REPORT OF THE DIRECTORS AND

UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2024

FOR

LUNAR DIGITAL SOLUTIONS LIMITED

LUNAR DIGITAL SOLUTIONS LIMITED

CONTENTS OF THE FINANCIAL STATEMENTS
for the Year Ended 31st December 2024

COMPANY INFORMATION
for the Year Ended 31st December 2024

DIRECTORS:	Mr R J Garbutt Mr M Sedgley Mr C Appleby Mr P J Doyle
REGISTERED OFFICE:	Unit 2 Reynolds House 4 Archway Manchester M15 5RL
REGISTERED NUMBER:	13872813 (England and Wales)
ACCOUNTANTS:	Xeinadin 100 Barbirolli Square Manchester M2 3BD
BANKERS:	Natwest 2nd Floor 1 Spinningfields Square Manchester M3 3AP
SOLICITORS:	Pannone Corporate LLP Manchester 378-380 Deansgate Manchester M3 4LY

LUNAR DIGITAL SOLUTIONS LIMITED

REPORT OF THE DIRECTORS
for the Year Ended 31st December 2024

The directors present their report with the financial statements of the company for the year ended 31st December 2024.

PRINCIPAL ACTIVITY
The principal activity of Lunar Digital is the build and operation of energy efficient network independent data centres in the UK serving AI, HPC, Corporate, Enterprise, MSP, Public Sector and Academic customers along with the Streaming and Media community.

REVIEW OF BUSINESS
The UK data centre market is the largest in Western Europe and the growth of data and new services such as HPC, AI, streaming and cloud computing is creating new sources of demand. Lunar Digital continues to strive as a sustainable digital ecosystem providing mission critical infrastructure underpinning the digital economy. Lunar Digital continues to increase its carrier density to better serve its customers with an increased choice of tier 1 and tier 2 low latency, high-capacity networks and peering exchanges.

Throughout 2024 Lunar Digital saw an increase in colocation demand in Manchester due to the invent of AI and the infrastructure required to run Deep Leaning and Machine Learning LLM's. This increased demand also saw an increase in rack power density Lunar Digital's response was to implement infrastructure capable of cooling HPC racks.

Lunar 1 & 2 adds 3.5MVA of capacity to our Manchester portfolio and a multi-million-pound expansion programme was completed throughout 2024 to upgrade the cooling and UPS to reduce the PUE of the facility and enable HPC rack hosting of high-density racks suitable for today's demanding compute. Lunar Digital is now capable of hosting NVIDIA H100, H200 and GB200 GPU's synonymous with HPC workloads utilised in AI.

Due to increased network traffic, Lunar Digital invested heavily in upgrading its metro and national network capacity to carry multiple 10Gig load profiles with a new 100Gig route commissioned between Lunar 1 and Telehouse North. Lunar Digital also increased the network support and engineering team in its NOC in Manchester and Exeter.
Lunar Digital welcomed the LINX Internet Exchange Point into our Lunar 1 data centre.

Lunar Digital are proud of our ESG credential and are 100% carbon neutral powered by renewable energy excluding Biomass.

Lunar Digital are also ISO9001, ISO27001, ISO14001 and PCI DSS Level 4 accredited.

DIRECTORS
The directors shown below have held office during the whole of the period from 1st January 2024 to the date of this report.

Mr R J Garbutt
Mr M Sedgley
Mr C Appleby
Mr P J Doyle

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:

Mr Rob Garbutt (Apr 1, 2025 16:14 GMT+1)............
Mr R J Garbutt - Director

Date: Apr 1, 2025

ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE UNAUDITED FINANCIAL STATEMENTS OF LUNAR DIGITAL SOLUTIONS LIMITED

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Lunar Digital Solutions Limited for the year ended 31st December 2024 which comprise the Profit and Loss Account, Balance Sheet, Statement of Changes in Equity and the related notes from the company's accounting records and from information and explanations you have given us.

This report is made solely to the Board of Directors of Lunar Digital Solutions Limited, as a body, in accordance with our terms of engagement. Our work has been undertaken solely to prepare for your approval the financial statements of Lunar Digital Solutions Limited and state those matters that we have agreed to state to the Board of Directors of Lunar Digital Solutions Limited, as a body, in this report. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that Lunar Digital Solutions Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and loss of Lunar Digital Solutions Limited. You consider that Lunar Digital Solutions Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Lunar Digital Solutions Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

Xeinadin

Xeinadin
100 Barbirolli Square
Manchester
M2 3BD

Date: Apr 7, 2025

This page does not form part of the statutory financial statements

LUNAR DIGITAL SOLUTIONS LIMITED

PROFIT AND LOSS ACCOUNT
for the Year Ended 31st December 2024

	Notes	2024 £	2023 £
TURNOVER		**3,618,636**	1,001,282
Cost of sales		**(1,022,246)**	(139,022)
GROSS PROFIT		**2,596,390**	862,260
Administrative expenses		**(2,244,738)**	(562,518)
		351,652	299,742
Other operating income		**-**	64
OPERATING PROFIT	4	**351,652**	299,806
Interest payable and similar expenses		**(101,634)**	-
PROFIT BEFORE TAXATION		**250,018**	299,806
Tax on profit		**(262,216)**	(66,555)
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		**(12,198)**	233,251

The notes form part of these financial statements

LUNAR DIGITAL SOLUTIONS LIMITED (REGISTERED NUMBER: 13872813)

BALANCE SHEET
31st December 2024

	Notes	2024 £	2023 £
FIXED ASSETS			
Tangible assets	5	**1,426,152**	101,933
CURRENT ASSETS			
Debtors	6	**762,419**	657,865
Cash at bank		**519,479**	516,252
		1,281,898	1,174,117
CREDITORS			
Amounts falling due within one year	7	**(1,186,962)**	(836,784)
NET CURRENT ASSETS		**94,936**	337,333
TOTAL ASSETS LESS CURRENT LIABILITIES		**1,521,088**	439,266
CREDITORS			
Amounts falling due after more than one year	8	**(1,003,904)**	(217,955)
PROVISIONS FOR LIABILITIES		**(328,771)**	(20,700)
NET ASSETS		**188,413**	200,611
CAPITAL AND RESERVES			
Called up share capital	10	**100**	100
Retained earnings		**188,313**	200,511
SHAREHOLDERS' FUNDS		**188,413**	200,611

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31st December 2024.

The members have not required the company to obtain an audit of its financial statements for the year ended 31st December 2024 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:
(a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
(b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The notes form part of these financial statements

continued...

BALANCE SHEET - continued
31st December 2024

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Board of Directors and authorised for issue on .Apr 1, 2025....................... and were signed on its behalf by:

Mr Rob Garbutt (Apr 1, 2025 16:14 GMT+1)
....
Mr R J Garbutt - Director

The notes form part of these financial statements

LUNAR DIGITAL SOLUTIONS LIMITED

STATEMENT OF CHANGES IN EQUITY
for the Year Ended 31st December 2024

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1st January 2023	100	(32,740)	(32,640)
Profit for the year	-	233,251	233,251
Total comprehensive income	-	233,251	233,251
Balance at 31st December 2023	100	200,511	200,611
Deficit for the year	-	(12,198)	(12,198)
Total comprehensive loss	-	(12,198)	(12,198)
Balance at 31st December 2024	100	188,313	188,413

The notes form part of these financial statements

1. STATUTORY INFORMATION

Lunar Digital Solutions is a private company, limited by shares, registered in England and Wales. Registration Number 13872813. Both the registered office and principal place of business are Unit 2, Reynolds House, 4 Archway, Manchester, M15 5RL.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements
These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Turnover
Turnover represents amounts recognised by the company in respect of services supplied, exclusive of Value Added Tax and trade discounts. Turnover principally consists of the services provided in relation to Data, Cloud & Connectivity Services.

Tangible fixed assets
Tangible fixed assets 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
Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation on tangible fixed assets is charged to the profit and loss so as to write off their value, over their estimated useful lives, using the following methods:

Computer equipment	-	20% straight line
Plant and machinery	-	10% straight line
Leasehold property improvement	-	Over the term of the lease
Fixtures and fittings	-	20% straight line

At each balance sheet date, the Company reviews the carrying amounts of its property, plant and equipment to determine whether there is any indication that any items of property, plant and equipment have suffered an impairment loss. If any such indication exists, the recoverable amount of an asset is estimated in order to determine the extent of the impairment loss, if any. Where it is not possible to estimate the recoverable amount of the asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Taxation
Taxation for the year comprises current and deferred tax. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

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2. **ACCOUNTING POLICIES - continued**

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Trade and other debtors

Trade and other debtors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method, less impairment losses for bad and doubtful debts except where the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less impairment losses for bad and doubtful debts.

Trade and other creditors

Trade and other creditors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

Cash and cash equivalents

Cash and cash equivalents comprise of cash at bank and in hand. Bank borrowings are included within creditors.

3. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 10 (2023 - 2).

4. **OPERATING PROFIT**

The operating profit is stated after charging:

	2024	2023
	£	£
Depreciation - owned assets	**99,382**	890

5. TANGIBLE FIXED ASSETS

	Long leasehold £	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
COST					
At 1st January 2024	**20,024**	**83,632**	**-**	**2,490**	**106,146**
Additions	**4,422**	**1,399,896**	**2,025**	**17,258**	**1,423,601**
At 31st December 2024	**24,446**	**1,483,528**	**2,025**	**19,748**	**1,529,747**
DEPRECIATION					
At 1st January 2024	**890**	**3,021**	**-**	**302**	**4,213**
Charge for year	**1,630**	**95,009**	**323**	**2,420**	**99,382**
At 31st December 2024	**2,520**	**98,030**	**323**	**2,722**	**103,595**
NET BOOK VALUE					
At 31st December 2024	**21,926**	**1,385,498**	**1,702**	**17,026**	**1,426,152**
At 31st December 2023	19,134	80,611	-	2,188	101,933

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024 £	2023 £
Trade debtors	**284,760**	332,305
Other debtors	**244,600**	100
Directors' loan accounts	**113,535**	-
Tax	**32,611**	-
Prepayments and accrued income	**86,913**	325,460
	762,419	657,865

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024 £	2023 £
Bank loans and overdrafts	**194,950**	-
Other loans	**25,140**	18,885
Trade creditors	**425,682**	543,079
Tax	**-**	45,855
Social security and other taxes	**10,126**	4,557
VAT	**12,478**	24,965
Other creditors	**17,631**	24,840
Net wages	**-**	1,216
Accruals and deferred income	**500,955**	173,387
	1,186,962	836,784

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8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2024	2023
	£	£
Bank loans - 1-2 years	**210,553**	-
Bank loans - 2-5 years	**628,509**	-
Other loans - 1-2 years	**25,140**	25,140
Other loans - 2-5 years	**75,420**	75,420
Other loans more 5yrs instal	**64,282**	111,145
Other creditors	**-**	6,250
	1,003,904	217,955

Amounts falling due in more than five years:

	2024	2023
Repayable by instalments		
Other loans more 5yrs instal	**64,282**	111,145

9. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2024	2023
	£	£
Within one year	**653,212**	654,534
Between one and five years	**1,282,634**	1,282,635
In more than five years	**7,428,592**	8,016,465
	9,364,438	9,953,634

10. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2024 £	2023 £
100	Ordinary	£1.00	**100**	100

11. RELATED PARTY DISCLOSURES

At the reporting date, the following balance was present with related parties. These related parties are other companies under common control.

Included in Creditors: £16,275 (2023: £24,840).
Included in Debtors: £15,640 (2023: NIL)

Additionally, included in Creditors is an amount £189,985 (2023 : £230,590) owed to the shareholders. This balance represents an interest free loan.

12. ULTIMATE CONTROLLING PARTY

The ultimate controlling parties are the shareholders of the business by virtue of their controlling interest in the entity.

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13. **SECURED DEBTS**

There is secured debt against the company which contains a fixed and floating charge over all property or the undertaking of the business.

LUNAR DIGITAL SOLUTIONS LIMITED

TRADING AND PROFIT AND LOSS ACCOUNT
for the Year Ended 31st December 2024

	2024		2023	
	£	**£**	£	£
Sales UK		**3,618,636**		1,001,282
Cost of sales				
Heat and light	**862,112**		10,793	
Costs of Goods Sold	**160,134**		128,229	
		1,022,246		139,022
GROSS PROFIT		**2,596,390**		862,260
Other income				
Interest Income		**-**		64
		2,596,390		862,324
Expenditure				
Rent and rates	**946,419**		23,325	
Insurance	**13,301**		513	
Light and heat	**19,772**		-	
Service charges	**306,206**		-	
Directors' salaries	**18,855**		-	
Wages	**346,920**		64,684	
Social security	**35,853**		6,531	
Pensions	**5,528**		-	
Staff Training	**7,200**		1,500	
Telephone & Internet	**3,763**		756	
Postage & Stationary	**7,864**		57	
Advertising	**13,268**		13,615	
Travelling	**32,132**		3,341	
Computer costs	**11,036**		5,349	
Household and cleaning	**4,970**		-	
Repairs and renewals	**53,339**		2,782	
Sundry expenses	**36,207**		34,443	
Management charges	**-**		200,000	
Accountancy	**14,979**		12,438	
Subscriptions	**21,648**		11,086	
Consultancy	**55,762**		109,970	
Legal fees	**116,399**		48,508	
Donations	**10,050**		-	
Foreign exchange losses	**693**		247	
Depreciation of tangible fixed assets	**99,383**		4,067	
Commission paid	**56,669**		11,858	
Entertainment	**851**		2,768	
Bad debts	**-**		4,051	
		2,239,067		561,889
Carried forward		**357,323**		300,435

This page does not form part of the statutory financial statements

LUNAR DIGITAL SOLUTIONS LIMITED

TRADING AND PROFIT AND LOSS ACCOUNT
for the Year Ended 31st December 2024

	2024		2023	
	£	£	£	£
Brought forward		**357,323**		300,435
Finance costs				
Bank charges	**5,671**		629	
Bank loan interest	**33,392**		-	
Other interest paid	**68,242**		-	
		107,305		629
NET PROFIT		**250,018**		299,806

This page does not form part of the statutory financial statements