tax charges

MUSCOVITE MIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE 15-MONTH PERIOD ENDED 31 MARCH 2024

8. Taxation (continued)

There were no factors that may affect future tax charges.

9. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 January 2023	1
Additions	80,361,954
At 31 March 2024	80,361,955
Impairment	
Charge for the period	80,361,955
At 31 March 2024	80,361,955
Net book value	
At 31 March 2024	-
At 31 December 2022	1

The impairment charge for the period has been presented as an exceptional costs within the Statement of Comprehensive Income.

MUSCOVITE MIDCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 15-MONTH PERIOD ENDED 31 MARCH 2024**

10. Debtors

	31 March 2024	31 December 2022
	£	£
Amounts owed by group undertakings	-	43,549,873

Amounts owed by group undertakings are repayable on demand and attract 10% interest receivable (year ended 31 December 2022 - 10%).

11. Creditors: Amounts falling due within one year

	31 March 2024	31 December 2022
	£	£
Amounts owed to group undertakings	-	43,549,873
Other creditors	13,500	-

Amounts owed to group undertakings are repayable on demand and attract 10% interest payable (year ended 31 December 2022 - 10%).

12. Share capital

	31 March 2024	31 December 2022
	£	£
Allotted, called up and fully paid		
2 Ordinary shares of £1.00 each	2	1

The Ordinary share carries one voting right and no right to fixed income.

On 22 March 2024, the Company issued 1 Ordinary £1.00 share for a consideration of £36,812,082.

MUSCOVITE MIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE 15-MONTH PERIOD ENDED 31 MARCH 2024

13. Reserves

Profit and loss account

This reserve relates to the cumulative retained earnings less amounts distributed to shareholders and loan distributions with group undertakings.

Share premium account

The share premium account is used to record the aggregate amount or value of premiums paid when the Company's shares are issued at an amount in excess of nominal value.

14. Controlling party

On 7 November 2023, the company was acquired by NTT DATA Business Solutions Limited. From that date, the immediate parent undertaking is NTT DATA Business Solutions Limited, a company registered in England and Wales.

The immediate parent undertaking is Muscovite Holdco Limited, a company registered in England and Wales.

The ultimate parent undertaking was Nippon Telegraph and Telephone Corporation, a company registered in Japan.

The smallest and largest group of undertakings for which group accounts for the 15-month period ended 31 March 2024 have been drawn up, is that headed by NTT DATA Business Solutions AG.

The directors do not consider there to be any one party that exercises control over the Parent company.