WWT EMEA UK LIMITED
REGISTERED NUMBER: 07845692

WWT EMEA UK LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

COMPANY INFORMATION

Director	T W Strunk
Registered number	07845692
Registered office	8th Floor Becket House 36 Old Jewry London EC2R 8DD
Trading Address	1st Floor 25 Copthall Avenue London EC2R 7BP
Independent auditors	Ernst & Young LLP Bedford House 16 Bedford Street Belfast BT2 7DT

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WWT EMEA UK LIMITED
REGISTERED NUMBER: 07845692

STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023

The director presents the strategic report for the year ended 31 December 2023.

Business review

The company is a technology solution provider focused on driving real business value for our clients. We provide technology products, services, and supply chain solutions to our customers. We use a proven and innovative approach to help large public and private organizations discover, evaluate, architect, and implement advanced technologies.

Key Services:

- Consulting Services
- Cloud Services
- Digital Consulting
- Security Transformation
- Supply Chain & Integration Services
- The ATC Platform

The company also provides Technology Services such as Carrier Networking, Data Center, Digital Workspace, Multi-Cloud Architecture, Networking, Enterprise Service Management, Cloud Management & Others for our numerous customers & the mission is to create a profitable company for our shareholders & a great place to work for our employees.

But what truly sets us apart is our extraordinary team of highly certified professionals, where everyone understands the term goals and success. We use a proven and innovative approach to help our customers discover, evaluate, architect, and implement advanced technology lab testing in our Advanced Technology Centre and deploy their solutions rapidly through our global integration centres.

Fiscal Year Highlights

Key performance indicators ("KPIs")

	2023	2022	Change
	£ Million	£ Million	%
Turnover	1,453	935	55%
Gross profit	150	83	82%
Operating profit	103	47	119%
Profit before tax	64	32	100%
Average employees	226	192	18%
Employees Costs	39	30	28%

STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023 (continued)

Revenue for the year ended 31 December 2023 was £1,453 million and profit for the financial year was £47 million.

Revenue increased by 55% or £518 million during 2023 compared to 2022 which is mainly due to increase business from our global service provider and financial services businesses, which is also in line with the growth pattern for the last 5 years. Gross profit increased by 82% or £67 million due to the increased customer base and improved margin on additional business from existing customers, all while being able to retain the current customer base.

Administrative expenses increased by £11 million in 2023 due to higher headcount and increased expenses to enhance the performance of the company. Increase in interest expenses is mainly due to the increased factoring fees.

Current assets increased by 3% or £8 million mainly due to an increase in debtors. Current liabilities decreased by 8% or £13 million leaving net current assets at the year end of £124 million (2022: £104 million). There was also an increase in trade creditors falling within one year, decrease in accruals and deferred income and decrease in borrowings as a result of the repayment of the line of credit facility during the year.

The Company business continued to grow in the last 5 years with a 28% or £9 million increase in employee costs compared to previous year. We saw significant growth in the business, with key focus on delivering true business outcomes to our customers.

WWTUK's European target customer base spans Global Service Providers, Global Financial Services likely that the revenue and gross profit will continue to increase through significant value recognized by our customers as these new partnerships develop and with the hope that it will bring more business and new customers.

Non-financial information statement

PRESERVING OUR ENVIRONMENT

WWTUK is committed to sustainability initiatives and addressing the daily impact our business has on the environment. With a focus on energy and waste reduction, water conservation, and end-of-life product planning, WWTUK works to protect our planet while providing business value for our customers.
Some additional decisions and investments made to meet our energy conservation and greenhouse gas emissions reduction objective include:

- Continued investment in LED and motion detected lighting in our facilities
- Improvements in the efficiency of ventilation and air conditioning equipment
- Utilization of ENERGY STAR® certified equipment in our facilities across the globe
- Increased employee participation in telecommuting, and increased investment in teleconferencing facilities and equipment.

WWTUK is a low energy user and as such is not required to make detailed disclosures of energy and carbon information as per the Streamlined Energy and Carbon Reporting.

STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023 (continued)

ANTI-CORRUPTION AND ANTI-BRIBERY

Honesty, integrity, and trust are key elements of WWTUK's core values and culture. WWTUK executive management invests a tremendous amount of time and effort communicating the understanding of our core values to ensure that they remain the foundation of our work. This unified approach is advanced through individual accountability of governance and compliance as well as a structured leadership program.

Each year every WWTUK employee reaffirms his/her individual accountability for upholding our code of conduct and following all applicable laws, regulations, and company policies. In addition, every WWT employee also participates in group leadership meetings including a review of our core values, corporate vision, and mission.

Anti-Corruption and Anti-Bribery Policy outlines the expected standards of conduct that employees, contractors, suppliers, business partners, and any other third parties who act for and on behalf of WWTUK, are obliged to follow.

WWTUK does not permit the offering or acceptance of bribes of any kind, including bribes to or from people who work in the public or private sector. This Policy prohibits WWTUK Personnel from directly or indirectly (through agents, vendors, representatives, advisors, or other third parties acting on behalf) from making, soliciting, or accepting any bribe, kickback, or other improper payments.

EMPLOYEE ENGAGEMENT

Our employees and non-employee workers around the world are treated with dignity and fairness. WWTUK is also committed to adhering to all labor standards, including without limitation, non-discrimination in hiring and the workplace, voluntary labor and no child labor, and compliance with fair working hours and applicable wage laws and regulations.

In addition, WWTUK is committed to providing its employees with a safe and healthy work environment in compliance with all applicable laws and regulations and appropriate training and information to prevent workplace hazards.

We are committed to driving a sustainable business that is both commercially successful and socially and environmentally responsible. This includes providing our employees in the UK and overseas with a safe and healthy working environment and having an organizational culture which promotes diversity, inclusivity, personal development, and respect.

We know it's our people who make WWTUK successful. We want people to enjoy coming to work and for the workplace to be free from discrimination, harassment, and victimization. To achieve this, we adhere to set policies and principles which ensure outcomes of responsible operations and supportive environments for our colleagues.

We promote an environment where employees feel that there are open communication channels in which to ask questions and raise concerns.

Great Place to Work® has certified WWT UK as a Great Place to Work based on overwhelming positive employee feedback.

STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023 (continued)

WORKFORCE: DIVERSITY, HIRING, RETENSION AND TRAINING

Our goal is to ensure equity and inclusion is incorporated at every level of our organization in order to grow our employees. We are focused on hiring diverse candidates in all areas of the business, committed to developing diverse teammates, and educating the rest of our organization to maintain an inclusive culture.

ENGAGEMENT WITH CUSTOMERS AND SUPPLIERS

Building relationships and partnerships with both supplier and customers is critical to our success. Our suppliers are fundamental to the quality of our products and ensuring we meet the high-quality standards we set for ourselves. We provide open communication lines for suppliers and are in regular communication with them.

WWTUK ensures all of our business partners and suppliers are committed to conducting business with the highest possible standards in regard to ethics, labor, employee health and safety, diversity and the preservation of our environment. Our Supplier Diversity program aims to develop and sustain diverse and socially responsible business relationships, one contract at a time.

ECONOMIC ENVIRONMENT

WWTUK is managing the impact of the cost-of-living crisis, increased inflation and the war in Ukraine on our business and on the economy. In general, we do not see any material impact on the business as we are able to pass the increase in the costs of goods to our customers.

We do not have business in Ukraine or Russia and the only impact of the war on Ukraine is the increase in transportation and shipping costs which is not material to the business.

Principal risks and uncertainties

Exposure to credit, liquidity, foreign exchange and cash flow risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss to the other party by failing to fulfil an obligation.

WWT policies are aimed to minimizing such losses & make sure that deferred payment terms are only granted to customers with proven & demonstrated appropriate payment history & satisfy credit worthiness procedure.

Liquidity risk is the risk a company may be unable to meet short term financial demands. The company aims to mitigate liquidity risks by managing cash generation by its operations.

Foreign exchange risk is the risk that costs are incurred as a result of unfavourable exchange rates. The Company is able to pass on any foreign exchange (FX) risk to our customers as we typically purchase and sell in the same currency. While there was a foreign exchange (FX) loss in the current year, which was lower than prior year, it is offset within overall Gross Profit as the selling price to our customer was higher. This is further validated by our overall Gross Margin increase from prior year.

STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023 (continued)

Principal risks and uncertainties (continued)

Cash flow risk is the risk the company will not be able to generate sufficient cash flow to meet the company's financial obligations. The cash flow risk was managed with a combination of internal (intercompany loans) and external financial arrangements (Wells Fargo financing arrangement). The financing arrangement with Wells Fargo was cancelled during 2023, refer to note 15. Going forward this will be managed through internal financing.

Financial Instrument risks

WWT has established a risk & financial management framework with the main objective of protecting the company from events that might hinder the achievement of the company performance objectives. The main instrument that is currently in use are Intercompany loan, Wells Fargo Financing, and factoring for big value invoices for the enhancement of the cash flow.

S172 (1) Statement

The Director fulfils his s172 duties through effective governance, open discussion and decisions made at Board meetings. A director of a company must act in the way he considers, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to:

- the likely consequence of any decision in the long term
- the interest of the company's employees
- the need to foster the company's business relationships with suppliers, customers & others
- the desirability of the company maintaining a reputation for high standards of business conduct and
- the need to act fairly as between members of the company.

As a wholly owned subsidiary the only other relevant stakeholders are the parent entity. The director has complied with their duties under S172 of the Companies Act 2006 through the employee, supplier and customer engagement as described above.

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

DocuSigned by:

Tom Strunk

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T W Strunk

Director

Date: 25 April 2024

DIRECTOR'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023

The director presents his annual report and the audited financial statements for the year ended 31 December 2023.

The Strategic report includes the narratives on employees' engagements, business relations, and financial risk management and so these are not included in the Director's report.

Results and dividends

The profit for the year, after taxation, amounted to £47,130,096 (2022 - £24,872,357).

The director recommended the payment of a final dividend of £43 million (2022 - £nil).

Director of the company

The director who served during the year and up to the date of signing the financial statements was:

T W Strunk

Director's responsibilities statement

The director is responsible for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with Financial Reporting Standard FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102").

Under company law the director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements the director is required to:

- select suitable accounting policies in accordance with Section 10 of FRS 102 and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in FRS 102 is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the company financial position and financial performance;
- in respect of the financial statements, state whether applicable UK Accounting Standards, including FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

DIRECTOR'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023 (continued)

Director's responsibilities statement (continued)

The director is 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 him to ensure that the company financial statements comply with the Companies Act 2006.

He is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Under applicable law and regulations, the director is also responsible for preparing a strategic report and director's report, that comply with that law and those regulations. The director is responsible for the maintenance and integrity of the corporate and financial information included on the company's website.

Future developments

The local market is very challenging but the company still has a positive outlook and will continue to try to expand its market share within the market.

We will continue to push for new customers as well as new partners to add value to the company, while also ensuring the needs of our current stakeholders are met. While doing that we will continue to invest in the right people and right resources to ensure we are meet & exceed the needs of our stakeholders.

Going concern assessment

The Director has considered the current financial performance and position of the company. In 2023 WWTUK made a profit after tax of £47 million and had net assets of £108 million and net current assets of £124 million. There is an external financing facility via international line of credit and the company has maintained a reasonable cash position at the year-end of £18.4 million.

Given the transfer pricing policy and the level of reliance on other group undertakings the company has obtained a letter of support from its parent, World Wide Technology Holdings Co, LLC (WWTHC). The letter of support confirms that WWTHC will provide the financial support to assist the company to meets its liabilities as and when they fall due, but only to the extent that money is not otherwise available. This commitment of support is to 30 April 2025 which is consistent with the director's going concern assessment period.

The director has assessed the ability of WWTHC to provide support and is satisfied there are no concerns. The cash flow forecasts prepared to April 30, 2025 shows sufficient resources to enable WWTHC to continue as a going concern with a forecast cash balance of $900m and unused line of credit facilities of $1.3bn. Reverse stress testing has been performed over the cashflow projections. The reverse stress testing indicates that scenarios under which the group's liquidity would be exhausted have only a remote probability of occurrence.

Based on this, the Director has a reasonable expectation that the company can continue in operation for the assessment period through to April 30, 2025. Accordingly, the financial statements continue to be prepared on going concern basis.

WWT EMEA UK LIMITED
REGISTERED NUMBER: 07845692

DIRECTOR'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023 (continued)

Director's indemnity

WWTUK EMEA has made qualifying third-party provisions for the benefit of the Director which was in place throughout the year and remain in place at the date of this report.

Post balance sheet events

There were no post balance sheet events requiring disclosure in these financial statements.

Disclosure of information to auditors

The director at the time when this Director's report is approved has confirmed that:

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

Auditors

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

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

DocuSigned by:
Tom Strunk
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T W Strunk

Director

Date: 25 April 2024

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WWT EMEA UK LIMITED

Opinion

We have audited the financial statements of WWT EMEA UK Limited for the year ended 31 December 2023 which comprise the Statement of comprehensive income, the Statement of financial position, the Statement of changes in equity and the related notes 1 to 25, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 December 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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 to 30 April 2025.

Our responsibilities and the responsibilities of the director with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WWT EMEA UK LIMITED

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The director is responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and the Director's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and Director's report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or Director's report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WWT EMEA UK LIMITED

Responsibilities of the director

As explained more fully in the Director's responsibilities statement set out on page 6 and 7, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the director determines 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 director is 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 director either intends to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. 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. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are those that relate to the reporting framework (Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", Companies (Miscellaneous Reporting) Regulation 2018, Bribery Act 2010 and Money Laundering regulations, those laws and regulations relating to health and safety and employee matters and relevant tax compliance regulations in the jurisdictions in which the Company operates).
- We understood how the company is complying with those frameworks by making enquires of management and those responsible for legal and compliance procedures, including the Board of Directors. We corroborated our enquires through the review of the following documentation:
    - all minutes of board meetings held during the year;
    - the company's code of conduct setting out the key principles and requirements for all staff in relation to compliance with laws and regulations; and
    - any relevant correspondence with local tax authorities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WWT EMEA UK LIMITED

- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by considering the controls that the company established to address risks identified by the company or that otherwise seek to prevent, deter or detect fraud. We gained an understanding of the entity level controls and policies that the company applies.
- Based on the results of our risk assessment we designed our audit procedures to identify non-compliance with such laws and regulations identified above. Our procedures involved testing of journal entries, with a focus on journals indicating large or unusual transactions or meeting our defined risk criteria based on our understanding of the business and review of legal correspondence.
- We assessed that revenue was a judgemental area of the audit which might be more susceptible to fraud. We obtained an understanding of the controls over the process for the recognition of revenue and tested in particular the occurrence of revenue recorded in the financial statements and any manual adjustments to the revenue.

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

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:
Ernst & Young LLP
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Neil Corry (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Belfast

Date: 26 April 2024

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	2023 £	2022 £
Turnover	4	**1,453,096,167**	934,560,759
Cost of sales		**(1,302,695,169)**	(851,932,598)
Gross profit		**150,400,998**	82,628,161
Administrative expenses		**(46,998,642)**	(35,526,809)
Operating profit	6	**103,402,356**	47,101,352
Interest receivable and similar income	8	**1,576,103**	32,775
Interest payable and similar expenses	9	**(40,761,254)**	(15,203,829)
Profit before tax		**64,217,205**	31,930,298
Tax on profit	10	**(17,087,109)**	(7,057,941)
Profit for the financial year		**47,130,096**	24,872,357

There were no recognized gains and losses for 2023 or 2022 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2023 (2022: £NIL).

All amounts are derived from continuing activities.

The notes on pages 16 to 30 form part of these financial statements

WWT EMEA UK LIMITED
REGISTERED NUMBER: 07845692

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	11	**2,829,756**	3,317,758
		2,829,756	3,317,758
Current assets			
Stocks	12	**45,448,274**	67,952,281
Debtors:			
Amounts falling due within one year	13	**190,018,029**	177,427,773
Amounts falling due after one year	13	**19,017,458**	3,246,805
Cash at bank and in hand	14	**18,430,951**	16,704,379
		272,914,712	265,331,238
Current liabilities			
Creditors: amounts falling due within one year	15	**(149,106,246)**	(161,697,016)
Net current assets		**123,808,466**	103,634,222
Total assets less current liabilities		**126,638,222**	106,951,980
Creditors: amounts falling due after one year	16	**(18,821,458)**	(2,897,145)
Net assets		**107,816,764**	104,054,835
Capital and reserves			
Called up share capital	18	**1**	1
Profit and loss account	19	**107,816,763**	104,054,834
Total equity		**107,816,764**	104,054,835

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 25 April 2024.

DocuSigned by:
Tom Strunk
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T W Strunk
Date: 25 April 2024

The notes on pages 16 to 30 form part of these financial statements

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2023

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2022	**1**	**79,182,477**	**79,182,478**
Comprehensive income for the year			
Profit for the financial year	-	24,872,357	24,872,357
Total comprehensive income for the year	**-**	**24,872,357**	**24,872,357**
At 31 December 2022	**1**	**104,054,834**	**104,054,835**
Comprehensive income for the year			
Profit for the financial year	-	47,130,096	47,130,096
Total comprehensive income for the year	**-**	**47,130,096**	**47,130,096**
Transactions with owners in their capacity as owners			
Dividend paid (note 20)	-	**(43,368,167)**	**(43,368,167)**
At 31 December 2023	**1**	**107,816,763**	**107,816,764**

The notes on pages 16 to 30 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

1. General information

WWT EMEA UK Limited is a private company limited by shares incorporated and domiciled in England & Wales. The address of the registered office is 8th Floor Becket House, 36 Old Jewry, London, EC2R 8DD.

The nature of the company's operations and principal activity continued to be that of providing technology and supply chain services.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

The functional and presentational currency of these financial statements is GBP (£). The financial statements are round to the nearest £ unless otherwise stated.

The preparation of 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).

FRS 102 allows a qualifying entity, certain disclosure exemptions, subject to certain conditions, which have been complied with.

The Company has taken advantage of the following exemptions:

(a) The requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv).
(b) The requirements of Section 7 Statement of Cash Flows and Section 3 Financial Statement Presentation paragraph 3.17(d).
(c) The requirements of Section 11 paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c) and Section 12 paragraphs 12.26, 12.27, 12.29(a), 12.29(b), and 12.29A providing disclosures equivalent to those required by this FRS are included in the consolidated financial statements of the group in which the entity is consolidated.
(d) The requirements of Section 26 Share-based Payment paragraphs 26.18(b), 26.19 to 26.21 and 26.23.
(e) The requirement of Section 33 Related Party Disclosures paragraph 33.7.

The following principal accounting policies have been applied. WWTUK is a qualifying entity as the financial statements of WWTUK is included in the consolidated financial statements of WWT LLC which are publicly available from 1 World Wide Way, Maryland Heights, Missouri 63146.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

2. Accounting policies (continued)

2.2 Going concern assessment

The Director has considered the current financial performance and position of the company. In 2023 WWTUK made a profit after tax of £47 million and had net assets of £108 million and net current assets of £124 million. There is an external financing facility via international line of credit and the company has maintained a reasonable cash position at the year-end of £18.4 million.

Given the transfer pricing policy and the level of reliance on other group undertakings the company has obtained a letter of support from its parent, World Wide Technology Holdings Co, LLC (WWTHC). The letter of support confirms that WWTHC will provide the financial support to assist the company to meets its liabilities as and when they fall due, but only to the extent that money is not otherwise available. This commitment of support is to 30 April 2025 which is consistent with the director's going concern assessment period.

The director has assessed the ability of WWTHC to provide support and is satisfied there are no concerns. The cash flow forecasts prepared to April 30, 2025 shows sufficient resources to enable WWTHC to continue as a going concern with a forecast cash balance of $900m and unused line of credit facilities of $1.3bn. Reverse stress testing has been performed over the cashflow projections. The reverse stress testing indicates that scenarios under which the group's liquidity would be exhausted have only a remote probability of occurrence.

Based on this, the Director has a reasonable expectation that the company can continue in operation for the assessment period through to April 30, 2025. Accordingly, the financial statements continue to be prepared on going concern basis.

2.3 Revenue

Sale of goods and services to the parent entity

Turnover relating to amounts receivable from the parent company, World Wide Technology International LLC include the transfer of product and services between entities and follow our standard accounting policies and processes.

Revenue recognition

The Company has three main streams of revenue that are provided to its customers: product, services, and software licenses and maintenance. The Company recognises revenue once control has passed to the customer. The Company evaluates multiple factors when determining if it is acting as principal or agent in the transaction and accordingly if revenue is recorded on a gross or net basis.

The Company reviews if it is primarily responsible for fulfilling the specified goods or service and if the Company has inventory risk before the specified good or service has been transferred to a customer.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

2. Accounting policies (continued)

2.3 Revenue (continued)

Revenue recognition for products

The Company's products can be delivered to customers in a variety of ways, including shipment from the Company's warehouse or via drop-shipment by the Company's suppliers. Revenues from sales of hardware products are recognized on a gross basis as the Company is acting as a principal in these transactions, with the selling price to the customer recorded as revenue and the acquisition cost of the product recorded as cost of sales. The Company recognises revenue from these transactions when control of the product has passed to the customer.

The Company also leverages drop-shipment arrangements with many of its suppliers to deliver products to its customers without having to physically hold the inventory at its warehouses. The Company is the principal in the transaction and recognise revenue for drop-shipment arrangements on a gross basis.

In some instances, the customer agrees to buy the product from the Company but requests delivery at a later date, commonly known as bill-and-hold arrangements. For these transactions, the Company deems that control passes to the customer when the product is ready for delivery. The Company treats products ready for delivery when the customer has a signed bill and hold agreement, significant risk and rewards for the products has been transferred to the customer, and the products have been set aside specifically for the customer and cannot be redirected to another customer.

Revenue recognition for services

The company provides professional services, which include project managers and consultants recommending, designing, and implementing IT solutions. Depending on contract terms, revenue from services is recognized either on a time and materials basis as services are performed or proportionally as costs are incurred for fixed fee project work.

Revenue recognition for software licenses and maintenance

The Company, on behalf of certain suppliers, sells software licenses and software maintenance. For these transactions, the Company's obligation to the customer is that of a sales agent of the services, where all obligations for providing the services to customers are passed to the Company's suppliers. The Company's performance obligations are satisfied at the time of the sale. The Company records these transactions on a net revenue basis as the Company acts as the agent.

2.4 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 manner intended by management.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

2. Accounting policies (continued)

2.4 Tangible fixed assets (continued)

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:

Improvements to leasehold property	- 3-7 years straight line
Office equipment	- 3-7 years straight line
Computer equipment	- 3 years straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively 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 in the Statement of comprehensive income.

2.5. Stocks

Stocks are stated at the lower of cost and net realizable 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.

Work in progress and finished goods include labour and attributable overheads.

At each reporting 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 recognized immediately in profit or loss. Inventory reserve is also recorded.

2.6. Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortized cost using the effective interest method, less any impairment.

2.7. Bad debt provision

Accounts receivable have been reduced by an allowance for amounts that are deemed uncollectible in the future. This estimated allowance is based primarily on management's evaluation of the financial condition of the customer and historical bad debt experience. Delinquent receivables are written off based on individual credit evaluation and specific circumstances of the customer.

2.8 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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

2. Accounting policies (continued)

2.9 Financial instruments

The Company only enters basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

2.10 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortized cost using the effective interest method.

2.11 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 recognized as a reduction in the proceeds of the associated capital instrument.

2.12 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of comprehensive income on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognized on a straight line basis over the lease term unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.13 Employees costs

WWTUK provides arrange of benefits to employees, like annual bonus arrangements, paid holiday arrangements, defined benefit, and defined contribution pension plans.

Short term benefits

Short term benefits like holiday pay and other similar non- monetary benefits, are recognised as an expense in the period in which is service is received.

Defined contribution pension plans

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

2. Accounting policies (continued)

2.13 Employees costs (continued)

The contributions are recognised as an expense in the Statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

2.14 Interest income

Interest income is recognized in the Statement of comprehensive income using the effective interest method.

2.15 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognized in the Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognized directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

Deferred tax balances are recognized in respect of all timing differences that have originated but not reversed by the Statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and

- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognized in respect of permanent differences except in respect of business combinations, when deferred tax is recognized on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax.

Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.16 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

2.16 Provisions for liabilities (continued)

Provisions are charged as an expense to the Statement of comprehensive income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

2.17 Foreign currency

For the Company, the local currency is the functional currency. Any transactions that happen in a currency other than functional currency, assets and liabilities are measured into GBP at the spot exchange rate or historical rates as appropriate.

2.18 Share capital

WWTUK is fully owned by WWT LLC. In terms of classification Ordinary shares are classified as equity. Incremental costs directly related to issue of new shares are shown are shown in equity as a deduction net of tax as proceeds.

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

In the application of the company's accounting policies, the director is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are recognized to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the statement of comprehensive income in the period in which the estimate is revised where the revision affects only that period, or in the period of revision and future periods where the revision affects both current and future periods.

The director has reviewed the Company's accounting policies and there are no critical judgements or estimations.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

4. Turnover

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

	2023	2022
	£	£
Computer equipment	1,390,359,853	866,556,929
Services	58,267,246	64,275,955
Freight	4,469,068	3,727,875
	1,453,096,167	934,560,759

Analysis of turnover by country of destination:

	2023	2022
	£	£
United Kingdom	1,271,132,513	693,443,309
Rest of Europe	177,571,744	237,497,762
Rest of the world	4,391,910	3,619,688
	1,453,096,167	934,560,759

5. Auditors' remuneration

	2023	2022
	£	£
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	70,000	70,000

6. Operating profit

This is stated after charging / (crediting):

		2023	2022
		£	£
Depreciation		490,589	524,505
Foreign exchange differences		1,202,609	15,974,944
Operating lease rentals	- land and buildings	1,958,446	1,082,311
	- Plant and machinery	1,302	12,401

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

7. Employees

Staff costs were as follows:

	2023 £	2022 £
Wages and salaries	**33,533,530**	25,898,542
Social security costs	**4,627,749**	3,833,948
Cost of defined contribution scheme	**885,077**	767,482
	39,046,356	30,499,972

The average monthly number of employees, including the director, during the year was as follows:

	2023 No.	2022 No.
Director	**1**	1
Sales, administration, and management	**225**	191
	226	192

Director's remuneration

WWTUK does not pay remuneration to the director for his services to the company as these are incidental.

8. Interest receivable and similar income

	2023 £	2022 £
Intercompany interest receivable	**1,085,760**	-
Other interest receivable	**490,343**	32,775
	1,576,103	32,775

9. Interest payable and similar expenses

	2023 £	2022 £
Interest payable	**823,107**	4,610,084
Factoring fees	**39,938,147**	10,593,745
	40,761,254	15,203,829

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

10. Tax on profit

	2023 £	2022 £
Corporation tax		
Current tax on profits for the year	**17,087,109**	7,057,941
Total current tax	**17,087,109**	7,057,941
Taxation on profit on ordinary activities	**17,087,109**	7,057,941

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2022 – higher than) the standard rate of corporation tax in the UK of 23.5% (2022 – 19%) as set out below:

	2023 £	2022 £
Profit on ordinary activities before tax	**64,217,205**	31,930,298
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 23.5% (2022 - 19%)	**15,091,043**	6,066,757
Effects of:		
Short term timing difference	**1,996,066**	991,184
Total tax charge for the year	**17,087,109**	7,057,941

Factors that may affect future tax charges.

From April 2020 there has been a single 19% rate of corporation tax. On 3 March 2021, the Chancellor of the Exchequer announced that the Corporation Tax rate would increase to 25% from 1 April 2023. As such the rate of corporation tax for the year ended 31 December 2023 was 23.5% (2022: 19%).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

11. Tangible fixed assets

	Improvements To Leasehold Property	Office Equipment	Computer Equipment	Total
	£	£	£	£
Cost or valuation				
At 1 January 2023	4,019,493	548,926	233,253	**4,801,672**
Additions	-	-	2,587	**2,587**
At 31 December 2023	**4,019,493**	**548,926**	**235,840**	**4,804,259**
Accumulated depreciation				
At 1 January 2023	1,180,376	165,943	137,595	**1,483,914**
Charge for the year on owned assets	365,126	73,532	51,931	**490,589**
At 31 December 2023	**1,545,502**	**239,475**	**189,526**	**1,974,503**
Net book value				
At 31 December 2023	**2,473,991**	**309,451**	**46,314**	**2,829,756**
At 31 December 2022	2,839,117	382,983	95,658	3,317,758

The net book value of land and buildings may be further analysed as follows:

	2023	2022
	£	£
Improvements to leasehold property	**2,473,991**	2,839,117
	2,473,991	2,839,117

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

12. Stocks

	2023	2022
	£	£
Computer equipment	**47,094,680**	68,625,032
Inventory reserve	**(1,646,406)**	(672,751)
	45,448,274	67,952,281

The movement in reserves is recorded in cost of sales.

13. Debtors

	2023	2022
Amounts falling due within one year	£	£
Trade debtors	**98,937,669**	139,959,915
Amounts due from group companies	**83,405,223**	29,664,008
VAT receivable	**6,793,476**	7,251,734
Corporation tax receivable	**254,205**	239,034
Prepayments and accrued income	**627,456**	313,082
	190,018,029	177,427,773
Amounts falling due after one year		
Trade debtors	**98,000**	3,246,805
Amounts due from group companies	**18,919,458**	-
	19,017,458	3,246,805

Included in the amounts due from group companies is a short term loan of £27.8m (2022: £nil). This loan is unsecured, with an interest rate of SOFR + 2% and is repayable on demand. The remaining amounts due from group companies are unsecured, interest free and repayable on demand.

The Company has an accounts receivable factoring. Under the factoring program, the Company sells certain customer receivables in their entirety to an independent third-party financial institution without recourse. The Company's factored receivables are considered a true sale for legal and accounting purposes.

The Company, at its discretion, assists the financial institution with the collection of the receivables; however, the customer payments go directly to the financial institution. The Company utilizes the proceeds from the sale of its accounts receivable as an additional source to fund working capital.

Amounts due from group companies falling due after one year relates to a long-term billing arrangement with £6.3m recovered each year from 2025 to 2027.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

14. Cash at bank and in hand

	2023	2022
	£	£
Cash at bank and in hand	**18,430,951**	16,704,379
	18,430,951	16,704,379

15. Creditors: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	**129,756,469**	102,157,141
Amounts owed to group companies	**11,357,511**	3,623,851
Other tax and social security	**1,559,108**	3,492,698
Accruals and deferred income	**6,433,158**	21,796,089
Borrowings	**-**	30,627,237
	149,106,246	161,697,016

Amounts owed to the group companies are unsecured, interest free and are repayable on demand.

Line of credit

The Company had a line-of-credit agreement that provided for total available credit of up to $45 million (£37.25million). It bore interest at Term SOFR plus 0.10% plus 1.75%. The balance outstanding was fully repaid in 2023 and the line of credit subsequently cancelled during 2023.

16. Creditors: amounts falling due after one year

	2023	2022
	£	£
Trade creditors	**18,821,458**	2,897,145
	18,821,458	2,897,145

Creditors falling due after one year relate to a long-term billing arrangement with one supplier which will be repaid at £6.3m each year from 2025 to 2027 (2022: by 2024). It is offset by the long-term receivables.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

17. Financial Instruments

Financial assets	2023 £	2022 £
Financial assets measured at fair value through profit or loss	**18,430,951**	16,704,379
Financial assets that are debt instruments measured at cost	**202,242,011**	173,422,843
	220,672,962	190,127,222
Financial liabilities		
Financial liabilities measured at amortized cost	**166,368,595**	161,101,463

Financial assets measured at fair value through profit or loss comprise cash at bank and in hand. Financial assets that are debt instruments measured at cost comprise trade debtors, amounts due from group companies, corporation tax receivable and prepayments and accrued income.

Financial liabilities measured at amortized cost comprise trade creditors, amounts owed to the group companies, accruals and deferred income and borrowings.

18. Called up share capital

	2023 £	2022 £
Allotted, called up and fully paid		
1 (2022 - 1) Ordinary share of £1.00	1	1

19. Reserves

Profit and loss account

Profit and loss include all current and prior periods retained profits.

20. Dividends

A dividend of £43,368,167 (£43,368,167 per share) was declared and paid (2022: £nil).

21. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund.

The pension cost charge represents contributions payable by the company to the fund and amounted to £885,077 (2022: £767,482). Contributions totalling £88,247 were receivable from the fund at the balance sheet date (2022: £19,668 receivable).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

22. Commitments under operating leases

At 31 December 2023 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2023	2022
	£	£
Not later than 1 year	1,155,255	1,155,255
Later than 1 year and not later than 5 years	1,540,296	2,695,518
	2,695,551	3,850,773

23. Related party transactions

The company has taken advantage of the exemption available under FRS 102 section 33.1A where disclosures of transactions between group members are not required, provided that the subsidiary is wholly owned.

24. Controlling party

The company is controlled by its ultimate parent undertaking World Wide Technology International LLC a company incorporated in the United States of America.

The ultimate parent undertaking and the smallest and largest set of financial statements that WWTUK is consolidated is World Wide Technology Holding Co. Inc a company incorporated in the United States of America. These are available at 1 World Wide Way, Maryland Heights, Missouri 63146.

25. Post Balance sheet events

Subsequent to the balance sheet date there were no events that would have a material financial effect on the statutory financial statements.