Registered number: 05253998

ARQIVA FINANCING NO 3 PLC

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

CONTENTS

STRATEGIC REPORT
FOR THE YEAR ENDED 30 JUNE 2025

The directors present their strategic report for the year ended 30 June 2025.

Introduction

The Company acts as an intermediate holding company and financing vehicle within the Arqiva Group Limited (‘AGL’) group (the ‘Group’) of companies. It holds an investment in an operational sub group of companies which it funds from a combination of shareholder loan notes which are listed on The International Stock Exchange (TISE) (formerly the Channel Islands Stock Exchange), and intercompany debt.

Principal risks and uncertainties

From the perspective of the Company, the principal risks and uncertainties arising from its activities as an intermediate holding company and financing vehicle are integrated with the principal risks of the Group and are not managed separately. Accordingly, the principal risks and uncertainties of the Group, which include those of the Company, are discussed within the annual report and consolidated financial statements of AGL, a copy of which is available from the address in note 21 of these financial statements or the Group’s website at www.arqiva.com.

Financial key performance indicators

The Company has made a loss for the financial year of £684.5m *(2024 restated - £599.7m)*, principally driven by interest payable on borrowings. The Company has net liabilities of £4,208.5m *(2024 restated - £3,524.0m)*.

Financial KPIs
Given the straightforward nature of the Company’s activities as a holding company and financing vehicle, the Directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business.

The KPIs of the Group are managed as a whole and are discussed within the annual report and consolidated financial statements of AGL, a copy of which is available from the address in note 21 of these financial statements or the Group’s website at www.arqiva.com.

Stakeholder engagement

Throughout the year, the Board has continued to ensure engagement with relevant stakeholders both in day to day business, and as part of key developments. How this has been achieved is discussed within the Annual Report and Consolidated Financial statements of AGL on pages 44 and 46 a copy of which can be obtained from the address in note 21 of these financial statements or the Group’s website at www.arqiva.com.

STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2025

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

The Companies Act 2006 sets out the general duties owed by directors to a company, including a list of matters to which the Directors must have regard, which are set out in s.172(1)(a) to (f). During the year, in continuing to exercise their duties, the Directors have had regard to these matters, as well as other factors, in considering proposals from the management team and continuing to govern the Company on behalf of its shareholders. See below for how the Directors have ensured this:

Consequences of any decisions in the long term:
- During the year Arqiva Financing No 3 Plc continued to act as an intermediate holding company for the Group and as a borrower of funds under the shareholder loan notes for the use within the wider Group. Day-to-day running of the Company is managed by the Company's management team, which are the employees of Arqiva Limited.
- During the year, the Company did not raise any further injections under the shareholder loan notes and as such there were no key decisions for the Directors to make this year.

Interests of the company's employees:
- This Company has no employees. Employees of the Group are employed and managed by another group company, Arqiva Limited.

Fostering relationships with suppliers, customers and others:
- The Company's only key relationship relates to the shareholder loan note borrowings held in the Company. The company did not have any external customers or trading arrangements with suppliers.

Impact of operations on the community and the environment:
- There are no operations carried out by this company, given it is a financing vehicle for the Group. Therefore there is no impact of operations on the community and the environment given there is no trade in the business. For a review of the Group's impact, refer to the AGL FY25 Financial Statements, Section 172 Statement.

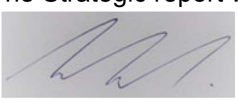
Maintaining a high standard of business conduct:
- As a financing vehicle, this Company sets a high standard by supporting the Group in meeting its requirements under debt covenants and including timely servicing of debt to external debt owners. All such payments were made on time and covenant requirements under debt obligations met for the financial year.

Acting fairly between members:
- AGL manages the business at the Group level, not at an individual entity level. Therefore, the Company does not need to manage intercompany relationships, as decisions are made to benefit the group as a whole. Further the Group's letter of support ensures intercompany balances are recoverable.

Future developments and outlook

It is the intention of the Company to continue to hold investments in a group of operating companies and act as a financing vehicle for the Group.

The Strategic report was approved by the board on 3 December 2025 and signed on its behalf.



Scott Longhurst
Director

DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2025

The directors present their report and the financial statements for the year ended 30 June 2025.

Results and dividends

The loss for the year, after taxation, amounted to £684.5m *(2024 restated - loss £599.7m)*.

The Directors do not propose to pay a dividend for the year *(2024 - £nil)*.

Principal risks and uncertainties

Details of the principal risks and uncertainties are included in the Strategic report on page 2.

Future developments

The future developments of the Company are discussed within the Strategic report on page 2.

Engagement with suppliers, customers and others

Details of the Company's engagement with suppliers are discussed within the Strategic report on page 2.

Risk management

Due to the nature of the Company’s operations, it is exposed to limited financial risks including credit risk, liquidity risk, and interest rate risk. The Company’s overall risk management programme seeks to minimise potential adverse effects as noted below.

Credit risk
The Company is not exposed to any credit risk other than in respect of intercompany balances within the Group. It does not have an external customer base. The intercompany debt is covered by an intercompany agreement. The intercompany receivable balance is with a fellow wholly owned subsidiary of the Group. The Directors have assessed that the credit risk is low.

Liquidity risk
The Company maintains a mixture of long-term external debt finance raised from shareholders of the ultimate parent undertaking and intercompany loans. For short-term resources the Company utilises intercompany loans. The maturity of the Company’s borrowings is shown in note 14. The Company's capital requirements are managed by the Group treasury team.

Interest rate risk
Intercompany loan balances are interest free or fixed interest rates. Shareholder loans carry fixed rates of interest. The Group treasury team manages exposure to interest rate risk and takes out derivative financial instruments where it is felt appropriate to do so.

Going concern

In determining the appropriate basis of preparation of the financial statements, the Directors are required to consider whether the Company can continue in operational existence for the foreseeable future. The parent Group performs a review of going concern through a review of forecasting including cash flow forecasts and considering the requirements of capital expenditure and debt repayments and including severe but plausible downside scenarios.

The Capital Structure Committee regularly reviews the debt position of the group to ensure it is appropriate and has concluded it has sufficient cash to service its debt structure obligations. The parent Group has provided a letter of support which confirms that Arqiva Group Limited will provide such financial assistance to all its wholly owned (directly and indirectly held) subsidiaries in order to meet liabilities as they fall due for a period of 12 months from the date of signing the 30 June 2025 financial statements.

The Company adopts the going concern basis in preparing its financial statements, based on the support from its ultimate parent undertaking, the future cash flow forecasts of the Group and Company and available facilities, which lead the Directors of the Company to be confident that the Company will have adequate resources to continue in operational existence and continue to meet debt and interest payments as they fall due for the 12 month period post signing of these financial statements.

Post balance sheet events

In July 2025 the Group successfully completed a refinance of its Junior debt through Arqiva Broadcast Finance plc, another finance vehicle within the group. As part of the refinance project, the Company also extended the maturity of its shareholder loan notes, which now mature between July 2031 and July 2032.

Subsequent to the reporting date, Macquarie Asset Management announced its intention to dispose of its investments in the Arqiva Group. The transaction is subject to completion and regulatory approvals and, as at the date of these financial statements, remains outstanding. Based on current information, the directors do not expect the proposed disposal to have a material impact on the Group’s ongoing operations. No adjustments have been made to these financial statements in respect of this event.

Directors

The directors who served during the year were:

Jonathan Carter (appointed 27 February 2025)
Drummond Clark (appointed 28 February 2025)
Paul Donovan (resigned 31 August 2025)
Susana Leith-Smith
Scott Longhurst
James O'Halloran (appointed 30 December 2024)
Michael Osborne (appointed 26 November 2024)
Matthew Postgate
David Stirton
Patrick Tillieux (appointed 24 April 2025)
Michael Darcey (resigned 18 March 2025)
Maximilian Fieguth (resigned 28 February 2025)
Arnaud Jaguin (resigned 31 October 2024)
Andrew Macleod (resigned 26 November 2024)
Diego Massidda (resigned 11 December 2024)

Qualifying third party indemnity provisions

The Company has provided an indemnity for its Directors and the Company Secretary, which is a qualifying third party indemnity provision for the purposes of the Companies Act 2006. The indemnity was in force during the full financial year and up to the date of approval of the financial statements.

Directors' responsibilities statement

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law).

Under company law, 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also 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 enable them to ensure that the financial statements comply with the Companies Act 2006.

The directors are responsible for the maintenance and integrity of the company's financial statements published on the ultimate parent company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditors

The independent auditors, PricewaterhouseCoopers LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2025

Disclosure of information to auditors

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

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

The Directors' report was approved by the board on 3 December 2025 and signed on its behalf.

Scott Longhurst
Director

Independent auditors' report to the members of Arqiva Financing No 3 Plc

Report on the audit of the financial statements

Opinion

In our opinion, Arqiva Financing No 3 Plc's financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2025 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Statement of Financial Position as at 30 June 2025; the Income Statement and the Statement of Changes in Equity for the year then ended; and the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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

Our audit approach

Overview

Audit scope

- We performed an audit of the complete financial information of the entity. Given its straightforward nature as a financing vehicle, our work focussed on internal and external loan balances, related finance income and costs, and fixed asset investments.

Key audit matters

- Recoverability of intercompany receivable balances
- Carrying value of investments in subsidiary companies

Materiality

- Overall materiality: £34.6 million (2024: £41.1 million) based on approximately 1% of total assets.

- Performance materiality: £25.9 million (2024: £30.9 million).

The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements.

Key audit matters

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, 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, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

This is not a complete list of all risks identified by our audit.

Borrowings in the form of shareholder loan notes and Recognition and recoverability of deferred tax assets, which were key audit matters last year, are no longer included because of the simplicity in the valuation of the Senior Bonds and the lower level of judgement in assessing the recognition and recoverability of deferred tax assets in the current year. Otherwise, the key audit matters below are consistent with last year.

Key audit matter	How our audit addressed the key audit matter
Recoverability of intercompany receivable balances The Company has receivable balances from intercompany counterparties amounting to £2,264.0 million (2024: £2,063.2 million) as at 30 June 2025. This is considered a key audit matter as there is judgement in the assessment of the recoverability of the receivable balances. Refer to note 10 - Debtors in the financial statements.	We evaluated management's assessment of the recoverability of intercompany receivables, including compliance with the requirements of IFRS 9 and expected credit loss methodology, and reviewed and independently tested an assessment of the ability of other Group companies to repay the debt by considering the cash flows and profitability of the overall Group. By taking this into account, we obtained sufficient evidence that the intercompany receivables are recoverable.
Carrying value of investments in subsidiary companies The Company has significant investments in subsidiaries amounting to £1,148.6 million as at 30 June 2025, following the recognition of an impairment for the period of 30 June 2023 arising from a prior year adjustment, totalling a £965.5 million prior year adjustment offset by a previously recognised £76.5m impairment in the prior year. This is considered a key audit matter due to the significance of the quantum of the balance and the significant estimates involved in the impairment assessment; as any misstatements in these estimates and assumptions would likely be material. Refer to note 3 - Judgements in applying accounting policies and key sources of estimation uncertainty (Impairment), and note 9 - Fixed asset investments in the financial statements.	We evaluated management's assessment of the carrying value of investments in subsidiary companies. For the Company's investment in subsidiaries, we have compared the recoverable amount, being the higher of value in use and fair value less costs to sell, with the carrying value of the investments held to assess the reasonableness of the impairment charge recognised in the year. When considering the recoverable amount we have agreed the consistency of the forecasts used to assess the goodwill impairment for the Group and the key estimates within the forecast to supporting evidence including verifying the appropriateness of the assumptions for revenue and cost growth, capital expenditure, the terminal growth rate and the discount rate used, where applicable. We also assessed management's sensitivity analysis and performed our own sensitivity analysis considering various reasonably possible scenarios impacting key assumptions, including forecast cash flows, terminal growth rate and discount rates. Our testing did not identify any material differences to the position reflected in the financial statements.

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the company, the accounting processes and controls, and the industry in which it operates.

Arqiva Financing No 3 Plc acts as an intermediate holding company and a financing vehicle within the Arqiva Group Limited group of companies. It holds an investment in an operational sub group of companies which it funds from a combination of shareholder loan notes and intercompany debt.

The impact of climate risk on our audit

As part of our audit we made enquiries of management to understand the extent of the potential impact of climate risk on the company's financial statements, and we remained alert when performing our audit procedures for any indicators of the impact of climate risk. Our procedures did not identify any material impact as a result of climate risk on the company's financial statements.

Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

Overall company materiality	£34.6 million (2024: £41.1 million).
How we determined it	approximately 1% of total assets
Rationale for benchmark applied	Based on our professional judgement, total assets is considered to be an appropriate measure to assess the performance of the Company given that the purpose of the Company is to hold debt and investments in subsidiaries, and the measure is a generally accepted auditing benchmark.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality was 75% (2024: 75%) of overall materiality, amounting to £25.9 million (2024: £30.9 million) for the company financial statements.

In determining the performance materiality, we considered a number of factors - the history of misstatements, risk assessment and aggregation risk and the effectiveness of controls - and concluded that an amount at the upper end of our normal range was appropriate.

We agreed with those charged with governance that we would report to them misstatements identified during our audit above £1.7 million (2024: £2.1 million) as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Conclusions relating to going concern

Our evaluation of the directors' assessment of the company's ability to continue to adopt the going concern basis of accounting included:

- Obtaining management's assessment of the use of going concern basis of preparation of the financial statements;

- Obtaining a signed letter of support from Arqiva Group Limited;
- Assessing the reliability of the letter of support by leveraging the Group going concern assessment and the audit procedures performed over the Group going concern assessment; and
- Considering management's disclosures of their assessment of going concern

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

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

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

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

Reporting on other information

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

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

With respect to the Strategic report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' Report for the year ended 30 June 2025 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Directors' responsibilities statement, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (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.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to the Companies Act 2006 and the UK Tax law, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to manipulate the financial performance of the Company and management bias in accounting estimates and judgements. Audit procedures performed by the engagement team included:

- Enquiry of management, those charged with governance, and the entity's in-house legal team around actual and potential litigation, claims, and fraud;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness and testing accounting estimates (because of the risk of management bias); and
- As required by ISA (UK) 240, incorporating an element of unpredictability into our audit testing.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

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

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.

Andy Grimbly (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Southampton
3 December 2025

INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025 £m	*As restated* *2024* *£m*
Finance income	6	**201.1**	*183.3*
Finance costs	7	**(887.2)**	*(781.9)*
Loss before tax		**(686.1)**	*(598.6)*
Tax on loss	8	**1.6**	*(1.1)*
Loss for the financial year		**(684.5)**	*(599.7)*

There are no items of other comprehensive income for 2025 or 2024 other than the loss for the year. As a result, no separate Statement of comprehensive income has been presented.

The notes on pages 16 to 34 form part of these financial statements.

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2025

	Note	2025 £m	2025 £m	*As restated 2024 £m*	*As restated 2024 £m*
Fixed assets					
Fixed asset investments	9		**1,148.6**		*1,116.7*
			1,148.6		*1,116.7*
Current assets					
Debtors: amounts falling due after more than one year	10	**2,305.7**		*2,103.1*	
Cash and cash equivalents	11	**2.1**		*2.0*	
		2,307.8		*2,105.1*	
Creditors: amounts falling due within one year	12	**(5,516.8)**		*(4,597.7)*	
Net current liabilities			**(3,209.0)**		*(2,492.6)*
Total assets less current liabilities			**(2,060.4)**		*(1,375.9)*
Creditors: amounts falling due after more than one year	13		**(2,148.1)**		*(2,148.1)*
			(4,208.5)		*(3,524.0)*
Net liabilities			**(4,208.5)**		*(3,524.0)*
Capital and reserves					
Called up share capital	16		**1.0**		*1.0*
Profit and loss account	17		**(4,209.5)**		*(3,525.0)*
Total shareholder's deficit			**(4,208.5)**		*(3,524.0)*

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 3 December 2025.

Scott Longhurst
Director

The notes on pages 16 to 34 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2025

	Called up share capital	Profit and loss account	Total shareholder's deficit
	£m	£m	£m
At 1 July 2023 (as previously stated)	**1.0**	**(1,959.8)**	**(1,958.8)**
Prior year adjustment - correction of error	-	(965.5)	(965.5)
At 1 July 2023 (as restated)	**1.0**	**(2,925.3)**	**(2,924.3)**
Loss for the year (as restated)	-	(599.7)	(599.7)
At 1 July 2024 (as restated)	**1.0**	**(3,525.0)**	**(3,524.0)**
Loss for the year	-	(684.5)	(684.5)
At 30 June 2025	**1.0**	**(4,209.5)**	**(4,208.5)**

The notes on pages 16 to 34 form part of these financial statements.

1. General information

Arqiva Financing No 3 Plc (the ‘Company’) is a public company limited by shares which is incorporated and domiciled in England, United Kingdom (“UK”) under the Companies Act under registration number 05253998. The address of the registered office is Crawley Court, Winchester, Hampshire, SO21 2QA. The Company holds an investment in an operating sub group of companies which it funds from a combination of shareholder loan notes which are listed on the Channel Island Stock Exchange.

The nature of the Company’s operations and its principal activities are set out in the Strategic report on page 1.

2. Summary of material 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 101 'Reduced Disclosure Framework' and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Financial Reporting Standard 101 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of paragraphs 62, B64(d), B64(e), B64(g), B64(h), B64(j) to B64(m), B64(n)(ii), B64(o)(ii), B64(p), B64(q)(ii), B66 and B67 of IFRS 3 Business Combinations
- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures

This information is included in the consolidated financial statements of Arqiva Group Limited for the year ended 30 June 2025 and these financial statements may be obtained from www.arqiva.com.

2.3 Exemption from preparing consolidated financial statements

The Company is a parent company that is also a subsidiary included in the consolidated financial statements of a larger group by a parent undertaking established under the law of any part of the United Kingdom and is therefore exempt from the requirement to prepare consolidated financial statements under section 400 of the Companies Act 2006.

2. Summary of material accounting policies (continued)

2.4 Going concern

In determining the appropriate basis of preparation of the financial statements, the Directors are required to consider whether the Company can continue in operational existence for the foreseeable future. The parent Group performs a review of going concern through a review of forecasting including cash flow forecasts and considering the requirements of capital expenditure and debt repayments and including severe but plausible downside scenarios.

The Capital Structure Committee regularly reviews the debt position of the group to ensure it is appropriate and has concluded it has sufficient cash to service its debt structure obligations. The parent Group has provided a letter of support which confirms that Arqiva Group Limited will provide such financial assistance to all its wholly owned (directly and indirectly held) subsidiaries in order to meet liabilities as they fall due for a period of 12 months from the date of signing the 30 June 2025 financial statements.

The Company adopts the going concern basis in preparing its financial statements, based on the support from its ultimate parent undertaking, the future cash flow forecasts of the Group and Company and available facilities, which lead the Directors of the Company to be confident that the Company will have adequate resources to continue in operational existence and continue to meet debt and interest payments as they fall due for the 12 month period post signing of these financial statements.

2.5 Impact of new international reporting standards, amendments and interpretations

New and amended standards adopted by the Company

Amendment to IAS 1 - Non-current Liabilities with Covenants
The amendment listed above did not have any material impact on the amounts recognised in prior years and is not expected to have a material impact on current or future periods.

New standards, interpretations and amendments not yet effective
The following new standards, interpretations and amendments, which are not yet effective and have not been adopted early in these financial statements, will or may have an effect on the Company's future financial statements:

- Amendment to IAS 21 - Lack of Exchangeability
- Amendments IFRS 9 and IFRS 7 - Regarding the classification and measurement of financial instruments
- Amendment to IFRS 18 - Presentation and Disclosures in Financial Statements

The new and revised standards not yet effective are not expected to have a material impact on the Company.

2.6 Finance income

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

2. Summary of material accounting policies (continued)

2.7 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.

2.8 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

2.9 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. 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 reporting 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 reporting 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 reporting date.

2.10 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

An impairment charge arises when the fair value of investments is lower than its net book value. The Group tests goodwill annually for impairment, or more frequently if there are indications that goodwill might be impaired. The recoverable amounts of the CGUs are determined from value-in-use calculations (‘VIU’).

2.11 Cash and cash equivalents

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

2. Summary of material accounting policies (continued)

2.12 Creditors

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.13 Financial instruments

The Company recognises financial instruments when it becomes a party to the contractual arrangements of the instrument. Financial instruments are de-recognised when they are discharged or when the contractual terms expire. The Company's accounting policies in respect of financial instruments transactions are explained below:

Financial assets and financial liabilities are initially measured at fair value.

Financial assets

All recognised financial assets are subsequently measured in their entirety at either fair value or amortised cost, depending on the classification of the financial assets.

Fair value through profit or loss

All of the Company's financial assets are subsequently measured at fair value at the end of each reporting period, with any fair value gains or losses being recognised in profit or loss to the extent they are not part of a designated hedging relationship. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset.

Impairment of financial assets

The Company always recognises lifetime ECL for trade receivables and amounts due on contracts with customers. The expected credit losses on these financial assets are estimated based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate. Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument.

Financial liabilities

Fair value through profit or loss

Financial liabilities are classified as at fair value through profit or loss, when the financial liability is held for trading, or is designated as at fair value through profit or loss. This designation may be made if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise, or the financial liability forms part of a group of financial instruments which is managed and its performance is evaluated on a fair value basis, or the financial liability forms part of a contract containing one or more embedded derivatives, and IFRS 9 permits the entire combined contract to be designated as at fair value through profit or loss. Any gains or losses arising on changes in fair value are recognised in profit or loss to the extent that they are not part of a designated hedging relationship.

2. Summary of material accounting policies (continued)

2.13 Financial instruments (continued)

At amortised cost

Financial liabilities which are neither contingent consideration of an acquirer in a business combination, held for trading, nor designated as at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. This is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or where appropriate a shorter period, to the amortised cost of a financial liability.

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

In the application of the Company's accounting policies, which are described in note 2, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical judgements and those involving estimations that the Directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in financial statements.

Deferred tax
Critical accounting judgements:
As disclosed in note 8, the Company has recognised deferred tax assets, in respect of tax losses carried forward. Judgement is required in determining whether these assets can be accessed considering the restrictions of relevant tax legislation and expectations of future profit.

Impairment
Critical accounting estimates:
The calculation of impairment of investments held is considered to be a critical accounting estimate, as the value of the Company's investment in Arqiva Intermediate Limited is sensitive to future cash flow projections, specifically in relation to the debt financing operations of the Group. Reductions identified in the future cash flows of this subsidiary would result in a further impairment of the investment.

4. Auditors' remuneration

The Company's audit fee for the year of £11,000 *(2024 - £9,000)* was borne by Arqiva Limited, a fellow Group company and was not recharged.

The Company has taken advantage of the exemption not to disclose amounts paid for non-audit services as these are disclosed in the consolidated accounts of the parent Company.

5. Employees

Employees
The Company had no employees during the year *(2024 - none)*.

Directors
There are no recharges *(2024 - £nil)* made to the Company in respect of any remuneration for any Directors, as their duties in respect of the Company are incidental to their normal duties on behalf of their employer companies.

The Directors are either representatives of the ultimate UK parent undertaking's shareholders or other Group companies and their individual remuneration reflects the services they provide to the Company and other Group companies. It is not possible to make an accurate apportionment of each Director's emoluments in respect of their services to the Company. Accordingly, no emoluments in respect of these Directors services have been disclosed.

6. Finance income

	2025 £m	*2024 £m*
Interest receivable from group undertakings	**201.1**	*183.3*
	201.1	*183.3*

7. Finance costs

	2025 £m	*2024 £m*
Shareholder loan notes interest	**887.2**	*781.9*
	887.2	*781.9*

See note 14 for details of the shareholder loan notes interest.

Included within loan note interest is £0.1m *(2024 - £0.1m)* in respect of amortisation of the premium paid on issue.

8. Tax on loss

	2025 £m	*As restated 2024 £m*
Corporation tax		
Current tax on profits for the year	**0.2**	-
	0.2	-
Total current tax	**0.2**	-
Deferred tax		
Origination and reversal of timing differences	**1.2**	*1.1*
Adjustment in respect of prior periods	**(3.0)**	-
Total deferred tax	**(1.8)**	*1.1*
Tax on loss	**(1.6)**	*1.1*

Factors affecting tax charge for the year

The tax assessed for the year is higher than *(2024 - higher than)* the standard rate of corporation tax in the UK of 25% *(2024 - 25%)*. The differences are explained below:

	2025 £m	*As restated 2024 £m*
Loss on ordinary activities before tax	**(686.1)**	*(598.6)*
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 25% (2024 - 25%)	**(171.5)**	*(149.7)*
Effects of:		
Expenses not deductible for tax purposes (a)	**184.7**	*160.8*
Deemed interest on intercompany balances (b)	**(17.3)**	*(15.1)*
Change in unrecognised deferred tax assets	**5.5**	*5.1*
Adjustment in respect of prior periods	**(3.0)**	-
Total tax (credit)/charge for the year	**(1.6)**	*1.1*

8. Tax on loss (continued)

Factors that may affect future tax charges

The rate of UK corporation tax was 25.0% during the year. UK deferred tax has been valued at 25.0%.

The current year UK corporation tax credit *(2024 - charge)* represents the payment made to other group undertakings for the provision of tax losses by way of group relief.

(a) Expenses that are not deductible in determining taxable profit principally relate to interest payable on shareholder loan notes.
(b) Deemed interest expense in respect of inter-company debt, deductible for corporation tax purposes.

On 20 June 2023, Finance (No.2) Act 2023 was substantively enacted in the UK, introducing a global minimum effective tax rate of 15%; the implications of this upon the Companies in the group are set out in the Arqiva Group Limited financial statements.

9. Fixed asset investments

	Investments in subsidiary companies £m
Cost or valuation	
At 1 July 2024	**3,133.1**
Additions	**31.9**
At 30 June 2025	**3,165.0**
Accumulated impairment	
At 1 July 2024 (as previously stated)	**1,127.4**
Prior year adjustment (note 22)	**889.0**
At 1 July 2024 (as restated)	**2,016.4**
At 30 June 2025	**2,016.4**
Net book value	
At 30 June 2025	**1,148.6**
At 30 June 2024 (as restated)	*1,116.7*

9. Fixed asset investments (continued)

The additions in both the prior year and current year includes additional investment in Arqiva Financing No 1 Limited (‘AF1’), a subsidiary company.

The Directors consider the carrying value of the Company’s investments in its subsidiaries on an annual basis, or more frequently should indicators arise, and believe that the carrying values of the investments are supported by the underlying trade and net assets.

The 1 July 2023 balance has been restated, see note 22 for further details This calculation is considered to be a critical accounting estimate, as the value of the Company’s investments in Arqiva Intermediate Limited is sensitive to future cash flow projections, discount rate and terminal growth rate applied to the groups value in use calculation.

Management estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the Group. Growth rates are based on internal and external growth forecasts. Changes to cash flows are based on past practices and expectations of future changes in the market.

Projected cash flows and the ‘recoverable amount’
The value in use is determined from the cash flow forecasts derived from the latest financial forecasts available at year end. They reflect management’s expectations of revenue, EBITDA growth, capital expenditure and working capital based on past experience and future expectations of performance.

Discount rate
The pre-tax discount rate applied to the Group’s cash flow forecasts are derived using the capital asset pricing model for comparable businesses. The assumptions used are benchmarked to externally available data. The pre-tax discount rate used for the AGL group’s annual impairment review is 10.6% *(2024 - 8.8%)*.

Terminal growth rates
The terminal growth rate is determined based on the long-term growth rates of the markets in which the CGU operates and is set at 2.0% (*2024 - 1.9%*). The growth rate has been benchmarked against externally available data.

This discount rate does not represent the weighted average cost of capital (WACC) for AGL, but instead is an industry and comparative company based capital asset pricing model (CAPM) derived discount rate, utilising current spot rates at the time of calculation.

Sensitivities
The value in use exceeds the carrying value of investments by approximately £91.5m. The following changes to key assumptions (in isolation) would result in the value in use being equal to the carrying value:
- An increase in the pre-tax discount rate assumption to 11.0% (*2024 - 9.3%*).
- A decrease in the terminal growth rate assumption to 1.7% (*2024 - 1.5%*).

9. Fixed asset investments (continued)

The Company’s investments (held indirectly unless stated) are shown below:

Company	Country of incorporation	Principal activities	Year end	Ordinary share holding
ABHL Digital Limited	United Kingdom	Holding company	30-Jun	100%
ABHL Digital Radio Limited	United Kingdom	Holding company	30-Jun	100%
ABHL Multiplex Limited	United Kingdom	Dormant company	30-Jun	100%
Arqiva Muxco Limited	United Kingdom	Transmission services	30-Jun	100%
Arqiva (Scotland) Limited	United Kingdom	Transmission services	30-Jun	100%
Arqiva Broadcast Finance Plc	United Kingdom	Financing vehicle	30-Jun	100%
Arqiva Broadcast Intermediate Limited	United Kingdom	Holding company	30-Jun	100%
Arqiva Broadcast Limited	United Kingdom	Dormant company	30-Jun	100%
Arqiva Broadcast Parent Limited	United Kingdom	Holding company	30-Jun	100%
Arqiva Communications Limited	United Kingdom	Dormant company	30-Jun	100%
Arqiva Defined Benefit Pension Plan Trustees Limited	United Kingdom	Pension company	30-Jun	100%
Arqiva Digital Limited	United Kingdom	Holding company	30-Jun	100%
Arqiva Finance Limited	United Kingdom	Dormant company	30-Jun	100%
Arqiva Financing No. 1 Limited	United Kingdom	Holding company	30-Jun	100%
Arqiva Financing No. 2 Limited	United Kingdom	Holding company	30-Jun	100%
Arqiva Financing Plc	United Kingdom	Financing vehicle	30-Jun	100%
Arqiva Group Holdings Limited	United Kingdom	Holding company	30-Jun	100%
Arqiva Group Intermediate Limited	United Kingdom	Holding company	30-Jun	100%
Arqiva Group Parent Limited	United Kingdom	Holding company	30-Jun	100%
Arqiva Holdings Limited	United Kingdom	Holding company	30-Jun	100%
Arqiva Inc.	USA	Satellite transmission services	30-Jun	100%
Arqiva Intermediate Limited	United Kingdom	Holding company	30-Jun	100%
Arqiva International Holdings Limited	United Kingdom	Holding company	30-Jun	100%*
Arqiva Limited	United Kingdom	Transmission services	30-Jun	100%
Arqiva (Ireland) Limited	Ireland	Transmission services	30-Jun	100%
Arqiva Media Limited	United Kingdom	Dormant company	30-Jun	100%
Arqiva Mobile Broadcast Limited	United Kingdom	Dormant company	30-Jun	100%
Arqiva Mobile Limited	United Kingdom	Dormant company	30-Jun	100%
Arqiva Mobile TV Limited	United Kingdom	Dormant company	30-Jun	100%
Arqiva No. 10 Limited	United Kingdom	Dormant company	30-Jun	100%
Arqiva No. 11 Limited	United Kingdom	Dormant company	30-Jun	100%
Arqiva Pension Trust Limited	United Kingdom	Pension company	31-Mar	100%
Arqiva PP Financing Plc	United Kingdom	Financing vehicle	30-Jun	100%
Arqiva Pte Limited	Singapore	Satellite transmission services	30-Jun	100%
Arqiva Public Safety Limited	United Kingdom	Dormant company	30-Jun	100%
Arqiva SAS	France	Satellite transmission services	30-Jun	100%
Arqiva Satellite Limited	United Kingdom	Dormant company	30-Jun	100%
Arqiva Senior Finance Limited	United Kingdom	Financing vehicle	30-Jun	100%
Arqiva Smart Financing Limited	United Kingdom	Financing vehicle	30-Jun	100%
Arqiva Smart Holdings Limited	United Kingdom	Holding company	30-Jun	100%

9. Fixed asset investments (continued)

Company	Country of incorporation	Principal activities	Year end	Ordinary share holding
Arqiva Smart Metering Limited	United Kingdom	Smart metering communications	30-Jun	100%
Arqiva Smart Parent Limited	United Kingdom	Holding company	30-Jun	100%
Arqiva SRL	Italy	Satellite transmission services	30-Jun	100%
Arqiva Telecoms Investment Limited	United Kingdom	Holding company	30-Jun	100%
Arqiva Transmission Limited	United Kingdom	Dormant company	30-Jun	100%
Arqiva UK Broadcast Holdings Limited	United Kingdom	Holding company	30-Jun	100%
Arqiva Wireless Limited	United Kingdom	Dormant company	30-Jun	100%
Capablue Limited	United Kingdom	Dormant company	30-Jun	100%
Cast Communications Limited	United Kingdom	Dormant company	30-Jun	100%
Connect TV (Scotland) Limited	United Kingdom	Dormant company	30-Jun	100%
Connect TV Limited	United Kingdom	Dormant company	30-Jun	100%
Digital One Limited	United Kingdom	Transmission services	30-Jun	100%
Inmedia Communications (Holdings) Limited	United Kingdom	Dormant company	30-Jun	100%
Inmedia Communications Group Limited	United Kingdom	Dormant company	30-Jun	100%
Inmedia Communications Limited	United Kingdom	Dormant company	30-Jun	100%
J F M G Limited	United Kingdom	Spectrum services	30-Jun	100%
Macropolitan Limited	United Kingdom	Dormant company	30-Jun	100%
Now Digital (East Midlands) Limited	United Kingdom	Transmission services	30-Jun	80.0%
Now Digital (Oxford) Limited	United Kingdom	Dormant company	30-Jun	100%
Now Digital (Southern) Limited	United Kingdom	Transmission services	30-Jun	100%
Now Digital Limited	United Kingdom	Transmission services	30-Jun	100%
NWP Spectrum Holdings Limited	United Kingdom	Holding company	30-Jun	100%
Primrose No.1 Limited	United Kingdom	Dormant company	30-Jun	100%
Scanners (Europe) Limited	United Kingdom	Dormant company	30-Jun	100%
100% Broadcasts Limited	United Kingdom	Dormant company	30-Jun	100%
Selective Media Limited	United Kingdom	WiFi services	30-Jun	100%
South West Digital Radio Limited	United Kingdom	Transmission services	30-Jun	66.67%
Spectrum Interactive (UK) Limited	United Kingdom	Dormant company	30-Jun	100%
Spectrum Interactive GmbH	Germany	Dormant company	30-Jun	100%
Spectrum Interactive Limited	United Kingdom	Holding company	30-Jun	100%

*These investments are held directly by the Company.

9. Fixed asset investments (continued)

With the following exceptions, the registered office of each of the subsidiary companies listed was Crawley Court, Winchester, Hampshire, SO21 2QA:

Company	Registered office
Arqiva Inc.	c/o The Corporation Trust Company, Corporation Trust Centre, 1209 Orange Street, Wilmington, DE19801, United States of America.
Arqiva Pte Limited	8 Marina Boulevard #05-02, Marina Bay Financial Centre, 018981, Singapore.
Arqiva SAS	Tour Vendome 204, Rond Point du Pont De Sevres, 92100, Boulogne, France.
Arqiva SRL	c/o Studio Bandini & Associati, Via Calabria 32, Rome, Italy.
Arqiva (Ireland) Limited	Unit 9 Willborough, Clonshaugh Industrial Estate, Dublin 17, Co. Dublin, Ireland.
Arqiva (Scotland) Limited	c/o Morton Fraser, Quartermile 2, 2 Lister Square, Edinburgh, EH3 9GL, Scotland.

In addition to the subsidiary undertakings the Company indirectly holds the following interests in associates and joint ventures:

Name	Country of incorporation	Principal activity	Registered office	Year end	Ordinary share holding
Joint ventures:					
Sound Digital Limited	United Kingdom	Ownership and operation of UK DAB radio multiplex licence	Media House Peterborough Business Park, Lynch Wood, Peterborough, United Kingdom, PE2 6EA	31-Dec	40%
Associate undertakings:					
Muxco Limited	United Kingdom	Bidding for UK DAB digital radio multiplex licences	Greenworks Dog And Duck Yard, Princeton Street, London, England, WC1R 4BH	31-Dec	25%
UK Digital Radio Limited	United Kingdom	Support delivery of a digital future for	15 Alfred Place, London, England, WC1E 7EB	30-Jun	10%

10. Debtors

		2025 £m	*2024 £m*
Amounts falling due after more than one year			
Amounts owed by group undertakings		**2,264.0**	*2,063.2*
Deferred tax asset	15	**41.7**	*39.9*
		2,305.7	*2,103.1*

Included within non-current amounts receivables are £38.7m *(2024 - £39.9m)* upon which no interest is charged. Also included are £3.8m *(2024 - £3.5m)* upon which interest is charged at a rate of 6.3% plus an index reflecting the blended interest rate swap rates that were in place as part of the external funding the Group has established to finance communications hubs, which for the year ended 30 June 2025 was 0.9% *(2024 - 0.9%)*. The remaining amounts receivable from other Group entities of £2,221.5m *(2024 - £2,021.0m)* carried interest at 9.5% and are repayable in February 2033.

Amounts receivable from other Group entities are stated after deducting allowances for doubtful debts of £1.2m *(2024 - £1.2m)*.

The provision against intercompany receivables relates to an amount which was not anticipated to be recovered due to the cessation of trade in a non-core business.

11. Cash and cash equivalents

	2025 £m	*2024 £m*
Cash at bank and in hand	**2.1**	*2.0*
	2.1	*2.0*

12. Creditors: Amounts falling due within one year

		2025 £m	*2024 £m*
Accrued interest on shareholder loan notes	14	**5,201.6**	*4,314.4*
Amounts owed to group undertakings		**312.7**	*280.8*
Other taxation and social security		**2.4**	*2.4*
Accruals and deferred income		**0.1**	*0.1*
		5,516.8	*4,597.7*

Amounts payable to other Group entities are unsecured, interest free and repayable on demand.

13. Creditors: Amounts falling due after more than one year

		2025 £m	2024 £m
Shareholder loan notes	14	**2,148.1**	*2,148.1*
		2,148.1	*2,148.1*

14. Loans

Analysis of the maturity of loans is given below:

	2025 £m	2024 £m
Amounts falling due within one year		
Accrued interest on shareholder loan notes	**5,201.6**	*4,314.4*
	5,201.6	*4,314.4*
Amounts falling due 1-2 years		
Shareholder loan notes	**1,492.9**	*1,492.9*
	1,492.9	*1,492.9*
Amounts falling due after more than 5 years		
Shareholder loan notes	**655.2**	*655.2*
	655.2	*655.2*
	7,349.7	*6,462.5*

The shareholder loan notes carry a fixed rate of interest ranging between 13% and 14% applicable to the capital and unpaid interest which can be deferred at the option of the Company subject to certain conditions, qualification of which are subject to bi-annual review.

Shareholder loan notes which are unsecured and are listed on The International Stock Exchange (formally the Channel Islands Stock Exchange). As at the 30 June 2025 these are repayable between March 2029 and March 2030, and cannot be called upon early. As part of the Group's July 2025 refinance, see note 20 for further detail, the loan notes now mature between July 2031 and July 2032. The shareholder loan notes carry a fixed rate of interest ranging between 13% and 14% applicable to the capital and unpaid interest which can be deferred at the option of the Group subject to certain conditions, qualification of which are subject to bi-annual review. The Group has exercised this option to defer interest payments since 2009.

There have been no breaches of the terms of the loan agreements during the current or previous years.

15. Deferred taxation

	2025 £m	2024 £m
At beginning of year	**39.9**	*41.0*
Charged to profit or loss	**1.8**	*(1.1)*
At end of year	**41.7**	*39.9*

The deferred tax asset is made up as follows:

	2025 £m	2024 £m
Tax losses carried forward	**41.7**	*39.9*
	41.7	*39.9*

There is an unrecognised deferred tax asset of £268.9m *(2024 - £263.4m)*. This relates to deferred interest expenses of £268.9m *(2024 - £263.4m)*. These deferred tax assets may be carried forward indefinitely. These assets have not been recognised since it is not probable that these assets will be able to be utilised against future taxable profits of the Group.

Companies within the Group continue to recognise deferred tax assets as supported by the same long-term group profit forecasts. No attributes have a time expiry and these forecasts show the deferred tax assets reversing to a net liability position by 30 June 2031. Due to the long-term stable nature of the business, with significant long term contracts, the recognised deferred tax asset is not considered to be materially exposed to the performance of the Group based on reasonably possible trading forecasts.

16. Called up share capital

	2025 £m	2024 £m
Allotted, called up and fully paid		
1,000,000 *(2024 - 1,000,000)* Ordinary shares of £1.00 each	**1.0**	*1.0*

17. Reserves

Profit and loss account

All other net gains and losses and transactions with owners (e.g. dividends) not recognised elsewhere.

18. Contingent liabilities

Financing commitments
Under the terms of the Group's external debt facilities, the Company has provided security over substantially all of its tangible, intangible and other assets by way of a Whole Business Securitisation ('WBS') structure. The Directors consider the likelihood of this security being called upon to be remote and therefore has no impact on the liabilities recognised for the current year.

19. Related party transactions

Intercompany transactions
The Company has applied the provisions within FRS 101 to be exempt from the disclosure of transactions entered into, and balances outstanding, with a Group entity which is wholly owned by another Group entity and key management personnel. No transactions occurred with other Group entities for which the holding by another Group entity was less than 100%.

Investor transactions
There are two investor companies, Digital 9 Infrastructure (‘D9’) and Macquarie European Infrastructure Fund II (‘MEIF II’), which are related parties with the Group in accordance with IAS 24, by virtue of significant shareholding in the Group, and another two Companies, Macquarie Global Infrastructure Funds II (‘MGIF II’) and Macquarie Prism who are related parties by virtue of common influence.

D9
Amounts owed with respect of shareholder loan notes at the year end was £1,208.4m *(2024 - £1,208.4m)* and interest accrued on those loan notes at the year end was £2,400.2m *(2024 - £1,964.1m)* which includes interest payable arising during the year of £436.1m *(2024 - £384.3m)*.

MEIF II
Amounts owed with respect of shareholder loan notes at the year end was £626.6m *(2024 - £626.6m)* and interest accrued on those loan notes at the year end was £1,244.1m *(2024 - £1,018.1m)* which includes interest payable arising during the year of £226.0m *(2024 - £199.2m)*.

MGIF II
Amounts owed with respect of shareholder loan notes at the year end was £12.8m *(2024 - £12.8m)* and interest accrued on those loan notes at the year end was £24.5m *(2024 - £20.1m)* which includes interest payable arising during the year of £4.4m *(2024 - £3.9m)*.

Macquarie Prism
Amounts owed with respect of shareholder loan notes at the year end was £9.3m *(2024 - £9.3m)* and interest accrued on those loan notes at the year end was £54.5m *(2024 - £46.8m)* which includes interest payable arising during the year of £7.7m *(2024 - £6.8m)*.

20. Post balance sheet events

In July 2025 the Group successfully completed a refinance of its Junior debt. As part of the refinance project, the Company also extended the maturity of its shareholder loan notes, which now mature between July 2031 and July 2032.

Subsequent to the reporting date, Macquarie Asset Management announced its intention to dispose of its investments in the Arqiva Group. The transaction is subject to completion and regulatory approvals and, as at the date of these financial statements, remains outstanding. Based on current information, the directors do not expect the proposed disposal to have a material impact on the Group's ongoing operations. No adjustments have been made to these financial statements in respect of this event.

21. Controlling party

The Company's immediate parent company and ultimate UK parent undertaking is AGL, which is the parent undertaking of the largest and smallest group to consolidate these financial statements.

Copies of the AGL consolidated financial statements can be obtained from the Company Secretary of AGL at Crawley Court, Winchester, Hampshire, SO21 2QA.

The Company is owned by a consortium of shareholders including Digital 9 Infrastructure, Macquarie European Infrastructure Fund II, other Macquarie managed funds and minorities.

22. Prior year adjustment

A previously omitted impairment trigger arising for the Smart Utilities Networks (SUN) Cash Generating Unit ("CGU") assets was identified. The relevant impairment trigger was an agreement in 2023 between the Group and the Data Communications Company (DCC) to end the Enduring Support change model. The Enduring Support service delivery model aligned with a projected constant revenue change pipeline for the Group, however it was agreed with the DCC to revise the model to an as-needed change request process going forwards. This led to management revising the Group's forecast cashflows in the new Long-Term Plan (LTP) from a consistent reliable stream to ad-hoc receipts with a reduced scope of work. The result of this was a projected fall in cashflows from financial year 2029. For the impairment assessment only 5 years were considered instead of extending the period beyond 2029 due to this known DCC contract change.

The error resulted in the absence of recognised impairment expense in June 2023 and a corresponding overstatement of the carrying value of investments on the statement of financial position which had a continuing misstated effect on the carrying value of investments and the profit and loss account in subsequent periods of account. The impairment loss has been retrospectively recognised in the comparative period ended June 2023, resulting in a reduction of the carrying value of investment assets by £965.5m and a corresponding increase in impairment expense through the profit and loss account. In addition, an impairment of £76.5m which was recognised in the year ended June 2024 has been retrospectively reversed as this is superseded by the impairment recognised in June 2023. The resulting prior period net restatement for June 2024 is £889.0m.

The financial statements have been restated accordingly. No other line items are affected by this misstatement.

	30 June 2023 (Reported) £m	Impairment of investments £m	1 July 2023 (Restated) £m
Investments	**2,063.1**	**(965.5)**	**1,097.6**
Profit and loss account	**(1,959.8)**	**(965.5)**	**(2,925.3)**

	30 June 2024 (Reported) £m	Impairment of investments brought forward £m	Reversal of in year impairment £m	30 June 2024 (Restated) £m
Investments	**2,005.7**	**(965.5)**	**76.5**	**1,116.7**
Profit and loss account	**(2,636.0)**	**(965.5)**	**76.5**	**(3,525.0)**