Registered Number: 01609968

INGRAM MICRO (UK) LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 DECEMBER 2023

INGRAM MICRO (UK) LIMITED

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INGRAM MICRO (UK) LIMITED

COMPANY INFORMATION

Directors	K. Everaet K. Mees M. Sanderson
Company Secretary	K. Everaet B. Gamble
Registered number	01609968
Registered office	CBX II Building West 406 – 432 Midsummer Boulevard Milton Keynes Buckinghamshire MK9 2EA
Independent auditors	PricewaterhouseCoopers LLP Exchange House Central Business Exchange Midsummer Blvd Milton Keynes MK9 2DF

STRATEGIC REPORT
FOR THE PERIOD ENDED 30 DECEMBER 2023

The directors present the Strategic Report of Ingram Micro (UK) Limited (the "Company") for the 52 weeks ended 30 December 2023 (referred to as 2023 and "period" throughout the annual report, with 2022 referring to the period ended 31 December 2022, being a 52-week period). The directors have prepared the financial statement under FRS 102.

Business review
The principal activity of the Company is distribution of technology products, solutions and services, including computer hardware and software and cloud-based services.

During the period, the Company's Management continued to focus on executing on the Company's long-term strategy of driving partner enablement, leveraging deep and longstanding vendor and customer relationships, and bringing its extensive services capabilities and lifecycle management proposition to market in an efficient manner. In 2023 the Company launched its market leading Xvantage platform. Xvantage helps businesses streamline their business operations, shorten time to market and adapt to market changes all from one simple platform.

In 2023, some of the markets in which the Company operated were impacted by headwinds leading to overall market decline. Whilst the Company also experienced a decline in period-on-period turnover (-10%), operating profit (profit before income from shares in group undertakings, interest and tax) increased by 10% (with operating profit margin percentage increasing by 0.6% to 3.2%). This represents the seventh consecutive period of profitability growth.

The net asset position at 30 December 2023 is £165,756,000 compared to £166,243,000 at 31 December 2022, a reduction of 0.29% over the twelve month period.

Future developments
Management will continue to execute on the strategy of developing long term profitability, underpinned by continued focus on partner enablement. The directors are confident that the business will grow turnover and operating profit.

Principal risks and uncertainties
The management of the business and the execution of the Company's strategy are subject to several risks affecting the Company as set out below:

Competition
Competitors include European and national distributors and resellers, as well as suppliers who employ a direct sales model. The Company continues to invest in ways to increase its customer base. These include increasing its product and service offering and working with its vendors to ensure the latest innovations are provided to customers in the various market segments the Company serves.

Credit Exposure
The Company offers credit terms to its customers in line with market demands. There is a general risk that the customers will not pay for the products and services they have purchased. All potential customers are credit checked and are required to adhere to and support a number of pre-acceptance requirements. This reduces the credit risk of new customers. The Company has an appropriate credit insurance to mitigate losses suffered due to customer non-payments.

Personnel
Failure to recruit and retain key personnel may harm the Company's ability to meet key objectives. Additionally, changes in workforce, including government regulations and the availability of qualified employees in the area in which the Company operates, could disrupt operations, or increase the operating cost structure. The key mechanisms that the Company employs to address these risks are detailed in the statement by The Director's in performance of their statutory duties in accordance with S172 (1) Companies act 2006.

Key financial performance indicators

	2023	2022
The Company monitors and measures inter alia the performance in these specific areas:		
Increase / Decrease in Turnover		
Year on year turnover reduced by (2022: increased) expressed as a percentage	**- 10.4 %**	6.7 %
Operating profit percentage		
Profit before income from shares in group undertakings, tax and interest as a percentage of sales	**3.2%**	2.6%

These movements have been discussed in the business review section, above.

STATEMENT BY THE DIRECTORS IN PERFORMANCE OF THEIR STATUTORY DUTIES IN ACCORDANCE WITH S172 (1) COMPANIES ACT 2006

The directors consider that both individually and together they have acted in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole (having regard to the stakeholders and matters set out in s172 (1) (a-f) of the Act) in the decisions taken during the period ended 30 December 2023. This forms part of the directors' statement required under section 414CZA, of the Companies Act 2006.

The Company's dedication to a shared set of principles unites and guides it to better decisions and behaviours, enabling it to focus on the success of its business partners and employees. These shared principles are applied to Ingram Micro globally and referred to as the 'Tenets of success' and incorporate Results, Integrity, Imagination, Courage, Responsibility and Talent. The 'Tenets of success' are embedded within the Company's decision-making processes and applicable to all Company employees.

Through the actions detailed below, the directors have worked to ensure that the long-term objectives of the business are met, and its reputation maintained.

Customers
The Company works closely with its customers to understand and address their business requirements in order to further the success of the respective businesses in partnership.

Senior management (including Company directors) meet regularly with key strategic customers, which provides valuable insights into the customers' issues, challenges and opportunities.

Engaging Employees
Matters affecting employees are communicated via the management structure to enable employees to be aware of the Company's strategy and performance. Specifically, the Company utilises the forum of periodic business reviews where all employees are invited to either attend or watch a live presentation from senior management on all aspects of the business, and ask questions via a Q & A section.

In 2023, the Company continued its 'Meet and Greet' sessions with the Country Chief Executive and Human Resources Director for all new joiners to learn about the Company and its values, as well as sharing insights around their experience of the broader on-boarding process. All new employees receive a questionnaire based on various aspects of the recruitment and on-boarding process, with a 4.7/5.0 (FY22: 4.7/5.0) satisfaction rate achieved in 2023.

During the period, all employees were asked to participate in 2 separate 'Pulse Survey's', which cover 5 categories being Career Development, Diversity and Inclusion, Innovation, Performance Management and Quality. Senior management take the outputs of these survey's seriously and utilise them to create plans addressing identified areas for improvement. During 2023 the Human Resources team also ran a series of workshops called "We are Listening", focussing on areas of potential improvement identified from the Pulse Survey's.

Developing Employees
Developing employees across seven core competencies is a strategic priority. All employees are provided with clear short terms goals (measured regularly and as part of the annual performance review process), and employees are encouraged to build a development plan in collaboration with their managers, drawing upon the many learning resources available to them. All employees have access to an online e-learning portal which includes local, regional and global materials.

All managers are expected to hold regular (informal and formal) open and honest feedback sessions with employees focussing on progress against their documented objectives. The directors consider this to be critical to ensuring that the Company operates with a motivated and engaged workforce. This approach also forms a core part of the Company's succession planning activities which are documented through the Company's 'Talent review process', and supports the Company's focus on 5 core pillars of success identified as Business Leadership, Total Rewards, World Class Talents, Leverage Technology, and World Class Communications.

Health and Wellbeing of Employees
In 2023 the Company remained a 'Great Place to Work' certified employer. As key components of making the Company a great place to work, Wellbeing, Mental Health and Diversity and Inclusion are priorities for the directors.

The Company operates a team of 14 trained 'Mental Health First Aiders' aimed at providing peer to peer confidential support. All employees have access to the 'Ingram Micro Employee Assistance Programme', a comprehensive package to support wellbeing including a 24/7 critical incident telephone helpline, structured counselling, legal, financial, and family advice and access to an online health and wellbeing portal.

During 2023, the Company augmented its existing programme of health-related benefits with a scheme to support Dentistry provision (via UNUM Health and Simply Health), and a complimentary service to assist employees in claiming prescription costs, gain access to GP fast track appointments and consultant referrals for all employees (in addition to the Company Private Medical Scheme).

The Company also organised a series of 'Financial Wellbeing' sessions led by external advisors focussing on supporting employees in managing their finances, retirement planning, and entering the housing market.

An employee-led Diversity, Equity, Inclusion and Belonging (D,E,I&B) board is operated by the Company, which compliments the 'Together Ingram Micro' global effort. The Company's D,E,I&B board is focussed on raising awareness, supporting employees, and reviewing, amending, and ensuring the existing Company policies are upheld. The D,E,I&B board is organised into 'Employee Resource Groups (ERG's) sub-committees, focussing on Women of the Workplace, RICE (Race, Identity, Culture & Ethnicity), Ability (covering Mental, Physical and Neuro) and LGBTQIA+.

In addition, an Ingram Micro global D,E,I&B council drives global collaboration and implementation of initiatives. During 2023, the EMEA region implemented a D,E,I&B Think Tank, to ensure alignment in the execution of strategy set by the global council. The UK HR Director is an active participant in all of these committees, who leverage the efforts of the global council and ensure EMEA compliance.

Being an Inclusive Employer
The Company's policy is to give full and fair consideration to any application of employment from any person, having regard to the applicant's particular aptitudes and abilities and to the essential requirements of the job in question. In the event of an employee becoming disabled during employment, the Company would seek to continue the employment, and, if necessary, adjust the employment or provide appropriate training for a more suitable alternative job within the Company. The Company regards any employee as equally eligible for training, career development and promotion subject only to such restrictions as the nature of a particular disablement may unavoidably impose.

During 2023 job adverts, interviews and internal training have all been revised to reflect our commitment to inclusivity and to ensure that the Company can better support protected characteristic throughout the talent acquisition process. In 2023 we became part of Gov.UK's Disability Confident Employer Scheme, which is creating a movement of change, encouraging employers to think differently about disability and take action to improve how they recruit, retain and develop disabled people.

Code of Conduct
The Company is committed to conducting business with honesty and integrity. All employees are required to complete annual training across several subjects, including Ingram Micro's 'Code of Conduct', and to complete an annual legal and ethical compliance certification.

Suppliers
Company suppliers (vendors) are fundamental to the success of its business. Key supplier relationships are managed at an executive level across the Ingram Micro organisation globally, regionally and locally.

Supplier meetings attended by the directors or senior management take a variety of formats, including formal key – note conferences and business reviews. This provides a first-hand opportunity to hear directly from and discuss all matters related to the business relationship with the suppliers.

Community and environment
The Company is committed to managing the wider social and environmental impacts of its operations. Reference is made to the Company's parent company Ingram Micro Inc. corporate website (www.ingrammicro.com) for details of corporate social responsibility, strategy and initiatives, including the 'Environmental stewardship Policy', and 'Supplier code of Ethics'. These apply equally to the Company and all subsidiaries within the Ingram Micro Inc group.

The 'Ingram Micro UK Charitable Committee' is a key mechanism for the business to engage with the local community. Each year a local charity is selected, and in co-operation with the charitable committee work together to organise several internal and external events.

In 2023, the Company actively encouraged employees to participate in organised charity support days (attended during working hours). Examples of activities undertaken in 2023 include clearing and maintenance of local charities gardens, and providing support to schools.

NON-FINANCIAL AND SUSTAINABILITY INFORMATION STATEMENT

Governance
The Parent Company (Ingram Micro Inc.) has an established executive ESG Steering Committee who has primary oversight in assessing and managing climate-related risks and opportunities for the Ingram Micro group, and all legal entities therein. The ESG Steering Committee consists of the Chief Executive Officer, Executive Vice President and Chief Financial Officer, Executive Vice President – Human Resources, Executive Vice President – Global Operations and Engineering, Executive Vice President – Secretary and General Counsel.

The '*IngramMicroESG*' team led by the Director - Global ESG, are responsible for leading the day-to-day aspects of Ingram Micro group's ESG program including ESG reporting, strategy, management, and project execution. The Director plans, schedules, and directs follow up from the ESG Steering Committee meetings.

The Company's Managing Director has assumed responsibility alongside the Company's Chief Financial Officer of leading the present Climate Disclosures for the Company and enabling key internal stakeholder alignment.

In December 2023, the Company founded an ESG Task Group – a team with representatives from relevant departments, including Operations, Purchasing, Finance, and Legal, which has been given the managerial responsibility for matters related to the present Climate Disclosures. The Company's ESG Task Group has established regular two-way communications with the *IngramMicroESG* team.
The ESG Task Group's mission is, among others, to monitor and assess all aspects of the present Climate Disclosures within the Company with focus on the climate-related risks and opportunities and

Governance (continued)
to give guidance to management on what actions it should consider taking. The ESG Task Group convene on an ad-hoc basis.

Identification of climate related risks and opportunities
In addition to the company-wide risk management processes described in the 'Management of climate-related risks' section below, as part of the Company's Parent's Strategic Risk Assessment, a taxonomy of risks and opportunities are evaluated annually, including:

- Operational: Climate Change/Climate Resilience
- Operational: Supply Chain Disruption
- Operational: Crisis/Emergency Management
- Regulatory: Regulatory & Reporting
- Regulatory: Disclosures (e.g., ESG, cyber)
- Reputational: ESG Commitments
- Reputational: Stakeholder (internal/external) Engagement, Trust & Confidence
- Extended Enterprise: Third-Party ESG
- Strategic: Innovation & Emerging Technologies

Based upon this assessment, the Company will take any necessary measures to address identified risks and opportunities.

In addition to the above, the relevant facilities of the Company in the UK are assigned a risk mark score comparing the site's safety and resilience to other sites. Specific recommendations are aimed to be provided, such as building investments or process changes.

Any new facilities will be subject to risk and opportunity analysis which includes reviewing the blueprint for the facilities and developing recommendations for how to reduce risks, including climate-related risks, and then working with the landlord to make specific investments so the facility is better equipped to withstand these risks.

Management of climate related risks
The identification, assessment, and response to climate-related risks and opportunities is part of the Company's Parent's multi-disciplinary company-wide risk management processes. Climate-related issues are addressed across various business units (including the Company) and functions, including Operations, Finance, Controllership, Legal, Regulatory and Tax Compliance, Physical Security, Information Security, and IT, depending on the type of risk or opportunity at hand.

Regarding the identification of climate-related risks and opportunities, the Parent Company undertakes formal stakeholder engagement processes to pinpoint material issues and gather stakeholders' input on relevant risks and opportunities. In 2023, the Parent Company collaborated with a third-party consultant to engage relevant stakeholders and completed a materiality assessment according to the framework outlined in the updated Global Reporting Initiative Universal Standards 2021. The Company's ESG Task Group commits to review the materiality matrix annually and engage with the *IngramMicroESG* team to the extent necessary.

As it relates to the Company's operations and facilities, the Company's Risk Management team commits to liaise with the Parent's central Risk Management team that utilizes a third-party tool to identify types of risks that could affect short (0-1 year), medium (1-5 years), and long-term (5 years plus) business operations, and assess their potential impacts. These include physical climate risks, such as flooding, extreme storms, and wildfires. For example, the Company's sites in the UK were not identified as being of risk for flood, wind, hail or wildfire.

Principal climate related risks and opportunities

The principal risks identified are as follows:

Policy and Legal risks: Regulations related to climate change take different shapes and form and change rapidly (short term).

Acute physical risks: Increasing occurrence of natural disasters and extreme hot and cold weather pose harm to society and can not only damage the Company's facilities, but also cause a disruption to its business which relies upon transport infrastructure, including roads, railroads, and ports (medium term).

Reputation: Customers are increasingly incorporating requirements into their supply chain responsibility programs (short term).

The principal opportunities identified are as follows:

Products and services: The focus from our customers on regulatory compliance and environmental safety present opportunities for expansion of services (short term).

Energy Source: The Company recognises that procurement of renewable energy sources is the quickest way to make progress on emission reduction (short term).

Description of potential impact of principal climate related risks and opportunities
The Company currently believes its climate-related risks and opportunities to be low. As a result the Company has not made a further assessment on the potential impacts.

Resilience of the Company to climate related risks
The Company currently believes its climate-related risks and opportunities to be low. As a result, the Company has not performed a climate-related scenario analysis to inform its strategy.

Targets used by the Company to manage climate related risks
As a foundational step towards meeting Ingram Micro group's goal to have zero GHG emissions (across scope 1 and scope 2) in its operations by 2030, the group is aiming to improve the quality of its data and pursue strategic opportunities for decarbonization. Under the Parent Company's global ESG and environmental sustainability programs, *IngramMicroESG* and *IngramMicroPlanetary*, the Parent Company has begun efforts to build a long-term strategy for reducing the group's carbon footprint and achieving its emissions reduction goals. Those efforts have included quantitative and qualitative analysis with respect to Scope 2 emissions.

Whilst the Company has not set any specific targets, it is committed to contributing towards this goal, a recent example of this relates to the Crick warehouse LED lighting project, which was approved in 2023 and implemented in 2024. The associated expected impact is >200,000 Kwh of electric power per annum.

Key Performance Indicators

The Company continues to calculate, and where necessary, estimate its emissions, including Scope 1, 2 and 3 (business travel in rented cars or employee-owned vehicles) emissions resulting from the Company's operations. This enables the Company to both track progress towards Ingram Micro group-related targets and satisfy the Company's streamlined energy and carbon reporting (SECR) obligations (as detailed within the Director's report).

For the financial period ended 30 December 2023, the Company's SECR represents the Company's carbon footprint within the UK across Scope 1, 2 and 3 emissions, the total energy use of electricity, gas and transport fuel:

Streamlined Energy and Carbon Reporting in the UK for the period ended 30 December 2023	**Consumption kWh**	**Emissions tCO2e**	**2022 Consumption KWh**	**2022 tCO2e**	**% YoY**
Scope 1 direct emissions from combustion of gas – fuel	778,612	142.43	850,218	155.2	-8%
Scope 1 direct emissions from combustion of fuel for transport purposes	121,970	28.65	114,741	27.7	+4%
Scope 2 indirect emissions from purchased electricity	1,239,965	256.76	960,600	185.8	+38%
Scope 3 emissions from business travel in rented cars or employee-owned vehicles where they are responsible for purchasing the fuel	733,402	168.32	n/a*	n/a*	n/a
Total energy consumption used to calculate emissions / total gross emissions	**2,873,950**	**596.16**	**1,925,539**	**368.6**	**n/a***
Intensity ratio: tCO2e / Revenue £m	0.42		0.23		

*Scope 3 was not measured in 2022 on the basis that it was deemed to be immaterial. For this reason, a like for like YOY comparison of total energy consumption is also not possible.

The Company has calculated intensity metrics— Scope 1, 2 and 3 electricity, gas and transport fuel against revenue—to show whether the business is becoming more energy and carbon efficient. In 2023, this figure is 0.42 (0.30 excluding the impact of Scope 3, reported for the first time in 2023), compared to 0.23 in 2022 for CO2e metric tons of per million GBP of revenue. Moving forward, the Company expects that continued efforts in the areas of energy efficiency will reduce operational energy and emissions intensity.

This report was approved by the board on 24 September 2024 and signed on its behalf by

Signed by:
Matthew Sanderson
BCABE1F8A0DF466...

M. Sanderson
Director

DIRECTORS' REPORT
FOR THE PERIOD ENDED 30 DECEMBER 2023

The directors present their annual report and the audited financial statements for Ingram Micro (UK) Limited (the "Company") for the period ended 30 December 2023.

Principal activities
The principal activity of the Company is distribution of technology products, solutions and services, including computer hardware and software and cloud-based services.

Results and dividends
The profit for the financial period under review amounted to £42,013,000 (2022: £33,933,000).

A dividend of £42,500,000 was declared and paid in June 2023 (2022: £Nil).

Directors
The directors who served during the period and up to the date of signing the financial statements were:

K. Everaet
K. Mees
M. Sanderson

Third party indemnity provision
The Company has granted an indemnity to its directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third-party indemnity provision remained in place during the financial period and at the date of approving the directors' report.

Future developments
The future developments of the Company are discussed in the Strategic Report on page 2.

Company's policy on payment of creditors
It is the policy of the Company to agree terms and conditions for its transactions with suppliers (by means ranging from standard written terms to individually negotiated contracts) and that payments should be made in accordance with those terms and conditions, providing that the supplier has also complied with them. At 30 December 2023 creditor days outstanding amounted 60 days (2022: 43).

Financial risk management
Given the size of the Company, the directors have not delegated the responsibility of monitoring financial risk management to a subcommittee of the board. The policies set at corporate (parent company) level are implemented by the Company's finance department. The finance department has documented policies and procedures setting out specific guidelines to manage price risk, foreign exchange risk, credit risk and liquidity risk, including the use of trade indemnity insurance to manage the credit risk.

Price risk
The Company is exposed to inventory price risks in the event that the technology market exhibits a downward cost trend over time. The risk is mitigated by appropriate controls over levels of inventory, both in terms of overall turnover and ageing. In addition, agreements are in place with certain key suppliers to provide pricing support in the event of price decreases impacting on-hand inventory. The Company has no exposure to equity securities price risk as it holds no equity investments.

DIRECTORS' REPORT
FOR THE PERIOD ENDED 30 DECEMBER 2023

Foreign exchange risk
As the Company operates primarily in the UK, the billing currency is pounds predominantly sterling and the exchange rate risk is therefore minimal. However, the Company makes purchases in both USD and EUR. The risk relating to the settlement of payable balances is covered by hedging arrangements managed and accounted for at a global level.

Credit risk
The Company's credit risk is primarily attributable to its trade debtors. The Company has implemented policies that require appropriate credit checks on potential customers before sales are made. A significant proportion of credit limits are covered by a trade indemnity insurance policy. Credit limits, including those within insured limits, are reviewed on a regular basis.

Liquidity risk
Funding comes from an overdraft facility arranged to allow pooling of balances between Ingram Micro Inc. group companies.

Political and charitable contributions
The Company made charitable donations of £Nil (2022: £Nil) during the financial period. The Company made political donations of £Nil (2022: £Nil) during the financial period.

Post balance sheet event
In July 2024, a dividend of £30,000,000 was declared and paid to the shareholder Ingram Micro Holdings Limited.

Streamlined Energy and Carbon Reporting ("SECR")
The SECR disclosure presents the Company's carbon footprint within the United Kingdom across scope 1, 2 and 3 (business travel in rented cars or employee-owned vehicles) emissions, an appropriate intensity metric, the total energy use of electricity, gas and transport fuel and an energy efficiency actions summary taken during the relevant financial period.

Streamlined Energy and Carbon Reporting in the UK for the period ended 30 December 2023	**Consumption kWh**	**Emissions tCO2e**	**2022 Consumption KWh**	**2022 tCO2e**	**% YoY**
Scope 1 direct emissions from combustion of gas – fuel	778,612	142.43	850,218	155.2	-8%
Scope 1 direct emissions from combustion of fuel for transport purposes	121,970	28.65	114,741	27.7	+4%
Scope 2 indirect emissions from purchased electricity	1,239,965	256.76	960,600	185.8	+38%
Scope 3 emissions from business travel in rented cars or employee-owned vehicles where they are responsible for purchasing the fuel	733,402	168.32	n/a*	n/a*	n/a
Total energy consumption used to calculate emissions / total gross emissions	**2,873,950**	**596.16**	**1,925,539**	**368.6**	**n/a***
Intensity ratio: tCO2e / Revenue £m	0.42		0.23		

*Scope 3 was not measured in 2022 on the basis that it was deemed to be immaterial. For this reason, a like for like YOY comparison of total energy consumption is also not possible.

Streamlined Energy and Carbon Reporting ("SECR") (continued)

Methodology
The SECR disclosure has been prepared for the financial period ended 30 December 2023 and reporting on all sources of environmental impact in the UK over which the Company has financial and/or operational control. The reporting method used is in line with the HM Government Environmental Reporting Guidelines issued in March 2019 and the Company has also used the Greenhouse Gas Reporting Protocol – Corporate Standard. The emissions factor source is the 2023 UK Government's Conversion Factors for Company Reporting.

Energy efficiency action plan
The principal measures taken for the purposes of increasing the company's energy efficiency in the period ended 30 December 2023 included; Continued roll out of LED lighting and controls upgrade; Improved operation control of HVAC systems; Organisation wide staff energy awareness campaign.

Statement of engagement with suppliers, customers and others in a business relationship with the company

Our approach to engaging customers, employees, suppliers, the community and the environment has been disclosed in the Strategic Report, on page 4.

Going Concern
The directors have prepared a cash flow forecast for the period to 31 December 2025, which shows the Company having sufficient resources to remain liquid and meet its liabilities as they fall due throughout the period of review. The forecast does not however include repayment of £33,530,000 (2022: £73,544,000) payable to a fellow group undertaking (see note 17) which is repayable on demand. Neither does the forecast include repayment of £75,357,000 (2022: £75,357,000) redeemable preference share which are now redeemable by the shareholder at any date (see note 20). Recognising that the Company is not forecast to have sufficient liquid resources to make these repayments, the Directors have sought and received a letter of support from Ingram Micro Inc, the Company's group parent. The support is guaranteed for a period of at least 15 months from the date of approval of these financial statements. The Directors have satisfied themselves that the supporting entity has and is forecast to have throughout the period, sufficient financial strength and liquidity to honour the support should it be called upon. In view of the above assessment the directors have concluded that it remains appropriate to continue to prepare the financial statements under the going concern basis of preparation.

DIRECTORS' REPORT
FOR THE PERIOD ENDED 30 DECEMBER 2023

Statement of directors' responsibilities in respect of the financial statements

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 period. 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 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", 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 102 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.

Directors' confirmations
In the case of each director in office at the date the directors' report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Independent auditors
Under section 487(2) of the Companies Act 2006, PricewaterhouseCoopers LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

This report was approved by the board on 24 September 2024 and signed on its behalf by

Signed by:
Matthew Sanderson
8CAB51F8A0DF456...
M Sanderson
Director

Independent auditors' report to the members of Ingram Micro (UK) Limited

Report on the audit of the financial statements

Opinion

In our opinion, Ingram Micro (UK) Limited's financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 December 2023 and of its profit for the 52 week period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", 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: Balance Sheet as at 30 December 2023; the Statement of Comprehensive Income and the Statement of Changes in Equity for the period then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

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.

Conclusions relating to 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 period ended 30 December 2023 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 Statement of directors' responsibility in respect of the financial statements, 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 employment laws, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as taxation laws and Companies Act 2006. 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 the posting of inappropriate journal entries and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Detailed discussions with management and walkthrough procedures to understand and evaluate the controls designed to prevent and detect irregularities and fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing significant judgements and estimates including those relating to the impairment analysis of investment in subsidiaries;
- Incorporating elements of unpredictability; and
- Identifying and testing journal entries, in particular journal entries posted with unusual accounts combinations.

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.

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.

Catherine Harrison

Catherine Harrison (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Milton Keynes
26 September 2024

STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 DECEMBER 2023

	Note	2023 £000	2022 £000
Turnover	4	1,428,442	*1,594,768*
Cost of Sales		(1,339,393)	*(1,513,844)*
Gross Profit		**89,049**	*80,924*
Distribution Costs		(6,379)	*(6,426)*
Administrative Expenses		(37,169)	*(33,135)*
Operating Profit		**45,501**	*41,363*
Income from Shares in Group Undertakings	14	7,500	-
Profit before interest and taxation	5	**53,001**	*41,363*
Interest Payable and similar expenses	9	(1,570)	*(1,399)*
Interest Receivable and similar income	10	1,324	-
Profit before taxation		**52,755**	*39,964*
Tax on profit	11	(10,742)	*(6,031)*
Profit for the financial period		**42,013**	*33,933*
Total comprehensive income for the period		**42,013**	*33,933*

The notes on pages 21 to 37 form an integral part of these financial statements.

BALANCE SHEET
AT 30 DECEMBER 2023

Registered Number: 01609968

	Note		2023 £000		2022 £000
Fixed Assets					
Intangible assets	12		-		-
Tangible assets	13		2,702		1,699
			2,702		1,699
Investments	14		55,357		55,357
Current Assets					
Stocks	15	84,005		94,676	
Debtors	16	253,757		292,373	
Cash at bank and in hand	17	108,554		98,928	
		446,316		485,977	
Current liabilities					
Creditors: amounts falling due within one year	18	(338,619)		(376,790)	
Net current assets			107,697		109,187
Total assets less current liabilities			165,756		166,243
Net assets			165,756		166,243
Capital and reserves					
Called up share capital	21		8,000		8,000
Share premium account	22		4		4
Capital contribution reserve	22		15,000		15,000
Profit and loss account	22		142,752		143,239
Total shareholders' funds			165,756		166,243

The notes on pages 21 to 37 form an integral part of these financial statements.

The financial statements on pages 18 to 37 were approved by the Board of Directors on 24 September 2024 and signed on its behalf by:

Signed by:
Matthew Sanderson
BCABE1F8A0DF456...

M Sanderson
Director

STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 DECEMBER 2023

	Called up share capital £000	Share premium account £000	Capital contribution reserve £000	Retained earnings £000	Total equity £000
Balance at 2 January 2022	8,000	4	15,000	109,306	132,310
Profit for the financial period	-	-	-	33,933	33,933
Total comprehensive income for the period	-	-	-	33,933	33,933
Balance at 31 December 2022	8,000	4	15,000	143,239	166,243
Balance at 1 January 2023	**8,000**	**4**	**15,000**	**143,239**	**166,243**
Profit for the financial period	-	-	-	42,013	42,013
Total comprehensive income for the period	**-**	**-**	**-**	**42,013**	**42,013**
Dividend paid	-	-	-	(42,500)	(42,500)
Total Transactions with owners	**-**	**-**	**-**	**(42,500)**	**(42,500)**
Balance at 30 December 2023	**8,000**	**4**	**15,000**	**142,752**	**165,756**

The notes on pages 21 to 37 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 DECEMBER 2023

1. General information

Ingram Micro (UK) Limited (the "Company") is a private company limited by shares and is incorporated in the United Kingdom and registered in England. The address of its registered office is CBX II Building – West, 406 - 432 Midsummer Boulevard, Milton Keynes, MK9 2EA.

The principal activity of the Company is distribution of technology products and solutions including computer hardware and software, and cloud-based services.

2. Accounting policies

2.1 Compliance with FRS 102

The financial statements are prepared in accordance with FRS 102.

2.2 Basis of preparation of financial statements

In accordance with section 390 of the Companies Act 2006, the directors are required to draw up financial statements within 7 days of the Company's accounting reference date. The Company's accounting reference date is 31 December. The date to which the balance sheet is drawn up to is 30 December 2023 (2022: 31 December 2022).

The financial statements have been prepared on a going concern basis, under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

No consolidated financial statements have been prepared as the Company has taken advantage of the exemption from preparing consolidated financial statements under the terms of section 401 of the Companies Act 2006. The financial statements of the Company are consolidated in the Annual Report of Ingram Micro Holdings Corporation, based at 3351 Michelson Drive, Suite 100, Irvine, CA 92612, USA and are available from the Chamber of Commerce in Utrecht (https://www.kvk.nl – company register in the Netherlands).

The preparation of the financial statements in compliance with FRS 102 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).

2.3 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 FRS 102 "The Financial Reporting Standard applicable in the UK and the Republic of Ireland".

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- 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 11 Financial Instruments paragraph 11.39 to 11.48A
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.29;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7

2 Accounting policies (continued)

2.4 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

Sale of goods

Turnover from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- it is probable that the Company will receive the consideration due under the transaction: and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Bill and hold arrangements

A bill and hold arrangement arises when a customer is invoiced for products that are ready for delivery but not shipped to the customer until a later date. These sales are recognised when the following criteria are met:

- the reason for the bill-and-hold arrangement must be substantive (for example, the customer has requested the arrangement);
- the product must be identified separately as belonging to the customer sold;
- the product currently must be ready for physical transfer to the customer; and
- the entity cannot have the ability to use the product or to direct it to another customer.

2.5 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses. Their estimated useful life is 10 years.

2 Accounting policies (continued)

2.6 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The Company adds to the carrying amount of an item of fixed assets the cost of replacing part of such when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight - line method.

Depreciation is provided on the following basis:

- Office furniture and equipment: 14% - 20%*
- Computer equipment: 25%

*Office furniture and equipment also includes improvements to building leases that are depreciated over the life of the lease.

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted retrospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised with 'other operating income' in the Statement of Comprehensive Income.

2.7 Investments

Investments in subsidiaries are measured at cost less accumulated impairment. Where merger relief is applicable, the cost of the investment in a subsidiary undertaking is measured at the nominal value of the shares issued together with the fair value of any additional consideration paid.

Annually, the directors review the investments to consider if there are any impairment triggers in accordance with FRS 102. Where an indication of impairment is identified the estimation of the recoverable value of the cash generating units (CGU's) is calculated. This requires estimation of the future cash flows from the CGU's and also the selection of appropriate discount rates in order to calculate the net present value of those cash flows.

2.8 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2 Accounting policies (continued)

2.9 Debtors

Short term debtors are measured at transaction price, less any impairment.

2.10 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.

2.11 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received in line with FRS 102 section 11.

2.12 Creditors

Basic financial liabilities, including trade and other payables, loans from fellow group companies and preference shares that are classified as debt, are initially and subsequently recognised at transaction price. There are no arrangements that constitute a financing transaction within the period.

2.13 Finance costs

Finance costs are charged to the Statement of Comprehensive Income 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.

2.14 Pensions

Defined contribution pension plan
The Company operates a defined contribution plan for its employees. A defined contribution plan is a plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown as a liability in Accruals in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.15 Borrowing costs

All borrowing costs are recognised in the Statement of Comprehensive Income in the period in which they are incurred.

2 Accounting policies (continued)

2.16 Current and deferred taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

i. Current tax
Current tax is the amount of income tax payable in respect of the taxable profit for the period or prior periods. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.
Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

ii. Deferred tax
Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods
Deferred tax is recognised on all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.
Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

2.17 Dividend Income
Dividend income is recognised when the right to receive payment is established.

2.18 Going Concern

The directors have prepared a cash flow forecast for the period to 31 December 2025, which shows the Company having sufficient resources to remain liquid and meet its liabilities as they fall due throughout the period of review. The forecast does not however include repayment of £33,530,000 (2022: £73,544,000) payable to a fellow group undertaking (see note 17) which is repayable on demand. Neither does the forecast include repayment of £75,357,000 (2022: £75,357,000) redeemable preference shares which are now redeemable by the shareholder at any date (see note 20). Recognising that the Company is not forecast to have sufficient liquid resources to make these repayments, the Directors have sought and received a letter of support from Ingram Micro Inc, the Company's group parent. The support is guaranteed for a period of at least 15 months from the date of approval of these financial statements. The Directors have satisfied themselves that the supporting entity has and is forecast to have throughout the period, sufficient financial strength and liquidity to honour the support should it be called upon. In view of the above assessment the directors have concluded that it remains appropriate to continue to prepare the financial statements under the going concern basis of preparation.

3. Critical accounting estimates and assumptions

Provisions against receivables

At each Balance Sheet date management makes a judgement as to whether the receivables are impaired. If impaired, a provision is calculated using a prescribed corporate methodology and modified by actual feedback from the credit and legal departments in specific instances. Using information available at, and, post Balance Sheet date, management makes an estimate on the level of provision required to account for potentially uncollectable receivables.

Inventories

A provision is calculated using a prescribed corporate methodology. Inventories are stated at the lower of cost or net realisable value. Provisions are recognised for slow-moving, obsolete or unsaleable inventory and are reviewed continuously. In determining inventory provisions, the Company evaluates inventory in excess of its forecasted needs on both technological and economic criteria and make appropriate provisions to reflect the risk of obsolescence. The estimation is based on an increasing provision percentage as inventories age.

Investments

Management arrive at the pricing of acquisitions based on projected income and synergies. Should performance fall below expectations management review the carrying values and make a judgement on whether the investments are impaired. Where an indication of impairment is identified the estimation of recoverable value of the cash generating units (CGU's) is performed. This requires estimation of the future cash flows from the CGU's and also the selection of appropriate long term growth rates and discount rates in order to calculate the net present value of those cash flows.

4. Turnover

The entire turnover is derived from continuing activities of the distribution, supply and marketing of microcomputer software, hardware, peripherals and printers.

An analysis of turnover by class of business is as follows:

	2023 £000	2022 £000
Third party sales	**1,268,006**	*1,472,283*
Intercompany	**160,436**	*122,485*
	1,428,442	*1,594,768*

An analysis of turnover by geographical market is as follows:

	2023 £000	2022 £000
United Kingdom	**1,324,404**	*1,369,581*
Rest of Europe	**103,650**	*221,908*
USA	**388**	*3,279*
	1,428,442	*1,594,768*

5. Profit before interest and taxation

The profit before interest is stated after charging:

	2023 £000	2022 £000
Depreciation of tangible fixed assets	**755**	*523*
Operating lease rentals	**2,392**	*2,337*
Provision for bad debt	**467**	*716*
Stocks recognised as expense	**1,565,723**	*1,676,702*

6. Auditors' remuneration

	2023 £000	2022 £000
Fees payable to the Company's auditors for the audit of the Company's annual financial statements	**276**	*214*

No fees were payable to the auditors in respect of non-audit matters.

7. Employees

	2023 £000	2022 £000
Charged to the profit and loss account		
Wages and salaries	**27,032**	*26,020*
Social security costs	**3,043**	*3,078*
Other pension costs	**1,103**	*1,018*
	31,178	*30,116*
Allocated to other group companies		
Wages and salaries	**8,252**	*8,368*
Social security costs	**944**	*1,026*
	9,196	*9,394*

The Company runs payroll for employees of other group entities. These costs are allocated directly to these entities and do not impact the profit and loss account as a turnover or cost entry as these are recharged.

The pension costs for 2023 were £804,978 (2022: £723,284). The balance of pension costs is made up of life insurance, income protection and health insurance costs.

The average monthly number of employees, including the directors, employed by the Company during the period was:

	2023 No.	2022 No.
Technical and selling	**420**	*421*
Distribution	**98**	*93*
Management and administration	**45**	*45*
	563	*559*

8. Directors' Remuneration

	2023 £000	*2022 £000*
Directors' emoluments	**776**	*782*
	776	*782*

The highest paid director received remuneration of £776,000 (2022: £782,000) and pension contributions of £21,000 (2022: £19,000).

The highest paid director worked for the Company on a full-time basis. The other directors are employed by other group companies, by whom they are remunerated.

9. Interest payable and similar expenses

	2023 £000	*2022 £000*
Bank overdraft	**1,526**	*714*
Other interest payable	**44**	*685*
	1,570	*1,399*

10. Interest receivable and similar income

	2023 £000	*2022 £000*
Bank interest	**1,324**	-
	1,324	-

11. Tax on profit

	2023 £000	2022 £000
Current Tax		
UK Corporation tax on profit for the period	10,417	6,418
Adjustments in respect of previous periods	18	(443)
Total current tax	10,435	5,975
Deferred tax		
Origination and reversal of timing differences	243	(4)
Adjustments in respect of previous periods	49	61
Tax rate changes	15	(1)
Total deferred tax	307	56
Tax on profit	10,742	6,031

Factors affecting the tax charge for the period

The tax assessed for the period is higher than (2022: lower than) the standard rate of corporation tax in the UK of 23.52% (2022: 19%) The differences are explained below:

	2023 £000	2022 £000
Profit before taxation	45,255	39,964
Profit before taxation multiplied by standard rate of corporation tax in the UK of 23.52% (2022:19%)	10,644	7,593
Effects of:		
Adjustments in respect of previous periods	67	(381)
Tax rate changes	15	(1)
Expenses not deductible for tax purposes	16	3
Transfer pricing adjustments	-	(1)
Effects of group relief	-	(1,142)
Income not taxable	-	(40)
Tax charge for the period	10,742	6,031

As part of the Organisation for Economic Co-operation and Development (OECD)/G20 Base Erosion and Profit Shifting (BEPS) project, the OECD has introduced the Pillar Two model rules. Under this legislation, the Group is liable to pay a top-up tax for the difference between their Global Anti-base Erosion Rules (GLoBE) effective tax rate per jurisdiction and the 15% minimum rate.

11. Tax on profit (continued)

The Company falls within the scope of the Pillar II which came into effect on 31 December 2023 in the United Kingdom. Since the Pillar II legislation was not applicable at reporting date, the entity has no related current tax exposure. The Company applies for the required exception for recognizing deferred tax assets and liabilities related to Pillar II income taxes.

A Pillar II assessment was made and based on this assessment Pillar II does not have adverse tax consequences for the Company in FY2024. The entity meets the transitional safe harbor. A final assessment will be made based on FY2024 actuals.

Factors that may affect future tax charges

In the Spring Budget 2021, the UK Government announced that from 1 April 2023 the corporation tax rate would increase to 25% (rather than remaining at 19%, as previously enacted). This new law was substantively enacted on 24 May 2021. For the financial period ended 30 December 2023, the current weighted averaged tax rate was 23.5%.
Deferred taxes at the balance sheet date have been measured using these enacted tax rates and reflected in these financial statements.

12. Intangible assets

	£000
Cost	
At 1 January 2023	7,284
Additions	-
At 30 December 2023	7,284
Accumulated Amortisation	
At 1 January 2023	7,284
Charge for the period	-
At 30 December 2023	7,284
Net book value	
At 30 December 2023	-
At 31 December 2022	-

Intangible assets comprise customer lists and customer and supplier relationships and were fully amortised in 2020.

13. Tangible assets

	Office furniture and equipment	Computer equipment	Total
	£000	£000	£000
Cost			
At 1 January 2023	3,694	1,311	5,005
Additions	1,751	7	1,758
Disposals	(143)	(276)	(419)
At 30 December 2023	**5,302**	**1,042**	**6,344**
Accumulated depreciation			
At 1 January 2023	2,311	995	3,306
Charge	614	141	755
Disposals	(143)	(276)	(419)
At 30 December 2023	**2,782**	**860**	**3,642**
Net book value			
At 30 December 2023	**2,520**	**182**	**2,702**
At 31 December 2022	1,383	316	1,699

14. Investments

	2023 £000	2022 £000
Cost or valuation		
At 1 January 2023	55,357	55,357
Additions	-	-
Disposals	-	-
At 30 December 2023	**55,357**	**55,357**

Annually, the directors review the investments to consider if there are any impairment triggers in accordance with FRS 102. Where an indication of impairment exists an impairment review is performed. As at 30 December 2023, indicators of impairment in CommsCare Group Limited were identified as the results of the business did not meet budget expectations, with plans being executed to refocus the business. An impairment review was performed, and the recoverable amount was determined based on the value-in-use. Cash flow projections were based on detailed cash flow forecasts approved by the directors covering a period of 5 years. No material impairment was identified, however, this assessment is sensitive to changes in key assumptions including short and long term growth rates and the discount rate. If actual cash flows are not in line with forecast cash flows, partial impairment of the investment in CommsCare may result.

In the period the Company received dividends of £7.5m from its investments.

The following are subsidiary undertakings of the Company:

Name	Address	% Ordinary shares held	Principal activity
Commscare Group Limited	8 Cheshire Avenue, Lostock Gralam, Northwich, Cheshire, CW9 7UA	100%	Business services company
Platform Consultancy Services Limited	8 Cheshire Avenue, Lostock Gralam, Northwich, Cheshire, CW9 7UA	100%	Business services company (dormant)

15. Stocks

	2023 £000	*2022 £000*
Finished goods and goods for resale	**84,005**	94,676

Inventories are stated after provision for impairment of £1,188,000 (2022: £2,144,000).

16. Debtors

	2023	2022
	£000	£000
Trade debtors	191,925	233,397
Amounts owed by group undertakings	39,159	34,691
Other debtors	17,392	12,468
Deferred taxation (Note 20)	616	923
Prepayments and accrued income	4,665	10,894
	253,757	292,373

Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

Trade debtors are stated after provisions for impairment of £2,809,000 (2022: £2,760,000)

17. Cash at Bank and in hand

	2023	2022
	£000	£000
Cash at bank and in hand	108,554	98,928

18. Creditors: Amounts falling due within one year

	2023	2022
	£000	£000
Trade creditors	221,757	208,601
Amounts owed to group undertakings	33,530	73,544
Corporation Tax	1,363	651
VAT	-	1,969
Redeemable preference shares	75,357	75,357
Accruals and deferred income	6,612	16,668
	338,619	376,790

Disclosure of the terms and conditions attached to the non-equity preference shares are made in Note 21.

The bank overdraft of £20,823,000 (2022: £ 50,249,000) which is within amounts owed to group undertakings is a group facility arranged to allow pooling of bank balances within Europe. Group treasury provides a monthly overdraft limit depending upon the financing requirements of the Company's business. The account is repayable on demand and bears interest, based on an approximate average over 2023 of 6.2% (2022: 3.2%).

Also included within amounts owed to group undertakings is a loan amounting to £146,000 (2022: £146,000) which is unsecured, interest free and repayable on demand. £11,001,000 (2022: £17,647,000) due to group undertakings is trade related, unsecured, interest free and

18. Creditors: Amounts falling due within one year (continued)

Repayable within 7 days and the balance of £1,560,000 (2022: £5,502,000) has no fixed repayment date, and also being unsecured and interest free.

On 17 August, 2021, the Company joined and provided security under an ABL Credit Agreement entered into between amongst others IMOLA Acquisition Corporation, IMOLA Merger Corporation, Ingram Micro, Inc. and certain lenders and issuing banks with JP Morgan Chase Bank N.A acting as the collateral agent. As a result of the Company entering into and becoming part of the ABL Credit Agreement, the Company has provided security to the lenders in the form of fixed and floating charges over certain Company assets as registered at Companies House. The maximum facility available to the Company under this agreement is $250,000,000.

On September 20, 2024, the ABL Credit Agreement was amended by that certain Amendment No. 4, effective as of September 20, 2024, originally dated as of July 2, 2021, and as subsequently amended on August 12, 2021, on May 30, 2023 and on June 17, 2024, to extend the maturity date of the Revolving Commitments to September 20, 2029. The securities that the Company provided to lenders in the form of fixed and floating charges over certain assets remain in place and are registered at Companies House.

As of 30 December 2023 the Company had not drawn down on this facility (2022: nil).

19. Financial instruments

	2023	*2022*
	£000	*£000*
Financial assets		
Financial assets	**357,030**	*379,484*
Financial liabilities		
Financial liabilities	**(330,644)**	*(357,503)*

Financial assets comprise trade debtors, amounts owed by group undertakings, other debtors, cash and cash equivalents are initially and subsequently recognised at transaction price. There are no arrangements that constitute a financing transaction within the period.

Financial liabilities comprise overdrafts, trade creditors, amounts owed to group undertakings, and share capital treated as debt are initially and subsequently recognised at transaction price. There are no arrangements that constitute a financing transaction within the period.

20. Deferred taxation

	2023	2022
	£000	£000
Opening	923	979
Charge to statement of comprehensive income	(258)	5
Adjustment in respect of prior periods	(49)	(61)
Closing	**616**	923

The deferred tax asset is made up as follows:

	2023	2022
Capital allowances	(212)	103
Short term timing differences	817	809
Losses	11	11
At 30 December	**616**	923

21. Called up share capital

	2023	2022
	£000	£000
Shares classified as equity		
Allotted, called up and fully paid		
8,000,000 (2022: 8,000,000) Ordinary shares of £1 each	8,000	8,000
Shares classified as debt		
Allotted, called up and fully paid		
75,356,633 (2022: 75,356,633) Redeemable preference shares of £1 each	75,357	75,357

Redeemable preference shares

The preference shares are redeemable at the option of the Company or the shareholder and there is no premium payable on redemption.

The holders of the redeemable preference shares have no right to dividends or to attend or vote at general meetings of the group except for meetings convened to consider the rights attached to their preference shares. On winding up, the preference shareholders have the right to receive their capital in priority to the ordinary shareholders but have no right to share in any assets of the group remaining after the payment of its liabilities.

The preference shares are classified as liabilities in the balance sheet.

In the period the Company paid dividends of £42.5m to it's immediate holding company, Ingram Micro Holdings Limited.

22. Reserves

Share premium account

The share premium account represents consideration received on the issue of share capital in excess of its nominal value, less costs incurred in connection with the issue.

Capital contribution reserve

The capital contribution reserve arises from a contribution which was made to the Company by it's immediate holding company, Ingram Micro Holdings Limited.

Profit and loss account

Profit and loss account represents all net gains and losses and transactions with owners (e,g. dividends) that are not recognised elsewhere.

23. Pension commitments

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension charge amounted to £804,978 (2022: £723,284).

24. Commitments under operating leases

At the end of the period the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2023	*2022*
	£000	*£000*
Not later than 1 year	**2,933**	3,079
Later than 1 year and not later than 5 years	**3,993**	3,740
Later than 5 years	**425**	-
	7,351	*6,819*

The Company had no other off-balance sheet arrangements.

25. Ultimate parent undertaking and controlling parties

The immediate parent undertaking is Ingram Micro Holdings Limited.

The ultimate parent undertaking and controlling party is Platinum Equity Capital Partners V, L.P. The smallest and largest group to consolidate their financial statements is Ingram Micro Holdings Corporation based at 3351 Michelson Drive, Suite 100, Irvine, CA 92612, USA. Copies of the consolidated financial statements can be obtained from the Chamber of Commerce in Utrecht (https://www.kvk.nl – company register in the Netherlands).

26. Post balance sheet event

In July 2024, a dividend of £30,000,000 was declared and paid to the shareholder Ingram Micro Holdings Limited.