EAST PARK ENERGY

East Park Energy

EN010141

Funding Statement

Document Reference: EN010141/DR/4.2

Infrastructure Planning (Applications: Prescribed Forms and Procedure) Regulations 2009: Regulation 5(2)(h)

September 2026

Version P06

EAST PARK ENERGY

Planning Act 2008

Infrastructure Planning (Applications: Prescribed Forms and Procedure) Regulations 2009

Funding Statement

APFP Regulation Reference:	Regulation 5(2)(h)
Planning Inspectorate Scheme Reference:	EN010141
Application Document Number:	EN010141/DR/4.2
Author:	Brockwell Energy

Version	**Date**	**Status**
P01	September 2025	DCO Submission
P02	March 2026	Procedural Deadline A
P03	May 2026	Deadline 3
P04	July 2026	Deadline 5
P05	August 2026	Deadline 6
P06	September 2026	Deadline 8

CONTENTS

1.0 INTRODUCTION

1.1 Summary

1.1.1 This Funding Statement has been prepared by BSSL Cambsbed 1 Ltd ('the Applicant'). It forms part of an application for a development consent order ('DCO') to the Secretary of State under section 37 of the Planning Act 2008. The DCO, if granted, would give the Applicant powers to construct, operate (and maintain) and decommission East Park Energy ('the Scheme'), a new solar energy farm located to the north-west of the town of St Neots.

1.1.2 The Scheme qualifies as a Nationally Significant Infrastructure Project ('NSIP'), due to its generating capacity exceeding 50 megawatts ('MW').

1.2 The Scheme

1.2.1 The Scheme comprises the solar photovoltaic ('PV') modules and associated mounting structures, on-site Battery Energy Storage Systems ('BESS'), two on-site substations, associated infrastructure together with underground cable connections between panel areas and works to connect to the existing National Grid Substation at Eaton Socon. The Scheme also includes mitigation and enhancement areas.

1.2.2 Further details on the Scheme are contained in **Environment Statement (ES) Chapter 2: The Scheme [EN010141/DR/6.1]**.

1.3 Purpose of the Funding Statement

1.3.1 This Funding Statement has been prepared pursuant to the requirements of Regulation 5(2)(h) of the Infrastructure Planning (Applications: Prescribed forms and Procedure) Regulations 2009 and is required because, if made, the DCO would authorise the compulsory acquisition of land and rights in land. Regulation 5(2)(h) requires an explanation of how an order containing the authorisation of compulsory acquisition is proposed to be funded.

1.3.2 In preparing this Funding Statement the Applicant has also taken into consideration the Department for Communities and Local Government (now known as the Ministry of Housing, Communities and Local Government) guidance entitled ‘Planning Act 2008: Guidance related to procedures for the compulsory acquisition of land’ (the ‘Guidance’).

1.3.3 The Guidance states that:

> *“Any application for a consent order authorising compulsory acquisition must be accompanied by a statement explaining how it will be funded. This statement should provide as much information as possible about the resource implications of both acquiring the land and implementing the project for which the land is required. It may be that the project is not intended to be independently financially viable, or that the details cannot be finalised until there is certainty about the assembly of the necessary land. In such instances, the applicant should provide an indication of how any potential shortfalls are intended to be met. This should include the degree to which other bodies (public or private sector) have agreed to make financial contributions or to underwrite the scheme, and on what basis such contributions or underwriting is to be made.*
>
> *The timing of the availability of the funding is also likely to be a relevant factor. Regulation 3(2) of the Infrastructure Planning (Miscellaneous Prescribed Provisions) Regulations 2010 allows for five years within which any notice to treat must be served, beginning on the date on which the order granting development consent is made, though the Secretary of State does have the discretion to make a different provision in an order granting development consent. Applicants should be able to demonstrate that adequate funding is likely to be available to enable the compulsory acquisition within the statutory period following the order being made, and that the resource implications of a possible acquisition resulting from a blight notice have been taken account of.”*

1.3.4 This Statement is one of a number of documents accompanying the DCO Application and should be read in conjunction with those documents, particularly:

- **Statement of Reasons [EN010141/DR/4.1]**;
- **Book of Reference [EN010141/DR/4.3]**; and
- **Land and Crown Land Plan [EN010141/DR/2.2]**.

2.0 THE APPLICANT

2.1.1 BSSL Cambsbed 1 Ltd (Registered in England and Wales under Company Number 13941201) is the Applicant for the DCO and is ultimately owned by Lantern Holdco Ltd (Registered in England and Wales under Company Number 11569920) whose subsidiary companies constitute the Brockwell Energy Group ('Brockwell Energy').

2.1.2 The Applicant's corporate structure is illustrated at Appendix 1 of this document for reference.

2.1.3 Brockwell Energy is a leading British multi-technology IPP, specialising in renewable energy infrastructure. Since 2017, Brockwell Energy has over 240MW operating or under construction in the UK and has more than a 3.5GW pipeline across onshore wind, solar and battery storage in the UK at the time of DCO submission.

3.0 DEVELOPMENT COSTS

3.1.1 The current estimated cost to deliver the Scheme is approximately between £370 and £380 million. This estimate is based on a cost of £297 million for the solar panel installation and £73 million for the BESS.

3.1.2 The total figure includes £37 million for the construction of cable routes, the costs to exercise easement and land agreements, and 3-years of inflation between the capex estimate date (being 2025) and the start of construction. It also accounts for a solar EPC price of £500/kWp and BESS EPC price of £600/kWp. These are both highly conservative given recent tender exercises on smaller schemes have returned prices of £415/kWp for solar and £406/kWp for BESS, with a clear trend for prices falling in line with wider market expectations. The total capex funding requirement is therefore highly robust and can withstand unexpected price shocks caused by external forces.

3.1.3 This estimate includes for development costs, construction costs, land acquisition costs (including £2.22 million for compensation payable in respect of any compulsory acquisition), equipment purchase, equipment installation, commissioning, operations and decommissioning. All easement figures are calculated under the assumption that they are exercised at commercial rates and total cost estimates include provisions for contingency and inflation.

3.1.4 The Applicant has provided what it considers to be a realistic cost estimate for decommissioning, based on estimates from qualified specialists and European comparison studies, in order to provide comfort that this has been considered and that the Applicant is confident that funding will be available. Nonetheless, the Applicant maintains that this is not strictly required because the purpose of this document is to demonstrate how an Order that contains the authorisation of compulsory acquisition (as the draft DCO **[EN010141/DR/3.1]** does) is proposed to be funded, in compliance with Regulation 5(2)(h) of the APFP Regulations. For the avoidance of doubt, there is no statutory or policy requirement that requires an applicant to evidence how it would fund decommissioning of a project.

4.0 FUNDING FOR THE SCHEME

4.1.1 The Applicant is a subsidiary of Lantern HoldCo Limited which is the ultimate holding company of the Brockwell Energy. A copy of the latest directors' report and consolidated financial statements for Lantern HoldCo Limited is enclosed at Appendix 2 of this statement.

4.1.2 Brockwell Energy's majority shareholders include Davidson Kempner, a global investment manager with in excess of $37bn of assets under management and Pioneer Point Partners, a sustainable infrastructure investment firm based in London, who have committed equity in excess of €1.7bn (approximately £1.5bn) across Europe. Any successor investor or owner to Davidson Kempner and Pioneer Point Partners will also be a major infrastructure investor with significant assets under management and a clear mandate and appetite to invest in developing Brockwell Energy's business plan of which the Proposed Development is a key component.

4.1.3 Brockwell Energy is experienced in the development, procurement, financing, construction and operation of complex large scale infrastructure projects. To date, Brockwell Energy has delivered two energy from waste plants with a total capital requirement of £500m and its £300m flagship 220.5 MW North Kyle Wind Farm, being one of the largest operational windfarms in the United Kingdom. As an Independent Power Producer (IPP) Brockwell Energy is involved in projects throughout the project lifecycle including construction and asset management and optimisation. Outside of this Brockwell Energy has a pipeline of in excess of 3.5GW's of projects across wind, solar and BESS technologies which it continues to develop with the intention to construct own and operate as an IPP

4.1.4 If the Secretary of State grants development consent for the Scheme then, as is common in privately funded infrastructure projects, Brockwell Energy would seek further funding with the support of its legal and financial advisors. Brockwell Energy would consult with a variety of financial institutions and its investors to enable the construction, operation and decommissioning of the proposed development. A final decision has not yet been taken on the type of finance that will be used, but this approach is tried and tested in the market and Brockwell Energy has no concerns that it would be unable to obtain finance for the construction, operation and decommissioning of the proposed development. Brockwell Energy has significant experience in procuring and financing major energy projects and to date Brockwell Energy has secured in excess of £500m of debt financing across 3 large scale infrastructure projects with the balance of equity funding provided by its existing shareholders. Brockwell Energy has strong relationships with a syndicate of major banks who are active in financing renewable energy projects in the UK and Europe

4.1.5 Brockwell Energy would procure the construction of the proposed development under a turnkey or full EPC contract with a leading contractor. Consistent with other projects the Brockwell Energy's construction team would provide oversight and support. Brockwell Energy would remain involved in the project in the long term from an asset management and optimisation perspective.

5.0 LAND ACQUISITION

5.1.1 As set out in the **Statement of Reasons [EN010141/DR/4.1]**, the Applicant has already secured a number of voluntary agreements over the land within the Order Limits. However, compulsory acquisition powers are required to ensure that the Scheme can proceed without impediment. Discussions on voluntary agreements are ongoing, and details are set out in the **Land and Rights Negotiations Tracker [EN010141/DR/4.4]**. The land affected by the Scheme can be seen on the **Land and Crown Land Plan [EN010141/DR/2.2]** where land coloured blue is subject to rights, and land coloured green is subject to temporary possession only. 51 plots are subject to permanent acquisition (permanent rights), and 18 plots are subject to temporary possession. Full details of these plots are set out in the **Book of Reference [EN010141/DR/4.4]**.

5.1.2 Should any claims for blight arise because of the DCO Application, The Applicant has sufficient funds to meet the cost of acquiring these interests at whatever stage they are served. However, the Applicant has not identified any interests which it considers could be eligible to serve a blight notice at this stage and none are anticipated.

5.1.3 The Applicant has included in article 48 of the draft DCO [**EN010141/DR/3.1**] a provision which prevents the Applicant exercising the powers of compulsory acquisition granted by the DCO until guarantees or alternative forms of security in respect of the liability of the undertakers to pay compensation are in place. The form of guarantee or security and the amount of these must be approved by the Secretary of State. Article 48(3) of the draft DCO requires any guarantee or other security to be enforceable against the guarantor or provider of security by any person to whom compensation in relation to compulsory acquisition is properly payable. Article 48 therefore ensures that adequate funding will be in place before any compensation liability arises and requires that a guarantee or alternative form of security is in place for more than 15 years after the date in which the powers are exercised.

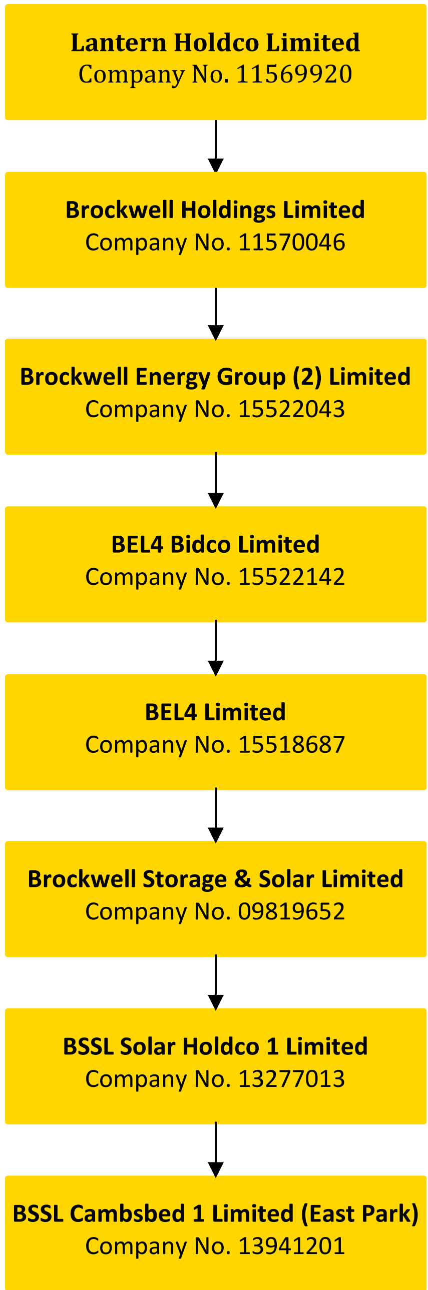
6.0 CONCLUSIONS

6.1.1 For the reasons set out above, the Secretary of State can be satisfied that all aspects of the Scheme will be fully funded and that there is no reason to believe that, should the DCO be made, the Scheme will not proceed due to an absence or shortfall in available funding.

6.1.2 The Secretary of State can be satisfied that funding will be available for the acquisition of any land and other interests required for the Scheme, for any compensation or blight claims brought by those interested in the land affected by the DCO, and for the costs of implementing the Scheme.

Appendix 1

Corporate structure (as at 17 July 2024)



Appendix 2

Directors' report and consolidated financial statements of Lantern HoldCo Limited

Company No: 11569920 (England and Wales)

LANTERN HOLDCO LIMITED
Annual Report and Consolidated Financial Statements
For the financial year ended 31 March 2025

Contents

LANTERN HOLDCO LIMITED
COMPANY INFORMATION
For the financial year ended 31 March 2025

DIRECTORS	[redacted]
REGISTERED OFFICE	16 Stratford Place London W1C 1BF United Kingdom
COMPANY NUMBER	11569920 (England and Wales)
AUDITOR	KPMG LLP Statutory Auditor Quayside House 110 Quayside Newcastle upon Tyne NE1 3DX United Kingdom

The directors present their Directors' Report and audited financial statements for Lantern Holdco Limited (the "Company") and its subsidiaries (the "Group") for year ended 31 March 2025.

The Group meets the definition of a small group under the Companies Act 2006. Consequently, the Group has elected to take advantage of the exemption available under section 414A of the Companies Act 2006.

PRINCIPAL ACTIVITIES

The Company's principal activity is the provision of support for the development of energy projects through its wholly owned subsidiary undertaking, Brockwell Holdings Limited. The Group's principal activities are associated with the development of energy projects.

GOING CONCERN

The directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the annual financial statements. Further details regarding the adoption of the going concern basis can be found in note 1 to the financial statements.

REVIEW OF THE BUSINESS

The Group is principally funded through loans under agreed facilities provided by Adare Finance Designated Activity Company, its Senior Funder. These loans (the "Senior Loans") and accrued interest amounted to £201,409,000 as at 31 March 2025 (2024: £179,234,000).

The Group's aim is to optimise the returns on investments by appraising the current market value of each project against the increase in risk-weighted value that could be generated from investment in further development, construction or operation of the asset.

The portfolio of energy projects being developed by the Group includes onshore wind projects, an energy-from-waste ("EfW") project and early-stage development projects including solar and battery storage prospects. The projects are at various stages of the development cycle. The development and construction activities on the projects continued at a steady pace during the year.

The Group holds a 100% interest in a 220MW North Kyle Wind Farm Project (the "North Kyle Project") located in East Ayrshire. The construction works on the North Kyle Project progressed substantially during the year, including forestry activities, civil engineering works and manufacturing, delivery and installation of turbine components. During the year, the North Kyle Project experienced delays to the grid connection dates which led to additional funding requirements on the project. The required funds were secured and committed by the Group in March 2025 under a loan facility from a third-party provider (bank loans). The energisation of the Stage 1 grid connection on the North Kyle Project was achieved in March 2025, with first power exported into the grid in April 2025. The completion of the Stage 2 grid connection works got delayed subsequent to the year-end, with interim connection achieved in February 2026. The remaining works required to finalise the Stage 2 grid connection are scheduled for Summer 2026.

The Group also holds a 50% equity investment in the Earls Gate EfW Project (the "Earls Gate Project") which is owned by Earls Gate Energy Centre Limited. On 28 March 2024, the Earls Gate Project achieved the Take Over, being the point at which all construction, commissioning and testing activities required for the EfW facility to enter full commercial operations were satisfactorily completed and the plant was handed over to the appointed Operations and Maintenance Contractor. The performance of the plant since the Take Over has been in line with internal forecasts and expectations. In February 2025, Earls Gate Energy Centre Limited commissioned certain maintenance works and upgrades in order to enable an increase to the plant's operational performance beyond the original design point. The costs associated with undertaking these works have been funded by the shareholders of EGEC Holdings Limited, with the funding required from the Group, funded using the proceeds under the External Loan. The EfW facility has been performing strongly since returning to full service following the completion of the upgrades.

The Group carefully monitors the market value of the projects in which it is invested and continues to have the support and backing from its Shareholders and the Senior Funder to continue with its current development programme. During the year and subsequent to the year-end, the Shareholders and Senior Funder continued to provide the necessary support to the Group to enable it to progress the key financing and project development activities in line with the targeted programmes and schedules. Total amount of funding advanced to the Group by the Senior Funder in the year was £3,400,000 (2024: £51,200,000).

During the year, Ofgem launched a consultation process proposing new rules to tackle the grid connection backlog, including prioritising projects based on readiness and system need. These proposals evolved into the "first-ready, first-connected" model and the gate-based queue structure which was subsequently approved in April 2025 and became collectively known as the "TMO4+" reforms. Under the revised framework, projects are awarded Gate 1 status where they remain in the queue but without firm connection rights, while only projects that demonstrate sufficient maturity (such as planning progress and deliverability) are promoted to Gate 2, where they receive confirmed connection dates and capacity. Subsequent to the balance sheet date, the Group received the initial results under the TMO4+ review process which confirmed Gate 1 status for several of its projects. The Group is in the process of analysing the results of the initial application process on its prospective projects and the wider UK energy market, together with potential scope for securing the Gate 2 status in the future application rounds. Nevertheless, as set out in note 12 to the financial statements, the directors acknowledge that the results of the TMO4+ reforms may impact on the recoverable amounts of the Group's Assets in the course of construction recognised in relation to some of its projects.

Given the early stage of the Group's principal activities, the directors consider the most relevant financial and non-financial key performance indicators for the year to be associated with:

- Turnover and cost of sales associated with the provision of the management services by the Group;
- Provision of personnel, financial and other support required by the members of the Group in order to progress the development and construction activities on the projects;
- Management of programme and expenditure in line with development and construction budgets and plans; and
- Appraisal of prevailing market conditions to identify opportunities for further investment or for realisation of value created within the portfolio of projects that are being developed by the Group.

During the year, the development and construction activities on the projects progressed broadly in line with approved budgets and business plans. The Group continued to provide the financial support and key personnel required to progress the activities on its projects in accordance with the developed timelines. The directors are satisfied that the historical disposals of the projects at premiums to their book values demonstrate the quality of the projects that are being targeted and developed by the Group, and the ability of the Group to deliver value to its Shareholders.

The Group continues to generate revenues under the Management Services Agreement ("MSA") contracts with its clients operating within the energy sector. The financial performance recorded under each of the Group's existing MSA contracts during the year was in line with internal forecasts and expectations.

DIVIDENDS

The directors do not recommend payment of a dividend (2024: £Nil).

DIRECTORS

The directors, who served during the financial year and to the date of this report except as noted, were as follows:

[redacted]

OTHER INFORMATION

The principal risks and uncertainties facing the wider Group of which the Company is a member are outlined in the consolidated financial statements of the Company's ultimate parent, Lantern Holdco Limited.

The Group is monitoring the geopolitical situation in Eastern Europe and the Middle East amid the ongoing military conflicts in these areas. There has been no impact from those conflicts on the Group or its operations in the year ended 31 March 2025 and subsequent to the balance sheet date.

AUDITOR

Each of the persons who is a director at the date of approval of this report confirms that:

- So far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- The director has taken all the steps that they ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

Approved by the Board of Directors and signed on its behalf by:

[redacted]
Director

16 Stratford Place
London
W1C 1BF
United Kingdom

30 July 2026

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

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

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

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

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

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements and other information included in annual reports may differ from legislation in other jurisdictions.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LANTERN HOLDCO LIMITED
For the financial year ended 31 March 2025

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Lantern Holdco Limited ("the Company") for the year ended 31 March 2025 which comprise the Consolidated Statement of Comprehensive Income, Consolidated and Company Balance Sheets, Consolidated and Company Statements of Changes in Equity, Consolidated Cashflow Statement and related notes, including the accounting policies in note 1.
In our opinion the financial statements:

•give a true and fair view of the state of the Group's and of the parent Company's affairs as at 31 March 2025 and of the Group's loss for the year then ended;
•have been properly prepared in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the Group in accordance with, UK ethical requirements including the FRC Ethical Standard.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Group or the Company or to cease their operations, and as they have concluded that the Group and the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the Group's business model and analysed how those risks might affect the Group and Company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

•we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate; and
•we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Group or the Company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Group or the Company will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

IDENTIFYING AND RESPONDING TO RISKS OF MATERIAL MISTATEMENT DUE TO FRAUD

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

•Enquiring of directors and management as to the Company's high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud.
•Reading board meeting minutes.
•Considering remuneration incentive schemes and performance targets.

•Using analytical procedures to identify any unusual or unexpected relationships.

We communicated the identified fraud risks across the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls. In particular the risk that the Group management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because of the simple, non-complex nature of revenue, its magnitude and the lack of opportunity to commit fraud.

We did not identify any additional fraud risks.

We performed procedures including:

•Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted to cash, loans, revenue and PPE under construction with corresponding entries to unusual accounts.

IDENTIFYING AND RESPONDING TO RISKS OF MATERIAL MISSTATEMENT DUE TO NON-COMPLIANCE WITH LAWS AND REGULATIONS

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussions with the directors and other management (as required by auditing standards) and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of noncompliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies' legislation), distributable profits legislation, and taxation legislation and we assess the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: health and safety, employment law, and certain aspects of company legislation recognising the nature of the company's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

CONTEXT OF THE ABILITY OF THE AUDIT TO DETECT FRAUD OR BREACHES OF LAW OR REGULATION

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Directors' Report

The directors are responsible for the Directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge.

Based solely on that work:

•we have not identified material misstatements in the directors' report;
•in our opinion the information given in that report for the financial year is consistent with the financial statements; and
•in our opinion that report has been prepared in accordance with the Companies Act 2006.

Report on other legal and regulatory requirements

Matters on which we are required to report by exception

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

•adequate accounting records have not been kept by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
•the parent Company financial statements are not in agreement with the accounting records and returns; or
•certain disclosures of directors' remuneration specified by law are not made; or
•we have not received all the information and explanations we require for our audit; or
•the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

Responsibilities of directors

As explained more fully in their statement set out on page 7, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; 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; assessing the Group and parent 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 they either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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.

[redacted] (Senior Statutory Auditor)
For and on behalf of KPMG LLP
Statutory Auditor

Quayside House
110 Quayside
Newcastle upon Tyne
NE1 3DX
United Kingdom

30 July 2026

LANTERN HOLDCO LIMITED

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 March 2025

	Note	2025	2024
		£'000	**£'000**
Turnover	3	**4,024**	**4,727**
Cost of sales		(3,046)	(2,107)
Gross profit		**978**	**2,620**
Administrative expenses		(19,918)	(5,846)
Operating loss		**(18,940)**	**(3,226)**
(Loss)/income from shares in a Group undertaking	11	(5,457)	1,406
Other non-operating income	10	0	500
Loss before interest and taxation		**(24,397)**	**(1,320)**
Interest receivable and similar income	4	8,162	6,127
Interest payable and similar expenses	4	(13,434)	(10,559)
Loss before taxation	5	**(29,669)**	**(5,752)**
Tax on loss	9	(181)	(7)
Loss for the financial year		**(29,850)**	**(5,759)**
Gain/(loss) arising during the period	21	6,385	(7,060)
Other comprehensive income/(loss)		**6,385**	**(7,060)**
Total comprehensive loss		**(23,465)**	**(12,819)**

All amounts relate to continuing operations.

The accompanying notes form an integral part of these financial statements.

LANTERN HOLDCO LIMITED
CONSOLIDATED BALANCE SHEET
As at 31 March 2025

	Note	2025	2024
		£'000	**£'000**
Fixed assets			
Intangible assets	12	34,445	28,728
Tangible assets	13	278,937	183,576
Investments	14	10,309	15,723
		323,691	**228,027**
Current assets			
Debtors			
- due within one year	15	8,813	4,520
- due after more than one year	15	75,216	72,969
Cash at bank and in hand		12,281	5,257
		96,310	**82,746**
Creditors: amounts falling due within one year	16	(36,328)	(43,460)
Net current assets		**59,982**	**39,286**
Total assets less current liabilities		**383,673**	**267,313**
Creditors: amounts falling due after more than one year	17	(347,635)	(226,565)
Provision for liabilities	18	(28,856)	(10,347)
Net assets		**7,182**	**30,401**
Capital and reserves	22		
Called-up share capital		2	2
Cash flow hedge reserve		5,932	(453)
Other reserves		710	710
Profit and loss account		538	30,142
Total shareholders' funds		**7,182**	**30,401**

The accompanying notes form an integral part of these financial statements.

The financial statements of Lantern Holdco Limited (registered number: 11569920) were approved and authorised for issue by the Board of Directors on 30 July 2026. They were signed on its behalf by:

[redacted]
Director

16 Stratford Place
London
W1C 1BF
United Kingdom

30 July 2026

LANTERN HOLDCO LIMITED
COMPANY BALANCE SHEET
As at 31 March 2025

	Note	2025	2024
		£'000	**£'000**
Fixed assets			
Investments	14	1	1
		1	**1**
Current assets			
Debtors			
- due within one year	15	4,156	3,094
Cash at bank and in hand		31	38
		4,187	**3,132**
Creditors: amounts falling due within one year	16	(7,936)	(6,773)
Net current liabilities		**(3,749)**	**(3,641)**
Total assets less current liabilities		**(3,748)**	**(3,640)**
Net liabilities		**(3,748)**	**(3,640)**
Capital and reserves	22		
Called-up share capital		2	2
Profit and loss account		(3,750)	(3,642)
Total shareholders' deficit		**(3,748)**	**(3,640)**

The accompanying notes form an integral part of these financial statements.

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements. The loss of the parent company was £108 thousand (2024: profit of £39 thousand).

The financial statements of Lantern Holdco Limited (registered number: 11569920) were approved and authorised for issue by the Board of Directors on 30 July 2026. They were signed on its behalf by:

[redacted]
Director

16 Stratford Place
London
W1C 1BF
United Kingdom

30 July 2026

LANTERN HOLDCO LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 March 2025

	Called-up share capital	Cash flow hedge reserve	Other reserves	Profit and loss account	Equity attributable to owners of parent company	Non-controlling interests	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
At 01 April 2023	**1**	**5,844**	**0**	**30,641**	**36,486**	**6,023**	**42,509**
Loss for the financial year	0	0	0	(5,759)	**(5,759)**	0	**(5,759)**
Cash flow hedges	0	(6,907)	0	0	**(6,907)**	0	**(6,907)**
Share of OCI of joint venture	0	(153)	0	0	**(153)**	0	**(153)**
Reversal / reclassification	0	0	0	0	**0**	0	**0**
Total comprehensive loss	**0**	**(7,060)**	**0**	**(5,759)**	**(12,819)**	**0**	**(12,819)**
Issue of share capital	1	0	710	0	**711**	0	**711**
Reversal / reclassification	0	763	0	5,260	**6,023**	(6,023)	**0**
At 31 March 2024	**2**	**(453)**	**710**	**30,142**	**30,401**	**0**	**30,401**
At 01 April 2024	**2**	**(453)**	**710**	**30,142**	**30,401**	**0**	**30,401**
Loss for the financial year	0	0	0	(29,850)	**(29,850)**	0	**(29,850)**
Cash flow hedges	0	6,343	0	0	**6,343**	0	**6,343**
Share of OCI of joint venture	0	42	0	0	**42**	0	**42**
Total comprehensive loss	**0**	**6,385**	**0**	**(29,850)**	**(23,465)**	**0**	**(23,465)**
Share premium on subsidiary shares issued to management	0	0	0	246	**246**	0	**246**
At 31 March 2025	**2**	**5,932**	**710**	**538**	**7,182**	**0**	**7,182**

The accompanying notes form an integral part of these financial statements.

LANTERN HOLDCO LIMITED
COMPANY STATEMENT OF CHANGES IN EQUITY
For the financial year ended 31 March 2025

	Called-up share capital	Profit and loss account	Total
	£'000	£'000	£'000
At 01 April 2023	**1**	**(3,681)**	**(3,680)**
Profit for the financial year	0	39	39
Total comprehensive income	**0**	**39**	**39**
Issue of share capital	1	0	1
At 31 March 2024	**2**	**(3,642)**	**(3,640)**
At 01 April 2024	**2**	**(3,642)**	**(3,640)**
Loss for the financial year	0	(108)	(108)
Total comprehensive loss	**0**	**(108)**	**(108)**
At 31 March 2025	**2**	**(3,750)**	**(3,748)**

The accompanying notes form an integral part of these financial statements.

LANTERN HOLDCO LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 March 2025

	2025	2024
	£'000	£'000
Operating loss	(18,940)	(3,226)
Adjustment for:		
Impairment loss on property, plant and equipment	742	0
Impairment of goodwill	3,307	0
Share-based payment expense	710	0
Depreciation and amortisation	5,851	1,059
Other adjustments	20	0
Operating cash flows before movement in working capital	**(8,310)**	**(2,167)**
Decrease in debtors	48	6,654
Increase in creditors	3,418	2,143
Cash generated by operations	**(4,844)**	**6,630**
Income taxes paid	(33)	0
Interest paid	(19)	0
Net cash flows from operating activities	**(4,896)**	**6,630**
Cash flows from investing activities		
Interest received	176	490
Proceeds from disposal of subsidiaries net of cash disposed	0	500
Acquisition of tangible fixed assets	(103,513)	(139,870)
Loans advanced	0	(22,518)
Acquisition of a subsidiary net of cash acquired	0	(14,967)
Net cash flows from investing activities	**(103,337)**	**(176,365)**
Cash flows from financing activities		
Proceeds from loans	115,257	86,481
Net cash flows from financing activities	**115,257**	**86,481**
Net increase/(decrease) in cash and cash equivalents	**7,024**	**(83,254)**
Cash and cash equivalents at beginning of year	5,257	88,511
Cash and cash equivalents at end of year	**12,281**	**5,257**
Reconciliation to cash at bank and in hand:		
Cash at bank and in hand at end of year	12,281	5,257
Cash and cash equivalents at end of year	**12,281**	**5,257**

The accompanying notes form an integral part of these financial statements.

1. Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the financial year and to the preceding financial year, unless otherwise stated.

General information and basis of accounting

Lantern Holdco Limited (the Group) is a private company, limited by shares, incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales. The address of the Group's registered office is 16 Stratford Place, London, W1C 1BF, United Kingdom. These financial statements comprise the consolidated financial statements of the Company and its subsidiary undertakings (together referred to as "the Group").

The principal activities are set out in the Directors' Report.

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with Financial Reporting Standard 102 (FRS 102) applicable in the UK and Republic of Ireland issued by the Financial Reporting Council and the requirements of the Companies Act 2006.

The financial statements are presented in pounds sterling which is the functional currency of the Group and rounded to the nearest £'000.

Lantern Holdco Limited meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it. Exemptions have been taken in relation to share-based payments, financial instruments, presentation of a Cash Flow Statement and remuneration of key management personnel.

Going concern

The financial statements of the Company and the Group have been prepared on a going concern basis which the directors consider to be appropriate as at the date of their approval for the reasons outlined below.

Excluding debtors falling due after more than one year, as at 31 March 2025, the Group had net current liabilities of £15,234,000 (2024: 33,683,000) and net assets of £7,182,000 (2024: £30,401,000). Excluding debtors falling due after more than one year, the Company had net current liabilities of £3,749,000 (2024: £3,641,000) and net liabilities of £3,748,000 (2024: £3,640,000).

The Group continues to draw on the generated cash reserves and the funds available under the facility with its Senior Funder and the Group banking facilities. The Group's strategy is to repay these loans through the development and sale of energy projects or otherwise through cash flows and returns generated from the operation of the energy projects that are being developed by the Group. The development of such projects typically takes between two and five years.

The Group continues to perform broadly in line with agreed business plan, with historical disposals of projects achieving premiums above the carrying value of the investments. The directors consider that the Group is well positioned to continue with the development and construction programmes on its existing projects and to deliver significant value to its Shareholders.

The directors have assessed the overall risks and performance of the Company and the Group using the evidence available to them. Forecasts and projections have been prepared together with a range of sensitivities modelled to allow for reasonable changes in performance, and these show that the Group and the Company has sufficient liquidity over the outlook period.

As at the date of approval of these financial statements, the Group had no further funding commitments in relation to the Earls Gate or the North Kyle Projects. Latest modelling of financial projections for the operational life of these projects continues to show that the projects will deliver satisfactory returns to the Group and its Shareholders and will generate cash flows which will support the Group's debt servicing and repayment obligations in relation to the Group banking facilities.

In preparing their financial projections, the directors have considered certain financing initiatives which are expected to generate significant funds for the Company and the Group. As at the date of approval of these financial statements, these financing initiatives have been completed, with the directors expecting that the proceeds generated through these initiatives will support the Company's and the Group's funding and financial support commitments. Additionally, subsequent to the balance sheet date, the Senior Loans have been amended to increase the available funding limits to a level that supports cash flow projections and funding requirements of the Group for the period extending beyond 12 months from the date of approval of these financial statements (the going concern assessment period).

The directors note that the Shareholders and its Senior Funder remain supportive of the Group's activities, as demonstrated through the amount of funding advanced to the Group during and subsequent to the year-end and the latest increases to the available funding limits. The directors have no expectation that the Senior Funder and the Shareholders will not continue to provide the financial support required by the Company and the Group.

The directors acknowledge the risks and uncertainties associated with the TMO4+ reforms which are impacting the wider energy market. The Group is in the process of analysing the results of the initial application process on its projects and the wider UK energy market. Whilst this creates uncertainty with regards to some of the projects that are being developed by the Group, the directors do not consider this to impact the ability of the Company or the Group to continue as a going concern.

Based on the above considerations, the directors have concluded that it is appropriate to present the financial statements on a going concern basis, as they consider that the Group and the Company will continue as a going concern for a period of at least 12 months from the date of signing the financial statements.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiary undertakings made up to 31 March 2025. A subsidiary is an entity that is controlled by the parent. The results of subsidiary undertakings are included in the consolidated profit and loss account from the date that control commences until the date that control ceases. Control is established when the Company has the power to govern the operating and financial policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that are currently exercisable.

An associate is an entity in which the Group has significant influence, but not control, over the operating and financial policies of the entity. Significance influence is presumed to exists when the investors hold between 20% and 50% of the equity voting rights.

A joint venture is a contractual arrangement undertaking in which the Group exercises joint control over the operating and financial policies of the entity. Where the joint venture is carried out through an entity, it is treated as a jointly controlled entity. The Group's share of the profits less losses of associates and of jointly controlled entities is included in the consolidated profit and loss account and its interest in their net assets is recorded on the balance sheet using the equity method.

Where a Group company is party to a joint venture which is not an entity that Company accounts directly for its part of the income and expenditure, assets, liabilities and cash flows. Such arrangements are reported in the consolidated financial statements on the same basis.

Under Section 408 of the Companies Act 2006 the Company is exempt from the requirement to present its own profit and loss account and the related notes.

In the parent company financial statements, investments in subsidiaries, jointly controlled entities and associates are carried at cost less impairment.

Business combinations

Business combinations are accounted for using the purchase method as at the acquisition date, which is the date on which control is transferred to the entity.

At the acquisition date, the Group recognises goodwill as:

•the fair value of the consideration (excluding contingent consideration) transferred; plus
•estimated amount of contingent consideration (see below); plus
•the fair value of the equity instruments issued; plus
•directly attributable transaction costs; less
•the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities and contingent liabilities assumed.

Foreign currency

Transactions in foreign currencies are translated to the Company's functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined. Foreign exchange differences arising on translation are recognised in the profit and loss account.

Turnover

Turnover represents the amounts receivable from the provision of engineering, consultancy and management services to customers. Turnover is measured at the fair value of the right to consideration net of sales rebates, discounts and value added tax. Turnover is recognised at "point in time" which is in line with contractual performance obligations being satisfied.

Employee benefits

Defined contribution schemes
A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees.

Share-based payment

Share-based payment arrangements in which the Group receives goods or services as consideration for its own equity instruments are accounted for as equity-settled share-based payment transactions, regardless of how the equity instruments are obtained by the Group. Under equity-settled arrangements, the fair value of the instruments at the date of grant is charged to profit and loss over the vesting period.

Share-based payment transactions in which the Group receives goods or services by incurring a liability to transfer cash or other assets that is based on the price of the Group's equity instruments are accounted for as cash-settled share-based payments. The Group recognises a liability which is remeasured to the fair value of the liability at each reporting date and at settlement date. Any changes in the fair value of the liability are recognised as personnel expense in profit or loss.

The Group assesses the appropriate treatment and quantification of share based payments initially and at each reporting date whether share based payments are classified as equity-settled or cash-settled, according to the terms of the award and their expectation of the most likely outcome for each award.

Certain classes of the shares of Group's undertakings (A, B and C shares) have been issued to employees of other Group undertakings. The Group has placed restrictions in relation to employees who own them, via the Articles of Association. The restrictions on the shares are linked to employment and providing service to the Group, with employees ultimately becoming entitled to the full fair value of the shares if they are employed at an exit event. If an employee holding B shares leaves as a good leaver ahead of an exit event, the Group retains the discretion as to whether to repurchase the shares at fair value at the date of leaving. If an employee holding B shares leaves as a bad leaver, the employee will receive the lower of fair value at the date of leaving and the original subscription price. If an employee holding A or C shares leaves as a good leaver ahead of an exit event, the Group retains the discretion as to whether to repurchase the shares at fair value at the date of leaving. If an employee holding A or C shares leaves as a bad leaver ahead of an exit event, the employee will receive the fair value of the shares at the date of leaving. The settling entity within the Group will recognise the share based payment for the employees of its subsidiary as an increase in the cost of investment.

Finance costs

Interest payable and similar expenses include interest payable, finance expense on shares classified as liabilities and finance leases recognised in profit or loss using the effective interest method, unwinding of the discount on provisions, and net foreign exchange losses that are recognised in the profit and loss account (see foreign currency accounting policy). Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that takes a substantial time to be prepared for use, are capitalised as part of the cost of that asset. Other interest receivable and similar income include interest receivable on funds invested and net foreign exchange gains.

Interest income and interest payable is recognised in profit or loss as it accrues, using the effective interest method. Foreign currency gains and losses are reported on a net basis.

Taxation

Tax on the profit or loss 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 directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met; and differences relating to investments in subsidiaries, joint ventures to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is provided in respect of the additional tax that will be paid or avoided on differences between the amount at which an asset (other than goodwill) or liability is recognised in a business combination and the corresponding amount that can be deducted or assessed for tax. Goodwill is adjusted by the amount of such deferred tax. Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

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

Intangible assets

Intangible assets are amortised as follows:

Goodwill	5 years straight line

Goodwill

Goodwill is stated at cost less any accumulated amortisation and accumulated impairment losses. Goodwill is allocated to cash-generating units or group of cash-generating units that are expected to benefit from the synergies of the business combination from which it arose.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Where parts of an item of tangible fixed assets have different useful lives, they are accounted for as separate items of tangible fixed assets. The Group assesses at each reporting date whether the tangible fixed assets are impaired.

Capitalised costs include all costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in a manner intended by the management. Borrowing costs that are directly attributable to the construction of a qualifying asset (which is an asset necessarily taking a substantial period of time to be prepared for its intended use) are capitalised as part of the cost of the asset. Capitalisation ceases when substantially all activities that are necessary to prepare the asset for its intended use are complete.

Depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets. Land is not depreciated. Assets in the course of construction are not depreciated until they are available for use. The estimated useful lives for other assets held by the Group are as follows:

Depreciation is charged to the profit and loss account over the estimated useful lives of each part of an item of tangible fixed assets as detailed below. Assets in the course of construction are not depreciated until they are available for use.

Depreciation methods, useful lives and residual values are reviewed at each balance sheet date.

Vehicles	4 years straight line
Fixtures and fittings	2 - 7 years straight line
Office equipment	3 years straight line
Assets in the course of construction	not depreciated

Residual value represents the estimated amount which would currently be obtained from disposal of an asset, after deducting estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

Leases

The Group as lessee
For assets held under finance leases, minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability using the rate implicit in the lease. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Contingent rents are charged as expenses in the periods in which they are incurred.

Payments (excluding costs for services and insurance) made under operating leases are recognised in the profit and loss account on a straight-line basis over the term of the lease unless; (I) the payments to the lessor are structured to increase in line with expected general inflation, in which case the payments related to the structured increases are recognised as incurred; (ii) the Group has received temporary rent concessions as a direct consequence of the COVID-19 pandemic or (iii) costs are directly attributable to the construction of a qualifying asset. Lease incentives received are recognised in profit and loss over the term of the lease as an integral part of the total lease expense.

Impairment of assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each Balance Sheet date. If there is objective evidence of impairment, an impairment loss is recognised in the Statement of Comprehensive Income as described below.

Non-financial assets
At each balance sheet date, the Group reviews its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss.

If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Financial assets
An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

For financial assets carried at amortised cost, the amount of impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument.

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

Financial assets and liabilities are only offset in the Balance Sheet when, and only when there exists a legally enforceable right to set off the recognised amounts and the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Basic financial assets
Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Financial assets are derecognised when and only when the contractual rights to the cash flows from the financial asset expire or are settled, or the Group transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or the Group, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Basic financial liabilities
Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

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

Investments
In the parent company financial statements, investments in subsidiaries, jointly controlled entities and associates are carried at cost less impairment.

Equity instruments
In accordance with FRS 102.22, financial instruments issued by the Group are treated as equity (i.e. forming part of shareholders' funds) only to the extent that they meet the following two conditions:

a)they include no contractual obligations upon the Group to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Group; and

b)where the instrument will or may be settled in the Group's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Group's own equity instruments or is a derivative that will be settled by the Group's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the Group's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

Derivative financial instruments
Derivative financial instruments are recognised at fair value. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss. However, where derivatives qualify for hedge accounting, recognition of any resultant gain or loss depends on the nature of the item being hedged (see below).

Cash flow hedges
Where a derivative financial instrument is designated as a hedge of the variability in cash flows of a recognised asset or liability, or a highly probable forecast transaction, the effective part of any gain or loss on the derivative financial instrument is recognised directly in Other comprehensive income. Any ineffective portion of the hedge is recognised

immediately in profit or loss.

When the forecast transaction subsequently results in the recognition of a non-financial item (including a non-financial item that becomes a firm commitment for which fair value hedge accounting is applied – see above), the associated cumulative gain or loss is removed from the cash flow hedging reserve and is included in the initial carrying amount of the non-financial asset or liability.

For all other hedged items, the associated cumulative gain or loss is reclassified from the cash flow hedge reserve to profit or loss in the same period or periods during which the hedged expected future cash flows affect profit or loss.

When a hedging instrument expires or is sold, terminated or exercised, or the entity discontinues designation of the hedge relationship but the hedged forecast transaction is still expected to occur, the cumulative gain or loss at that point remains in equity and is recognised in accordance with the above policy when the transaction occurs. If the hedged transaction is no longer expected to take place, the cumulative unrealised gain or loss recognised in equity is recognised in the income statement immediately.

Fair value hedges
Where a derivative financial instrument is designated as a hedge of the variability in fair value of a recognised asset or liability or an unrecognised firm commitment, all changes in the fair value of the derivative are recognised immediately in profit or loss. The carrying value of the hedged item is adjusted by the change in fair value that is attributable to the risk being hedged (even if it is normally carried at cost or amortised cost) and any gains or losses on remeasurement are recognised immediately in the income statement (even if those gains would normally be recognised directly in reserves).

If hedge accounting is discontinued and the hedged financial asset or liability has not been derecognised, any adjustments to the carrying amount of the hedged item are amortised into profit or loss using the effective interest method over the remaining life of the hedged item.

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

A provision is recognised in the balance sheet when the entity has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the amount required to settle the obligation at the reporting date.

Where the parent company enters into financial guarantee contracts to guarantee the indebtedness of other companies within the Group, the Company treats the guarantee contract as a contingent liability in its individual financial statements until such time as it becomes probable that the Company will be required to make a payment under the guarantee.

2. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.
The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.
The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the financial year in which the estimate is revised if the revision affects only that period, or in the financial year
of the revision and future periods if the revision affects both current and future periods.

Deferred contingent consideration and goodwill

Deferred contingent consideration, recognised at the acquisition of BEL4 Limited by BEL4 Bidco Limited, represented the present value of the estimated amount payable for projects which were considered probable of reaching the required milestone for payment. This estimate undergoes re-assessment at each balance sheet date based on the indicators that exist as at the balance sheet date. The provision is adjusted accordingly and the corresponding impact on goodwill, amortisation and impairment is recognised.

The deferred contingent consideration balance, and the corresponding recognition within goodwill, represents a significant estimate within these financial statements and is a key source of estimation uncertainty.

3. Turnover

Turnover represents the amounts receivable from the provision of engineering, consultancy and management services to customers. Turnover is measured at the fair value of the right to consideration net of sales rebates, discounts and value added tax.

Turnover is wholly attributable to the principal activity of the Group and arises solely within the United Kingdom.

4. Interest receivable and interest payable

	2025	2024
	£'000	£'000
Interest receivable and similar income	8,162	6,127
Interest payable and similar expenses	(18,859)	(13,779)
	(10,697)	**(7,652)**

Interest receivable and similar income

	2025	2024
	£'000	£'000
Bank interest	176	490
Interest from group undertakings	7,478	5,637
Other interest receivable and similar income	508	0
	8,162	**6,127**

Interest from group undertakings represents interest accrued on loans from joint ventures. Other interest receivable and similar income represents the ineffective portion of gains on derivatives treated as cash flow hedges.

Interest payable and similar expenses

	2025	2024
	£'000	£'000
Other interest payable and similar expense	(13,434)	(10,559)
Borrowing costs capitalised	(5,425)	(3,220)
	(18,859)	**(13,779)**

Other interest payable and similar expense represents interest payable to related parties of £13,415,000 (2024: £10,376,000) and other finance costs of £19,000 (2024: £183,000).

Borrowing costs capitalised represent amounts directly attributable to development of assets under construction.

5. Loss before taxation

Loss before taxation is stated after charging/(crediting):

	2025	2024
	£'000	£'000
Depreciation of tangible fixed assets (note 13)	83	34
Impairment of tangible fixed assets (note 13)	742	0
Amortisation of intangible assets (note 12)	5,768	1,025
Impairment of intangible assets (note 12)	3,307	0

6. Auditor's remuneration

An analysis of the auditor's remuneration is as follows:

	2025	2024
	£'000	£'000
Fees payable to the Group's auditor and its associates for the audit of the Group's annual financial statements:	76	88
Fees payable to the Group's auditor and its associates for other services:		
Audit of the accounts of subsidiaries	241	253
Total audit fees	**317**	**341**

7. Staff number and costs

	Group	Group
	2025	2024
	Number	Number
The average monthly number of employees (including directors) was:		
Directors	8	7
Project development, administration and services	29	32
	37	**39**

Their aggregate remuneration comprised:

	Group	Group
	2025	2024
	£'000	£'000
Wages and salaries	4,355	3,136
Social security costs	480	338
Other retirement benefit costs (note 24)	165	140
	5,000	**3,614**

The Company had no employees during the current or the prior year. None of the directors received any remuneration or benefits from the Company in respect of the services they have provided during the current or the prior year.

8. Directors' remuneration

	2025	2024
	£'000	£'000
Directors' emoluments	1,510	878
Company contributions to money purchase pension schemes	48	25
	1,558	**903**

9. Tax on loss

	2025	2024
	£'000	£'000
Current tax on loss		
UK corporation tax	0	0
Total current tax	**0**	**0**
Deferred tax		
Origination and reversal of timing differences	181	7
Total deferred tax	**181**	**7**
Total tax on loss	**181**	**7**

Tax reconciliation

The tax assessed for the year is higher than (2024: higher than) the standard rate of corporation tax in the UK:

	2025	2024
	£'000	£'000
Loss before taxation	**(29,669)**	**(5,752)**
Tax on loss at standard UK corporation tax rate of 25% (2024: 25%)	(7,417)	(1,438)
Effects of:		
Expenses not deductible for tax purposes	5,934	1,237
Income not taxable in determining taxable profit	(58)	(476)
Utilisation of tax losses not previously recognised	0	12
Change in unrecognised deferred tax assets	1,722	546
Impact of tax rate changes	0	125
Rounding	0	1
Total tax charge for year	**181**	**7**

A deferred tax expense of £2,114,000 (2024: -£2,302,000) has been recognised as a component of other comprehensive income in relation to derivative financial instruments (note 21).

10. Other non-operating income

	2025	2024
	£'000	£'000
Profit on disposal of fixed asset investments	0	500

In the prior year, the Group received £500,000 of deferred consideration in relation to the sale of a former Group undertaking which was completed in 2020.

11. (Loss)/income from shares in a Group undertaking

	2025	2024
	£'000	£'000
(Loss)/income from shares in a joint venture	(5,457)	1,406

12. Intangible assets

Group

	Goodwill	Total
	£'000	£'000
Cost		
At 01 April 2024	35,870	35,870
Subsequent changes to the estimate of deferred contingent consideration amounts (note 18)	15,829	15,829
Measurement period adjustment	(1,037)	(1,037)
At 31 March 2025	**50,662**	**50,662**
Accumulated amortisation		
At 01 April 2024	7,142	7,142
Charge for the financial year	5,768	5,768
Impairment losses	3,307	3,307
At 31 March 2025	**16,217**	**16,217**
Net book value		
At 31 March 2025	**34,445**	**34,445**
At 31 March 2024	28,728	28,728

Amortisation of intangible fixed assets is included in administrative expenses.

The impairment loss relates to cancelled projects and projects where indicators of cancellation existed at the balance sheet date.

13. Tangible assets

Group

	Vehicles	Fixtures and fittings	Office equipment	Assets in the course of construction	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
At 01 April 2024	103	197	9	183,369	183,678
Additions	16	12	7	96,164	96,199
Disposals	(8)	(4)	0	0	(12)
At 31 March 2025	**111**	**205**	**16**	**279,533**	**279,865**
Accumulated depreciation					
At 01 April 2024	32	70	0	0	102
Charge for the financial year	23	57	3	0	83
Impairment losses	0	0	0	742	742
Rounding	0	0	1	0	1
At 31 March 2025	**55**	**127**	**4**	**742**	**928**
Net book value					
At 31 March 2025	**56**	**78**	**12**	**278,791**	**278,937**
At 31 March 2024	71	127	9	183,369	183,576

Assets in the course of construction comprise development, planning and construction costs directly attributable to the development of energy projects. Included within the carrying amount is £3,726,000 in relation to projects at an early stage of the development.

Impairment of assets in the course of construction relates to energy projects under development where indicators of project cancellation existed as at the balance sheet date.

Following the initial results under the TMO4+ review which were published subsequent to the year-end, the directors consider that the book value of the assets in the course of construction held in relation to these projects is at risk of future impairment due to the projects not securing the Gate 2 protected status as part of the initial evidence submission process.

14. Fixed asset investments

Group

	Investments in joint ventures	Total
	£'000	£'000
Cost or valuation before impairment		
At 01 April 2024	15,723	15,723
Share of losses	(5,456)	(5,456)
Share of other comprehensive income	42	42
At 31 March 2025	**10,309**	**10,309**
Carrying value at 31 March 2025	**10,309**	**10,309**
Carrying value at 31 March 2024	15,723	15,723

The above opening balance includes a share of post-acquisition reserves of £7,777,000.

Company

	Investments in subsidiaries	Total
	£'000	£'000
Cost or valuation before impairment		
At 01 April 2024	1	1
At 31 March 2025	**1**	**1**
Carrying value at 31 March 2025	**1**	**1**
Carrying value at 31 March 2024	1	1

Investments in subsidiaries

At the balance sheet date, the Company held interests in the following undertakings:

Name of entity	Registered office	Principal activity	Class of shares	Ownership 31.03.2025	Ownership 31.03.2024	Held
Brockwell Holdings Limited	16 Stratford Place, London, England, W1C 1BF	Holding company	Ordinary	100.00%	100.00%	Direct
Brockwell Energy Group Limited	16 Stratford Place, London, England, W1C 1BF	Development of energy projects	Ordinary	100.00%	100.00%	Indirect
Brockwell Energy Limited	The Eagle Building-Third Floor, 19 Rose Street, Edinburgh, EH2 2PR	Development of energy projects	Ordinary	100.00%	100.00%	Indirect
North Kyle Wind Farm Holdings Limited	C/O Brockwell Energy Ltd, The Eagle Building-Third Floor, 19 Rose Street, Edinburgh, EH2 2PR	Development of onshore wind renewable energy projects	Ordinary	100.00%	100.00%	Indirect

North Kyle Wind Farm Limited	C/O Brockwell Energy Ltd, The Eagle Building-Third Floor, 19 Rose Street, Edinburgh, EH2 2PR	Development of onshore wind renewable energy projects	Ordinary	100.00%	100.00%	Indirect
Brockwell Gas Limited	C/O Brockwell Energy Ltd, The Eagle Building-Third Floor, 19 Rose Street, Edinburgh, EH2 2PR	Dormant	Ordinary	100.00%	100.00%	Indirect
Westfield Energy Limited	C/O Brockwell Energy Ltd, The Eagle Building-Third Floor, 19 Rose Street, Edinburgh, EH2 2PR	Development of energy projects	Ordinary	100.00%	100.00%	Indirect
Glentaggart Wind Limited	C/O Brockwell Energy Ltd, The Eagle Building-Third Floor, 19 Rose Street, Edinburgh, EH2 2PR	Development of energy projects	Ordinary	100.00%	100.00%	Indirect
Breezy Hill Energy Limited	C/O Brockwell Energy Ltd, The Eagle Building-Third Floor, 19 Rose Street, Edinburgh, EH2 2PR	Development of energy projects	Ordinary	100.00%	100.00%	Indirect
Brockwell Energy Services Limited	C/O Brockwell Energy Ltd, The Eagle Building-Third Floor, 19 Rose Street, Edinburgh, EH2 2PR	Provision of services to renewable energy developments	Ordinary	100.00%	100.00%	Indirect
Brockwell Wind Developments Limited	C/O Brockwell Energy Ltd, The Eagle Building-Third Floor, 19 Rose Street, Edinburgh, EH2 2PR	Provision of services to renewable energy developments	Ordinary	100.00%	100.00%	Indirect
BEL3 Limited	C/O Brockwell Energy Ltd, The Eagle Building-Third Floor, 19 Rose Street, Edinburgh, EH2 2PR	Holding company	Ordinary	100.00%	100.00%	Indirect
BEL1 Holding Limited	C/O Brockwell Energy Ltd, The Eagle Building-Third Floor, 19 Rose Street, Edinburgh, EH2 2PR	Holding company	Ordinary	100.00%	100.00%	Indirect
BEL1 Limited	C/O Brockwell Energy Ltd, The Eagle Building-Third Floor, 19 Rose Street, Edinburgh, EH2 2PR	Holding company	Ordinary	100.00%	100.00%	Indirect
Brockwell Gas Holdings Limited	C/O Brockwell Energy Ltd, The Eagle Building-Third Floor, 19 Rose Street, Edinburgh, EH2 2PR	Dormant	Ordinary	100.00%	100.00%	Indirect
EGEC Holdings Limited	C/O Brockwell Energy Ltd, The Eagle Building-Third Floor, 19 Rose Street, Edinburgh, EH2 2PR	Development of energy projects	Ordinary	50.00%	50.00%	Indirect

Earls Gate Energy Centre Limited	C/O Brockwell Energy Ltd, The Eagle Building-Third Floor, 19 Rose Street, Edinburgh, EH2 2PR	Development of energy projects	Ordinary	50.00%	50.00%	Indirect
Earls Gate Gridco Limited	Earls Road, Grangemouth, FK3 8XG	Grid infrastructure ownership and operation	Ordinary	50.00%	50.00%	Indirect
Brockwell Energy Group (2) Limited	16 Stratford Place, London, England, W1C 1BF	Development of energy projects	Ordinary	100.00%	100.00%	Indirect
BEL4 Bidco Limited	16 Stratford Place, London, England, W1C 1BF	Holding company	A Ordinary	100.00%	100.00%	Indirect
BEL4 Limited	16 Stratford Place, London, England, W1C 1BF	Holding company	A Ordinary	100.00%	100.00%	Indirect
Brockwell Storage & Solar Limited	16 Stratford Place, London, England, W1C 1BF	Development of energy projects	Ordinary	100.00%	100.00%	Indirect
BSSL Bedfordshire 1 Ltd	16 Stratford Place, London, England, W1C 1BF	Development of energy projects	Ordinary	100.00%	100.00%	Indirect
BSSL Cambsbed 1 Ltd	16 Stratford Place, London, England, W1C 1BF	Development of energy projects	Ordinary	100.00%	100.00%	Indirect
BSSL Clackmannanshire 1 Ltd	16 Stratford Place, London, England, W1C 1BF	Development of energy projects	Ordinary	100.00%	100.00%	Indirect
BSSL Derbyshire 1 Ltd	16 Stratford Place, London, England, W1C 1BF	Development of energy projects	Ordinary	100.00%	100.00%	Indirect
BSSL East Ayrshire 1 Ltd	16 Stratford Place, London, England, W1C 1BF	Development of energy projects	Ordinary	100.00%	100.00%	Indirect
BSSL East Lothian 1 Ltd	16 Stratford Place, London, England, W1C 1BF	Development of energy projects	Ordinary	100.00%	100.00%	Indirect
BSSL Gwynedd 1 Ltd	16 Stratford Place, London, England, W1C 1BF	Development of energy projects	Ordinary	100.00%	100.00%	Indirect
BSSL Herts 2 Ltd	16 Stratford Place, London, England, W1C 1BF	Development of energy projects	Ordinary	100.00%	100.00%	Indirect
BSSL Herts 3 Ltd	16 Stratford Place, London, England, W1C 1BF	Development of energy projects	Ordinary	100.00%	100.00%	Indirect
BSSL Lincs 1 Ltd	16 Stratford Place, London, England, W1C 1BF	Development of energy projects	Ordinary	100.00%	100.00%	Indirect
BSSL Oxfordshire 1 Ltd	16 Stratford Place, London, England, W1C 1BF	Development of energy projects	Ordinary	100.00%	100.00%	Indirect

BSSL Solar Holdco 1 Ltd	16 Stratford Place, London, England, W1C 1BF	Development of energy projects	Ordinary	100.00%	100.00%	Indirect
BSSL Stevenage BESS Ltd	16 Stratford Place, London, England, W1C 1BF	Development of energy projects	Ordinary	100.00%	100.00%	Indirect
BSSL Suffolk 1 Ltd	16 Stratford Place, London, England, W1C 1BF	Development of energy projects	Ordinary	100.00%	100.00%	Indirect
RNA Herts 1 Ltd	16 Stratford Place, London, England, W1C 1BF	Development of energy projects	Ordinary	100.00%	100.00%	Indirect
RNA Kent 1 Ltd	16 Stratford Place, London, England, W1C 1BF	Development of energy projects	Ordinary	100.00%	100.00%	Indirect
RNA Kent 2 Ltd	16 Stratford Place, London, England, W1C 1BF	Development of energy projects	Ordinary	100.00%	100.00%	Indirect
RNA Kent 3 Ltd	16 Stratford Place, London, England, W1C 1BF	Development of energy projects	Ordinary	100.00%	100.00%	Indirect

In the opinion of the directors, the recoverable amount of the investments is at least equal to their carrying amount.

15. Debtors

	Group 2025 £'000	Group 2024 £'000	Company 2025 £'000	Company 2024 £'000
Debtors: amounts falling due within one year				
Trade debtors	865	31	0	0
Amounts owed by Group undertakings (note 26)	0	0	4,104	3,043
Amounts owed by joint ventures (note 26)	59	157	0	0
Amounts owed by connected persons (note 26)	346	100	0	0
Amounts owed by related parties (note 26)	1	0	0	0
VAT recoverable	517	1,254	51	51
Other debtors	4,956	545	0	0
Prepayments and accrued income	2,069	1,956	1	0
Derivative financial instruments	0	477	0	0
	8,813	**4,520**	**4,156**	**3,094**
Debtors: amounts falling due after more than one year				
Amounts owed by joint ventures (note 26)	73,626	66,151	0	0
Other taxation and social security	33	0	0	0
Other debtors	430	4,523	0	0
Derivative financial instruments	1,127	0	0	0
Deferred tax asset	0	2,295	0	0
	75,216	**72,969**	**0**	**0**

Other debtors represent cash deposits held on behalf of the Group by National Grid as a security in respect of the cancellation charges under the Company’s grid connection offers, amounts held on account with legal advisors, and an office deposit.

16. Creditors: amounts falling due within one year

	Group	Group	Company	Company
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Bank loans (secured)	5,999	849	0	0
Trade creditors	815	499	0	0
Amounts owed to related parties (note 26)	8,351	7,151	7,843	6,643
Corporation tax	0	8	0	0
Payroll taxes payable	152	293	0	0
VAT	103	222	0	0
Accruals and deferred income	19,263	33,118	93	130
Derivative financial instruments (note 21)	1,062	1,074	0	0
Other creditors	583	246	0	0
	36,328	**43,460**	**7,936**	**6,773**

Bank loans outstanding are secured on the assets and undertakings of the North Kyle Wind Farm Limited. The securities also restrict the North Kyle Wind Farm Limited by way of negative pledge. Interest is payable at a variable rate of SONIA + Bank Margin.

Bank loans represent a revolving VAT Facility of £4,001,000 (2024: £849,000) and Term Loan instalments of £1,998,000 (2024: £Nil) falling due within one year. Secured debts of £5,999,000 includes unamortised loan arrangement and commitment costs totalling £42,000 (2024: £89,000). Excluding unamortised associated costs, secured debts are £6,041,000 (2024: £938,000).

17. Creditors: amounts falling due after more than one year

	Group 2025 £'000	Group 2024 £'000
Bank loans (secured)	140,768	34,800
Other loans (secured)	3,743	3,004
Amounts owed to connected persons (note 26)	715	650
Amounts owed to related parties (note 26)	202,409	180,234
Derivative financial instruments (note 21)	0	7,877
	347,635	**226,565**

Bank loans outstanding are secured on the assets and undertakings of the below Group companies. The securities also restrict the Group companies by way of negative pledge. Interest is payable at a variable rate of SONIA + Bank Margin.

BEL3 Limited - £10,608,000 (2024: £Nil) stated net of £400,000 of arrangement fees and includes £7,000 of outstanding accrued interest.

North Kyle Wind Farm Limited - £130,160,000 (2024: £34,800,000), which includes unamortised loan arrangement and commitment costs totalling £4,300,000 (2024: £4,200,000) of which £205,000 (2024: £89,000) is attributable to amounts falling due within one year. Excluding unamortised associated costs, secured debts are £134,460,000 (2024: £39,000,000).

Other loans represent loans from a third party development finance provider which do not bear interest. Amounts outstanding are secured on the assets and undertakings of BSSL Solar Holdco 1 Limited. The securities also restrict BSSL Solar Holdco 1 Limited and its undertakings by way of negative pledge. Repayment terms are linked to certain specific milestones being achieved on the projects. As at the balance sheet date, these milestones were expected to to fall between 2 and 5 years from the balance sheet date.

Bank loans

	Group 2025 £'000	Group 2024 £'000
Between one and two years	17,109	5,056
Between two and five years	10,595	15,303
After five years	113,064	14,441
	140,768	**34,800**
On demand or within one year	5,999	849
	146,767	**35,649**

18. Provision for liabilities

Group

	2025	2024
	£'000	£'000
Other provisions	28,856	10,347

	Other	Total
	£'000	£'000
At 01 April 2024	**10,347**	**10,347**
Decommissioning obligations in relation to the North Kyle Project	2,680	2,680
Adjustments to deferred contingent consideration assessed as probable as at the balance sheet date (note 12)	15,829	15,829
At 31 March 2025	**28,856**	**28,856**

The Group provision represents the following:

£2,680,000 (2024: £Nil) relating to decommissioning obligations in relation to the North Kyle Project. The amount recognised at the balance sheet date in respect of the decommissioning provision represents an initial estimate of the future cost of decommissioning the wind farm at the end of its operational life. The estimate will be reviewed annually to take into account any material changes in the underlying assumptions and variables.

£26,176,000 (2024: £10,347,000) relating to estimated amounts payable as deferred contingent consideration for the acquisition of BEL 4 Limited by BEL4 Bidco Limited.

Deferred contingent consideration is estimated and subject to assessment and revision at the end of each financial period. Payment is linked to certain specific milestones being achieved on the projects. As at balance sheet date, these milestones were not expected to be achieved within 12 months from the balance sheet date.

19. Deferred tax

	Group	Group
	2025	2024
	£'000	£'000
At the beginning of financial year	2,295	0
Charged to the Profit and Loss Account	(181)	(7)
(Charged)/credited to the Statement of Comprehensive Income	(2,114)	2,302
At the end of financial year	**0**	**2,295**

The deferred taxation balance is made up as follows:

	Group	Group
	2025	2024
	£'000	£'000
Tax losses carry forward	0	126
Temporary differences - non-trading	0	742
Temporary differences - trading	0	2,316
Fixed asset timing differences	0	(889)
	0	**2,295**

As at the balance sheet date, unrecognised deferred tax assets amounted to £6,047,000 (2024: £4,683,000). This arises primarily from losses where recoverability is uncertain.

20. Financial instruments

The carrying values of the Group's financial assets and liabilities are summarised by category below:

	Group 2025 £'000	Group 2024 £'000	Company 2025 £'000	Company 2024 £'000
Financial assets				
Measured at fair value and designated in an effective hedging relationship				
Derivative financial assets (note 21)	1,127	477	0	0
Debt instruments measured at amortised cost				
Amounts owed by joint ventures (note 15)	73,685	66,308	0	0
Amounts owed by Group undertakings (note 15)	0	0	4,104	3,043
	74,812	**66,785**	**4,104**	**3,043**
Financial liabilities				
Measured at fair value and designated in an effective hedging relationship				
Derivative financial liabilities (note 21)	(1,062)	(8,951)	0	0
Measured at amortised cost				
Bank loans and other loans	(150,510)	(38,653)	0	0
Amounts owed to related parties (note 16 and note 17)	(210,760)	(187,385)	(7,843)	(6,643)
	(362,332)	**(234,989)**	**(7,843)**	**(6,643)**

The above excludes financial instruments measured at undiscounted amount receivable or undiscounted amount payable. There is considered to be no difference between the carrying amounts of the above financial instruments and their fair values.

21. Derivative financial instruments

	Due within one year		Due after one year	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Assets				
Interest rate swaps	0	477	1,127	0
Liabilities				
Forward foreign currency contracts	(920)	(1,074)	0	(83)
Interest rate swaps	(142)	0	0	(7,794)
	(2,124)	**(1,671)**	**1,127**	**(15,754)**

Interest rate swaps
The Group uses derivatives to hedge its variable interest rate risks. To hedge the potential volatility in future interest cash flows arising from movements in SONIA, at Financial Close of the North Kyle Wind Farm Project, the Group entered into floating to fixed interest rate swaps with a nominal value equal to that of the committed amount under the Term Loan Facility from the senior lenders.

The analysis of the contractual cashflows is as follows:

0-1 years -£150,000 (2024: £493,000)
1-2 years -£570,000 (2024:-£565,000)
2-5 years -£1,285,000 (2024: -£3,957,000)
5-10 years £568,000 (2024: -£5,230,000)
>10 years £3,361,000 (2024: -£3,033,000)

Changes in the fair value of the derivative recognised in other comprehensive income that were determined to be an effective hedge amounted to a loss of £8,411,000 (2024: £7,250,000). The ineffective portion of the gain attributable to interest rate swaps was £537,000 (2024: £Nil). The amount reclassified (debited) from other comprehensive income to the carrying amount of the asset under construction in relation to the interest costs was £579,000 (2024: £54,000).

Foreign exchange forward contracts
The Group uses derivatives to hedge its foreign exchange risk. To hedge the potential exposure related to the underlying costs under the turbine supply agreement for the North Kyle Project denominated in Euros, at Financial Close the Group entered into forward exchange contracts which protect the variability in Sterling payments arising from the contracted costs denominated in Euros. The analysis of the contractual cashflows is as follows:

0-1 years -£21,187,000 (2024: -£59,869,000)
1-2 years £Nil (2024: -£12,355,000)

Changes in the fair value of the derivative recognised in other comprehensive income that were determined to be an effective hedge amounted to a loss of £1,910,000 (2024: £2,683,000). The amount reclassified (credited) from other comprehensive income to the carrying amount of the asset under construction was £2,536,000 (2024: £778,000). The ineffective portion of gains on the derivatives recognised in the profit or loss account was loss of £33,000 (2024: loss of £57,000).

Analysis of other comprehensive income:

Effective portion of changes in fair value of cash flow hedges £8,457,000 (2024: -£9,209,000)
Group's share of other comprehensive income of joint ventures and associates £42,000 (2024: -£153,000)
Less: Related tax expense £2,114,000 (2024: credit of £2,302,000)

22. Called-up share capital and reserves

	2025	2024
	£	£
Allotted, called-up and fully-paid		
700,000 A1 ordinary shares of £ 0.001 each	700	700
700,000 A2 ordinary shares of £ 0.001 each	700	700
215,033 B1 ordinary shares of £ 0.001 each	215	215
84,967 B2 ordinary shares of £ 0.001 each	85	85
215,033 B3 ordinary shares of £ 0.001 each	215	215
84,967 B4 ordinary shares of £ 0.001 each	85	85
	2,000	**2,000**
Presented as follows:		
Called-up share capital presented as equity	2,000	2,000

The holders of the A, B1 and B2 shares are entitled to participate in a distribution of dividends as declared from time to time and shall not confer the right to receive notice of or to attend and vote at a general meeting nor to receive or vote on written resolutions. The holders of the A shares are able to vary their rights with investor consent. The holders of the B1, B2, C and D shares are able to vary their rights with the written consent of the majority of the holders of their share class. The holders of the C and D shares are entitled to vote.

The Group's other reserves are as follows:

The profit and loss reserve represents cumulative profits or losses, net of dividends paid and other adjustments.

The share based payment reserve represents the charge to profit or loss for services received in relation to equity settled share based payments not yet settled.

The hedging reserve represents the cumulative portion of gains and losses on hedging instruments deemed effective in hedging variable interest rate risk of recognised financial instruments or foreign exchange risk in firm commitments or highly probable forecast transactions. Amounts accumulated in this reserve are reclassified to profit or loss in the periods in which the hedged item affects profit or loss or when the hedging relationship ends.

Other reserves in the prior year, as shown on the Consolidated Statement of Changes in Equity, represent the merger reserve, amounting to £710,000, which was subsequently reclassified to the share-based payment reserve in the current year. The remaining balance of other reserves relates to share premium of a subsidiary undertaking which has not yet been paid.

23. Financial commitments

Commitments

Capital commitments are as follows:

	Group 2025 £'000	Group 2024 £'000
Contracted for but not provided for:		
Tangible fixed assets	28,360	97,160

The above amount relates to construction costs contracted but not provided for.

Total future minimum lease payments under non-cancellable operating leases are as follows:

	Group 2025 £'000	Group 2024 £'000
Within one year	110	73
Between one and five years	688	620
After five years	2,957	3,134
Total future minimum lease payments under non-cancellable operating leases	**3,755**	**3,827**

The above amounts relate to operating leases in connection with land.

During the year, £133,000 (2024: £60,000) of costs related to operating leases were capitalised as part of asset under construction balance as a directly attributable cost.

24. Retirement benefit obligations

Defined contribution schemes

The Group operates a defined contribution retirement benefit scheme for all qualifying employees of a Group subsidiary (Brockwell Energy Limited and Brockwell Storage & Solar Limited). The total expense charged to the Statement of Comprehensive Income in the period was £165,000. The amount outstanding as at the balance sheet date was £30,000 and is included within other creditors.

25. Contingencies

Contingent liabilities

	2025	2024
	£'000	£'000
Total contingent liabilities	35,709	36,489

According to the requirements in the Connection and Use of System Code ("CUSC"), certain Group companies will be liable for all related investments carried out by the transmission owner to the onshore grid infrastructure in order to accommodate the connection of the energy projects to the grid. Upon cancellation or reduction of the project's capacity within a certain timeframe, the Group entities would be liable for all local works that have been carried out up to that point and for a percentage share of all related wider works whether or not these works have commenced.

As at the balance sheet date, National Grid held cash securities totalling £3,932,000 (2024: £4,490,000) in respect of the attributable cancellation charges stemming from the actual attributable liabilities of £26,821,000 (2024: £27,601,000) and applicable VAT. This security was provided by the Group in the form of refundable cash deposits and included within other debtors.

Also included in the above amounts are contingent liabilities in relation to a security bond provided by the Group to a third party in relation to the North Kyle Project.

As at the date of approval of these financial statements, an updated guidance issued as part of the TMO4+ reforms confirmed that no cancellation charges will be levied on the projects under the existing grid connection offers in the event they are unable to secure a Gate 2 status and continue with the development. The directors therefore do not expect the contingent amounts to become payable.

26. Related party transactions

The Company has availed of the exemption provided in FRS 102 Section 33 Related Party Disclosures not to disclose transactions entered into with fellow group companies that are wholly owned within the group of companies of which the Company is a wholly owned member.

The directors of the Group are deemed to be the key personnel of the Group as defined in Section 33 of FRS 102. Directors' remuneration for the year is as detailed in note 8.

Company related party balances as at the balance sheet date and transactions during the year are detailed as follows:

Amounts owed by group undertakings
Brockwell Holdings Limited £3,865,000 (2024: £2,865,000) - unsecured, repayable on demand and does not bear interest.
Brockwell Energy Limited £238,000 (2024: £177,000) - unsecured, repayable on demand and does not bear interest.
Shareholders £1,000 (2024: £1,000) - unsecured, repayable on demand and does not bear interest.

Amounts owed to group undertakings
Davidson Kempner European Partners LLP £1,200,000 (2024: £1,200,000) - unsecured, repayable on demand and does not bear interest.
Pioneer Point Partners LLP £Nil (2024: £300,000) - unsecured, repayable on demand and does not bear interest.
Drumwood Capital Designated Activity Company £6,643,000 (2024: £5,143,000) - unsecured, repayable on demand and does not bear interest.

Transactions with Pioneer Point Partners LLP
Management service charges received by the Company £1,200,000 (2024: £1,000,000)

Group related party balances and transactions are detailed as follows:

Transactions with companies in which the entity itself has a participating interest

Amounts owed by joint ventures

	2025	2024
	£'000	£'000
EGEC Holdings Limited	73,685	66,308

£73,626,000 (2024: £66,151,000) of the above balance represents unsecured loan notes issued by EGEC Holdings Limited. Under the terms of the Loan Note Instrument, loan notes accrue annual interest at a rate of 11% and are expected to be fully repaid by 2049. The remaining balance is unsecured, repayable on demand and does not bear interest.

Transactions with EGEC Holdings Limited

	2025	2024
	£'000	£'000
Interest received on loans advanced	7,478	5,637

Transactions with Earls Gate Energy Centre Limited

	2025	2024
	£'000	£'000
Other charges issued (consultancy, utilities, rentals, etc.)	127	302
Personnel charges issued	1,224	2,883
	1,351	**3,185**

Transactions with related parties or connected persons

Amounts owed by connected persons

	2025	2024
	£'000	£'000
Management	346	100

Amounts owed by connected persons are unsecured and do not bear interest. The balance is only repayable upon specific conditions being met within an indefinite timeframe, such as upon exit.

Amounts owed to connected persons

	2025	2024
	£'000	£'000
Management	715	650

Amounts owed to connected persons accrue annual interest at a rate of 10% which is payable in arrears on the last day of each calendar month and is calculated on a calendar year of 365 days. Interest is compounded annually on 31 December. The loans are expected to become repayable no earlier than 31 October 2027 or such later date as may be agreed between the parties.

Amounts owed by related parties

	2025	2024
	£'000	£'000
Shareholders	1	0

Amounts owed by related parties are unsecured, repayable on demand and do not bear interest.

Amounts owed to related parties

	2025	2024
	£'000	£'000
Adare Finance Designated Activity Company	201,409	179,234
Pioneer Point Partners LLP	1,000	1,300
Davidson Kempner Capital Management LP	483	483
Pioneer Lantern Investments IC Limited	25	25
Davidson Kempner European Partners LLP	1,200	1,200
Drumwood Capital Designated Activity Company	6,643	5,143
	210,760	**187,385**

Amounts owed to Adare Finance Designated Activity Company include £179,568,476 (2024: £161,643,000), in relation to Class A1 loans, which is repayable in October 2027 and £21,841,022 (2024: £17,591,000), in relation to Class A2 loans, which is repayable in March 2030. The Senior Loans are unsecured and bear annual interest at the rate of 10%.

Amounts owed to Pioneer Point Partners LLP are unsecured and do not bear interest. Repayment is not expected before October 2027.

All remaining amounts owed to related parties are unsecured, repayable on demand and do not bear interest.

Transactions with management

	2025	2024
	£'000	£'000
Interest cost of borrowings	65	59
Consideration received for shares allotted by a Group subsidiary	246	0
	311	**59**

Transactions with Adare Finance Designated Activity Company

	2025	2024
	£'000	£'000
Interest charged on loans drawn	17,801	10,885

Transactions with Pioneer Point Partners LLP

	2025	2024
	£'000	£'000
Management service charges received by the Group	1,200	1,000

27. Controlling party

The Group and the Company are jointly controlled by Drumwood Capital Designated Activity Company, Harp Investments ICAV (acting for and on behalf of its sub-fund DKOF VI Oakview Sub-Fund) and Pioneer Lantern Investment IC Limited.