



**Gresham House**  
Specialist investment

# Powering the renewable energy transition

**Gresham House Energy Storage Fund plc (GRID)**  
Interim Report for the period ended 30 June 2025

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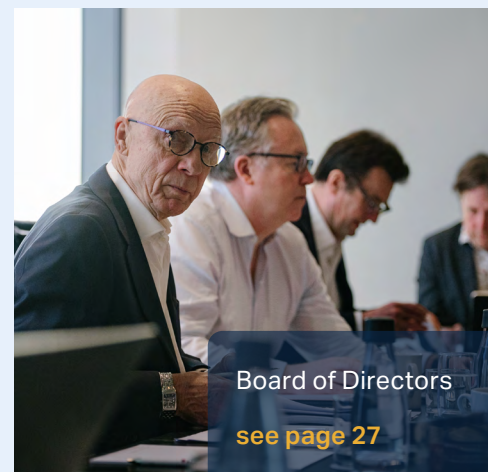
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# Overview

# Highlights

NAV per share

**107.71p**

**-1.5%**

|        |         |
|--------|---------|
| Jun 24 | 109.16p |
| Dec 24 | 109.35p |
| Jun 25 | 107.71p |

NAV

**£612.9mn**

**-1.5%**

|        |          |
|--------|----------|
| Jun 24 | £621.2mn |
| Dec 24 | £622.2mn |
| Jun 25 | £612.9mn |

Operational capacity (MW / MWh)<sup>1</sup>

**1,072/1,701**

|        |               |
|--------|---------------|
| Jun 24 | 790 / 931     |
| Dec 24 | 845 / 1,207   |
| Jun 25 | 945 / 1,447   |
| Today  | 1,072 / 1,701 |

Underlying operational portfolio revenue (£mn) (6m to June 2025)<sup>2</sup>

**£31.7mn**

**+76.9% (YoY)**

|        |      |
|--------|------|
| Jun 24 | 17.9 |
| Dec 24 | 27.6 |
| Jun 25 | 31.7 |

1. Operational MW and MWh of the assets in the portfolio

2. Refers to revenues generated by the assets in the portfolio





Underlying operational portfolio  
EBITDA (£mn) (6m to June 2025)<sup>3</sup>

£20.5mn

+97.6% (YoY)

|        |      |
|--------|------|
| Jun 24 | 10.4 |
| Dec 24 | 18.7 |
| Jun 25 | 20.5 |

MW under tolling contracts<sup>4</sup>

401MW

|        |     |
|--------|-----|
| Dec 24 | 310 |
| Jun 25 | 401 |
| Today  | 401 |

MW under long-term  
floor contracts

165MW

|        |     |
|--------|-----|
| Dec 24 | n/a |
| Jun 25 | n/a |
| Today  | 165 |

3. Alternative Performance Measures are defined and calculated on [pages 53 to 55](#)

4. Operational capacity of the assets in the portfolio subject to tolling contracts

## Operational highlights

- **The first 1GW operational portfolio in Great Britain (GB).** Melksham started commercial operations in May, followed by the energisation after the period end of Shilton Lane (July) and West Bradford (August), lifting the portfolio's operational capacity to **1,072MW and 1,701MWh. GRID is the largest owner of BESS in GB**, with an 18% market share of the operational fleet by MW<sup>5</sup>.
- **Initial augmentations completed.** The last of the 330MWh duration extensions were completed which, combined with recent energisations of the two-hour projects above, increased the portfolio duration to **1.6 hours**.
- **Transaction at the Company's NAV.** The Company completed a transaction at its NAV with the sale of a minority stake in the Glassenbury project, validating the Company's valuation assumptions and methodology. The capital raised is funding the project's augmentation. The completion of the sale of GRID's peer, Harmony Energy Income Trust plc, at an amount equivalent to its NAV, provided a further reference point for the market value of UK BESS projects.
- **NAV.** Despite third-party revenue forecast assumptions falling c.10.4% on average from 2030 onwards, reducing valuations by 11.54p in the period, the Company's NAV per share remained broadly unchanged at 107.71p (a 1.5% reduction on December 2024: 109.35p), as cash generation and other value drivers in the portfolio largely offset the decline in revenue forecasts.

5. As at 12 August 2025, based on 1,072MW of operational BESS in a total market size of 5.8GW

- **Improving revenue visibility.** In addition to onboarding projects onto their previously announced two-year revenue tolls with Octopus Energy, after the period end the Company signed long-term floor-price revenue contracts to cover 939MW or 88% of the 1,072MW operational fleet. These contracts have either already started or are due to start after the end of any relevant tolling agreement and/or project augmentation. In addition, the Company signed a further 637MW in fixed-price floor revenue contracts on the new pipeline projects.
- **Refinancing completed.** In August, after the end of the period, a wholly owned subsidiary of the Company closed a **£220mn, seven-year, amortising loan agreement** to repay existing borrowing of £160mn and provide c.£60mn in capital for the execution of the Three-year Plan. **The interest rate on the new agreement is SONIA + 225bps**, compared with SONIA + 300bps on the previous debt.
- **Balance sheet position at 30 June 2025.** At the period end, prior to closing the refinancing described above, total portfolio borrowings were £160mn, with cash in the Company and portfolio of £48.2mn.
- **Three-year Plan progressing well.** Having successfully concluded the refinancing process, the next project augmentations totalling 350MWh are getting underway, and the acquisition of the exclusive pipeline of 694MW projects is progressing. Construction is expected to begin on several projects before the end of the year, once other senior debt and construction-related contracts for these projects are in place.

## Market highlights

- **BESS utilisation by the National Energy System Operator (NESO) in the BM.** Balancing Mechanism skip rates averaged **87%<sup>6</sup>** in H1 2025. While an improvement on H1 2024 (92%), BESS utilisation rates have been flat through H1 2025. Further improvements are due, with the addition of duration-related data feeds from BESS assets to NESO Operations at the end of 2025.
- **Policy momentum.** NESO's Future Energy Scenarios (FES), released in July 2025<sup>7</sup>, and the Department for Energy Security and Net Zero's CP30 Action Plan indicate a BESS requirement of more than 20GW by 2030. This is a huge increase required compared to the 5.9GW of operational BESS projects today<sup>8</sup>.
- **Stable revenue backdrop.** Revenue rate improved to £75.1k/MW/Yr in H1 2025, up from £48.0k/MW/Yr in H1 2024, reflecting an improved market backdrop compared to the low points last year. Additional protection from contracted revenues in future will limit downside risk.
- **Long-Duration Energy Storage (LDES) plans continue in GB.** As assets have been submitting initial applications for the Cap and Floor regime, it is important to highlight the report published by LCP Delta which demonstrates that BESS remains the most cost-effective solution for LDES needs. If BESS-based solutions are not procured, this could lead to greater costs for consumers.
- **Falling BESS prices.** Li-ion pack prices fell c20 % in 2024 to **\$115k/MWh<sup>9</sup>**, enhancing new project economics.

6. Data from Modo Energy Monthly Benchmark Reports. Skip Rate = 1 – In-merit dispatch rate

7. <https://www.neso.energy/publications/future-energy-scenarios-fes>

8. Total BESS installed power as at September 2025 per Modo Energy

9. <https://about.bnef.com/insights/commodities/lithium-ion-battery-pack-prices-see-largest-drop-since-2017-falling-to-115-per-kilowatt-hour-bloombergnef/>

# Chair's statement

On behalf of the Board, I am pleased to present the Interim Report and Accounts of Gresham House Energy Storage Fund plc ("GRID", the "Fund" or the "Company") for the six months ended 30 June 2025.

## Delivering on our strategic objectives

This interim period marks a critical step towards delivering the three-year strategic plan we set out in November 2024. In a challenging but rapidly evolving energy landscape, the Fund has made significant progress in strengthening its foundations – operationally, financially and strategically – to support future value creation.

## Refinancing: a more robust capital structure and growth unlocked

In August, the Manager completed the refinancing of our existing debt with a £220mn, seven-year, amortising loan priced at SONIA + 225 basis points, which compares with the 300 basis point margin on the facility it replaced. An £18.6mn Debt Service Reserve Facility (DSRF) and £1.6mn VAT facility are also in place.

The new facility has unlocked an additional £45mn of capital, as the new facility is larger than the one it replaced, which was anticipated to reach £175mn when fully drawn.

The new facility's half-yearly interest and principal repayments will be paid from cash flow generated by the portfolio's contracted revenues from tolling, Floor and Capacity Market contracts, after covering all operational project costs. This significantly reduces the risks to the business should a weak revenue backdrop emerge for any period. More information on the refinancing is available in the Financial review on [page 20](#).

## Reinvesting for growth and resuming dividends

Recognising the growth opportunities available to the Company and the range of views from our shareholders, the Board is prioritising the allocation of capital to investment in the Three-year Plan's project augmentations and 694MW pipeline of new projects over near-term cash returns. Dividends have been set at a low level in order to prioritise growth opportunities between 2025 and 2027 inclusive. As such, in 2025 and 2026 we will pay a minimum dividend of 0.11p per share and 0.25p per share respectively. Then, from 2027, we pay two half yearly dividends, an interim and a final one, which will be fully covered by free cash flows. As construction reaches a conclusion and new capacity comes online, free cashflow is expected to grow markedly.

Full details on the capital allocation policy are available on [page 9](#).

## First in GB to exceed 1 gigawatt capacity threshold

The energisation of Melksham (50MW) during the period, followed by Shilton Lane (40MW) and West Bradford (87MW) shortly after, lifted operational capacity to 1,072MW / 1,701MWh, making GRID the first Battery Energy Storage portfolio in Great Britain to exceed the one gigawatt mark. This has been achieved across 29 projects. The Manager has developed an excellent track record in project deployment and site upgrading, as well as establishing technical, operational and commercial capabilities as a springboard for the next wave of portfolio growth.

## External transactions validate NAV

During the period, two transactions provided independent corroboration of our Valuation Policy and the assumptions we have used in valuing our assets. First, we raised equity capital into our 50MW Glassenbury project. The pre-money valuation reflected the project's valuation in the Company's accounts. Second, the Company's peer, Harmony Energy Income Trust plc, was taken over at a valuation equal to its NAV, with the read-across being that this also validates GRID's NAV given the consistency of assumptions between funds.

## Tightening alignment and independent challenge

To enhance alignment with shareholders, the management fee was amended from 1 February 2025 to be based on a blend of market cap and NAV, resulting in an annual reduction in fees of 28%<sup>10</sup> at the time of announcement.

The Board is delighted to welcome Andy Koss, who will join the Board as an independent Non-Executive Director from 25 September 2025. He brings three decades of power market and infrastructure finance experience, including his time as CEO Generation at Drax Group plc and CEO, UK and Middle East for Sembcorp Industries.

10. Using the closing share price on 31 January 2025 of 41.05p and NAV per share of 109.35p

Finally, the Company has appointed Mazars as the Fund's new independent valuer from the 2025 year end. The Board would like to thank Grant Thornton for its work over the years. This change in valuer is driven by the Board's desire to maintain best practice in corporate governance, in particular around the independence of valuations.

## Momentum builds for the next growth phase

With financing secured, the Manager has begun construction on the augmentation of Glassenbury and obtained planning permission on five further augmentation projects. Construction is expected to begin on these projects in H2 2025 with the first projects expected to complete in Q1 2026. Our attention now turns to achieving financial close on the 694MW consented pipeline, to drive significant earnings growth as outlined in our Three-year Plan.

The Board remains confident that delivery of the Three-year Plan will translate into sustainable and attractive total returns for shareholders in a sector which is strategically vital for the UK's energy transition and has significant growth yet to come.

## John Leggate CBE, FREng

Chair

23 September 2025



# Capital Allocation Policy

## Background

To support the Board's deliberations, the Company has engaged extensively with, and received feedback from, its shareholders.

The Company has focused on taking full advantage of strong BESS industry growth as reflected in the Three-year Plan announced at the Company's Capital Markets Day in November 2024. During this growth phase, which is expected to be significantly progressed by the end of 2027 and completed in 2028, the Board believes there is the potential for substantial value to be captured by the Company.

Seeking to capture the potential value offered by this growth phase requires a significant portion of the Company's anticipated free cash flow to be reinvested into operational project augmentations and new pipeline construction detailed in the Three-year Plan. As such, free cash flow otherwise available for distributions to shareholders will be directed primarily towards growth in 2025 and 2026.

Once the Three-year Plan construction milestones are achieved, total installed battery MWh capacity is expected to have doubled from 1.7GWh to 3.5GWh as a function of new project capacity growing 65% from 1.1GW to 1.8GW. In this scenario, the whole target portfolio's average duration would have increased from 1.6 hours to c. 2.0 hours.

Assuming this increase in capacity has been achieved in 2027-2028, underlying cash flow would be expected to grow markedly concurrently with the conclusion of construction programme expenditure. Once construction spend has concluded and the portfolio has reached 1.8GW, at the current merchant revenue level of £75k/MW/Yr<sup>11</sup> on 2-hour assets the portfolio could generate excess cash flows of c.10p per share. For context, third-party forecasters are anticipating 2028 merchant revenue levels for 2-hour assets of c.£90k/MW/Yr.

11. Representing approximate revenue levels achievable today on a 2-hour asset and as per the alternate valuation metrics table from the 2024 Annual Report. Disclaimer: merchant revenue rates may vary significantly upwards or downwards from the figure mentioned; the information given here does not and should not be treated as indicating any likely level of profits for the current financial period or any subsequent financial period or as otherwise constituting a profit forecast.

## Dividend and Buyback Policy

Having carefully considered the growth opportunities outlined above and the views of our shareholders, the Board is prioritising reinvestment over near-term cash returns to shareholders. The Board notes the importance of any future dividend being fully covered.

For the next two financial years dividends are expected to be set at a very low level in order to prioritise growth opportunities as outlined above with any meaningful increases likely only taking place from 2027 onwards, following completion of the augmentations and the first of the new projects.

More specifically, the Company expects to pay a small dividend of 0.11p/share in November 2025, in relation to FY2024 earnings, to comply with its Investment Trust Company regulatory obligations. Then the Company intends to pay a single dividend of at least 0.25p/share in 2026 in relation to FY2025.

From 2027, dividends will be declared as interim dividends paid at half-yearly intervals and are expected to continue to be fully covered by free cash flow. The dividend declared after the end of the financial year may be larger than the first half as the seasonality of the Company's business means earnings are generally expected to be lower during summer months.

The Board will review this dividend policy at the end of 2026 when the delivery of construction in the Three-year Plan is more advanced and continue to consider how stabilisation of the portfolio might positively impact its ability to grow dividends.

In addition, the Company will retain the flexibility to repurchase shares from excess free cash flow as long as the Company's shares trade at a material discount to NAV per share.

# Investment Manager's review

Since the end of 2024, we have completed the build-out of the existing pipeline and positioned the Company for further growth, as promised in the Three-year Plan we presented at our Capital Markets Day in November 2024.

## 1GW target achieved

The portfolio became the first in GB to break the 1GW mark for operational capacity, as Melksham energised in May, followed by Shilton Lane (July) and West Bradford (August). At the same time we completed the last of the 330MWh in augmentations first announced in 2023, taking the operational portfolio to 1,072MW / 1,701MWh today and the average duration to 1.6 hours.

## Revenues up year on year

Financial performance improved versus H1 2024. Underlying portfolio revenue of £31.7mn grew by 76.9% versus H1 2024, driven by a recovery in merchant spreads, a contribution from tolling and the larger operational capacity base (845MW average in H1 2025<sup>12</sup> versus 748MW average in H1 2024). EBITDA was £20.5mn, resulting in an EBITDA margin of 64.7%.

12. Although energised in January 2025, Melksham did not contribute revenues in the period as it was immediately taken offline for augmentation and was then in commissioning. As such it has been removed from the MW and £/MWh average figures for the period

The average underlying portfolio hourly revenue rate rose to £75.1k/MW/Yr (H1 2024: £48.0k/MW/Yr), above H2 2024 levels of £70.7k/MW/Yr. The market looks to have exited the trough experienced in H1 2024.

## Operational uptime and cost management

The portfolio's revenues were impacted by lower operational uptime in H1 2025, due to the one-off refurbishment of a significant portion of the portfolio's older inverters. This is expected to result in an increase in operational uptime for these assets going forward.

The cost picture is largely positive. The Manager has chosen to pay optimisers and insurers for floor revenue contracts, to reduce the downside risks for the business. These contracts reduce revenues by c.4-5% on average, which we believe is good value on a risk-adjusted basis, especially as around half the overall cost is offset by lower interest rates on debt.

From a cost perspective, the picture is largely positive. The Manager has chosen to incur modestly higher revenue-sharing fees paid to optimisers and insurers for the floor contracts entered into, in order to reduce the downside risks for the business. These contracts reduce revenues by c.4-5% on average, which we believe is reasonable for the improvement in the business's risk profile, especially as around half this increased cost is offset by lower interest rates on our debt.

One area of inflation relates to network charges, which are regulated. The Manager is seeking ways to mitigate increases through a combination of scrutiny and challenge, and potentially restructuring certain connection arrangements.

## Refinancing to unlock growth

In August, we replaced the existing £195mn of debt facilities (of which £175mn was expected to be used and £160mn was drawn at the date of refinancing) with a £220mn, seven-year amortising term loan at SONIA + 225bps. The debt servicing is fully covered by cash flow from contracted revenues less portfolio operating costs, and the new facility is 75bps cheaper than the previous arrangements. It provides the full funding for our next augmentation programme of 350MWh, as well as much of the capital required to acquire the project rights for the 694MW of exclusive new project pipeline.

To fund the new pipeline's construction, we are in the process of arranging additional project finance style senior debt facilities. These are similar to the facility just put in place for the operational portfolio but will not be cross-collateralised with each other or the operational portfolio's debt facility. Once all debt is fully drawn towards the end of construction, the Company's pro forma aggregated net debt to GAV ratio is expected to remain below 30%.

## Transaction at NAV

In the period, we also raised equity by issuing new shares in the Glassenbury project's SPV. These shares were priced at the project's valuation in the accounts, which is reflected in the Company's NAV. We therefore believe the transaction helps validate the Company's valuation and the assumptions used when valuing the portfolio's assets.

This transaction also raised fresh capital to augment the project to over two hours, which unlocks an uplift in the project's EBITDA and its valuation.

## Regulatory engagement

On the regulatory front, we are focused on all areas that will impact the business in both the near and longer term, with recent efforts concentrated on:

- queue reform and the associated "Gate 2" process – this has included preparation and submission of evidence to demonstrate the readiness of our new pipeline projects to be eligible to keep their grid connection offers. The "Gate 2" evidence window closed on 26 August and we expect our projects to receive confirmation of their grid connections in Q4 2025 through the reissuance of connection offers.

- Reform of Electricity Market Arrangements (REMA) and zonal pricing – Gresham House had supported zonal pricing, as this reform would set the system up optimally over the longer term. The government has chosen to proceed with a middle-ground solution, changing how grid-connection costs are charged and stopping short of creating several local wholesale markets, with their own half-hourly electricity prices. While we do not believe this is the optimal choice, it is positive to see a decision so that visibility is re-established.
- Long Duration Energy Storage (LDES) Cap and Floor Mechanism – this has been set up to incentivise investment in eight-hour-plus storage. We have submitted several projects for evaluation, while also challenging some of the fundamental building blocks of the legislation.

- skip rates – we have continued to engage with NESO on the topic of skip rates in the Balancing Mechanism (BM) and the broader issue of the NESO control room underutilising BESS in general. We believe the issues are well understood by NESO (as well as DESNZ) and that the upcoming full launch of the Open Balancing Platform (OBP) is positive.

To drive better understanding and utilisation of BESS, we also co-established and launched the Battery Coalition, alongside leading GB BESS industry peers. This group is driving a better understanding of BESS, in policy, political and media circles in particular.

## Outlook

With financing secured and new augmentations under way, our priority in H2 2025 is to reach financial close and start construction on as much of the 694MW pipeline, described in our Three-year Plan, as possible.

Delivery of these milestones will generate growth of c.70% in operational capacity to c.1.77GW / 3.44GWh over the next two years, with a corresponding increase in cash flow once commercial operations start.

The Manager is always exploring strategic opportunities. This includes the alternative revenues opportunity mentioned in the Three-year Plan, as well as identifying other opportunities and potentially taking part in other industry developments, as the sector matures.



# Three-year Plan

At the Capital Markets Day (CMD) on 27 November 2024, the Manager unveiled a Three-year Plan, outlining the Fund's aims for continued growth in its GB portfolio and improving returns for shareholders. The Manager made significant progress implementing this plan in the period.

1

## Actions ahead of the Three-year Plan

**Target for the period:** 1,072MW / 1,701MWh operational by 30 June 2025

**Interims update:** Operational capacity reached the full 1,072MW / 1,701MWh shortly after the period end, following the energisation of Shilton Lane (July 2025) and West Bradford (August 2025). Operational capacity at 30 June 2025 was 945MW and 1,447MWh.

2

## Contracting revenues to underpin refinancing

**Target for the period:** To onboard remaining tolling assets, taking capacity under tolling to 568MW / 920MWh and unlock additional contracted revenues to support a refinancing.

**Interims update:** 401MW / 642MWh was active under the tolling arrangement at 30 June 2025, with the remaining assets to be onboarded in H2 2025. Floor contracts have now been signed on 939MW of the operational portfolio (88%), covering a range from five to 12 years and providing a secure revenue base to cover financing costs for the refinancing. A further 637MW of floor contracts have already been agreed on the 694MW of pipeline assets, to support individual debt arrangements for those assets. In addition, new assets will attract Capacity Market contracts, which will further grow the portfolio's contracted revenue base in the future.

3

## Refinancing and new financing

**Target for the period:** To close a refinancing of the existing debt arrangement in H1 2025.

**Interims update:** The refinancing concluded in August 2025, replacing the previous facilities with a £220mn amortising debt structure. The refinanced facility is underpinned by contracted revenues fully covering costs in the business. The increased quantum of the new facility will be used to fund augmentations on existing assets, as well as equity positions in the new pipeline, whose construction is being financed separately (see New investment pipeline below).

## 4

### Augmentation of the existing portfolio

**Target for the period:** Completion of existing 330MWh of augmentations and beginning the initial phase of c.500MWh of augmentations post refinancing.

**Interims update:** The 330MWh of augmentations have been completed and a transaction at NAV has completed, to fund the augmentation of Glassenbury to 50MW / 110MWh. An additional 290MWh of augmentations has also been identified and is now funded through the refinancing concluded in August 2025. Works on the next round of augmentations are under way. See the Investment portfolio section for full details of the augmentations plan. The remainder of the 1.5GWh of augmentations identified in the Three-year Plan will be subject to securing further funding.

## 5

### New investment pipeline

**Target for the period:** To progress work on the 694MW of exclusive pipeline identified at the year end, alongside arranging financing of individual projects post conclusion of the refinancing.

**Interims update:** The 694MW of pipeline now has the required planning and confirmed grid connections. Works will begin once financing is arranged and connections are reconfirmed, as we expect them to be, through queue reform. Financing of the individual projects has progressed in the period and is expected to conclude in H2 2025, so that construction can begin shortly after. Further details of the pipeline are provided in the Investment portfolio section.

## 6

### Additional revenues – an increased revenue stack

The Manager continues to work on additional revenue opportunities and anticipates running the next trials in this area in H2 2025. If successful, these will be rolled out across the board. The Manager and Board remain confident in achieving the EBITDA target set out in the Three-year Plan.



Portfolio

# Investment portfolio

## Portfolio

The investment portfolio and pipeline consist of 35 BESS projects across GB, of which 29 are operational today. The operational capacity of the portfolio has now reached 1,072MW / 1,701MWh, with the conclusion of Shilton Lane and West Bradford after the period end. Operational capacity at 30 June 2025 was 945MW / 1,447MWh.

The Company now has the funding in place for the next phase of augmentation and construction has already started. This phase will add 350MWh to the nameplate capacity of the portfolio, across eight assets.

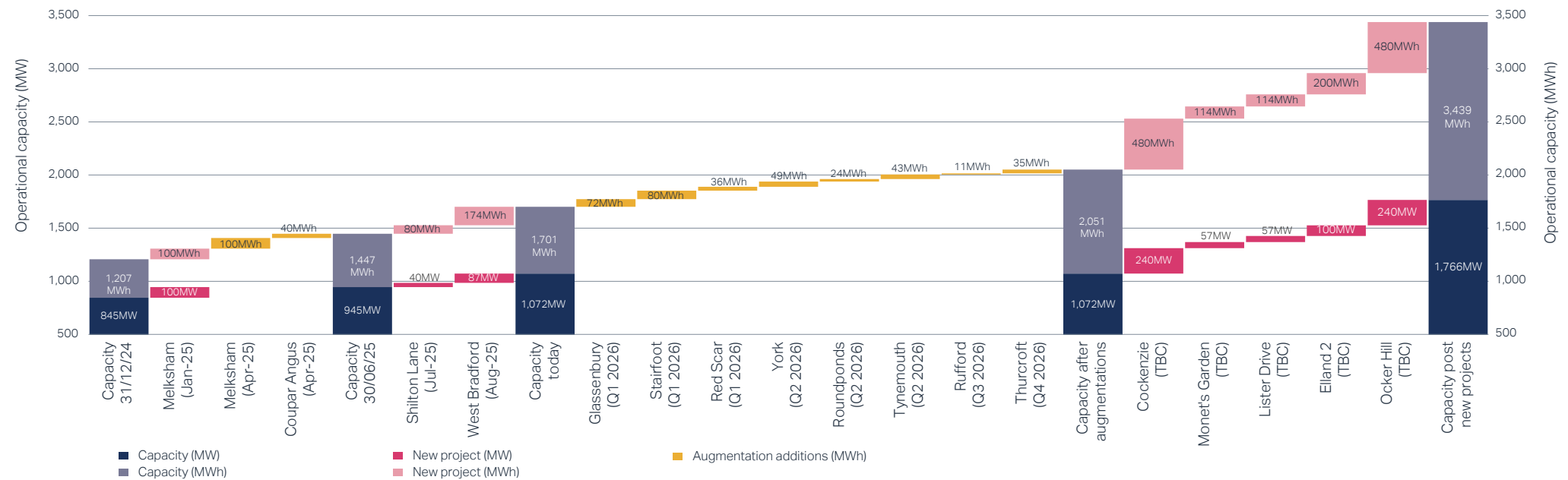
In addition, the refinancing in August 2025 has unlocked much of the capital required for the acquisition of 694MW of pipeline projects, whose construction is subject to successful completion of additional debt financing anticipated later this year. Details of the augmentations and new pipeline are provided below.

The pipeline of available projects extends beyond these but is subject to securing further funding as well as capital allocation considerations.

The chart below summarises the increases in capacity through 2025 in terms of both MW and MWh, as well as a projection that is subject to building out the next phase of augmentations and new pipeline projects. The duration of a BESS is the ratio of MWh to MW.

## Portfolio and pipeline construction updates

GRID portfolio growth since December 2024 (MW/MWh)





## Augmentation programme

After completing the first phase of augmentations through 2024 and H1 2025, we are now working on the second phase, funded through the refinancing proceeds. The duration of a BESS is the ratio of MWh to MW.

| Site          | Capacity today |     | Post Aug.<br>MWh | Est. COD | Notes                                 |
|---------------|----------------|-----|------------------|----------|---------------------------------------|
|               | MW             | MWh |                  |          |                                       |
| Glassenbury A | 40             | 28  | 100              | Q1 2026  | Repowering of site<br>- works started |
| Stairfoot     | 40             | 40  | 120              | Q1 2026  | Repowering                            |
| York          | 50             | 76  | 125              | Q2 2026  | Duration extension                    |
| Roundponds    | 20             | 26  | 50               | Q2 2026  | Duration extension                    |
| Red Scar      | 49             | 74  | 110              | Q1 2026  | Duration extension                    |
| Tynemouth     | 25             | 17  | 60               | Q2 2026  | Repowering                            |
| Rufford       | 7              | 9   | 20               | Q3 2026  | Duration extension<br>- post toll     |
| Thurcroft     | 50             | 75  | 110              | Q4 2026  | Duration extension<br>- post toll     |
|               | 281            | 345 | 695              |          |                                       |

The augmentations planned above will add a further 350MWh of capacity to the portfolio, taking average duration to 1.9 hours on the operational portfolio and nameplate capacity to over 2GWh. Work has begun at Glassenbury A to remove existing equipment, with new equipment to be installed in Q4 2025. This is expected to conclude in early Q1 2026. This project has been funded through a minority equity investment. The other projects are well progressed and ready to start, in line with delivering the completion dates in the table above.

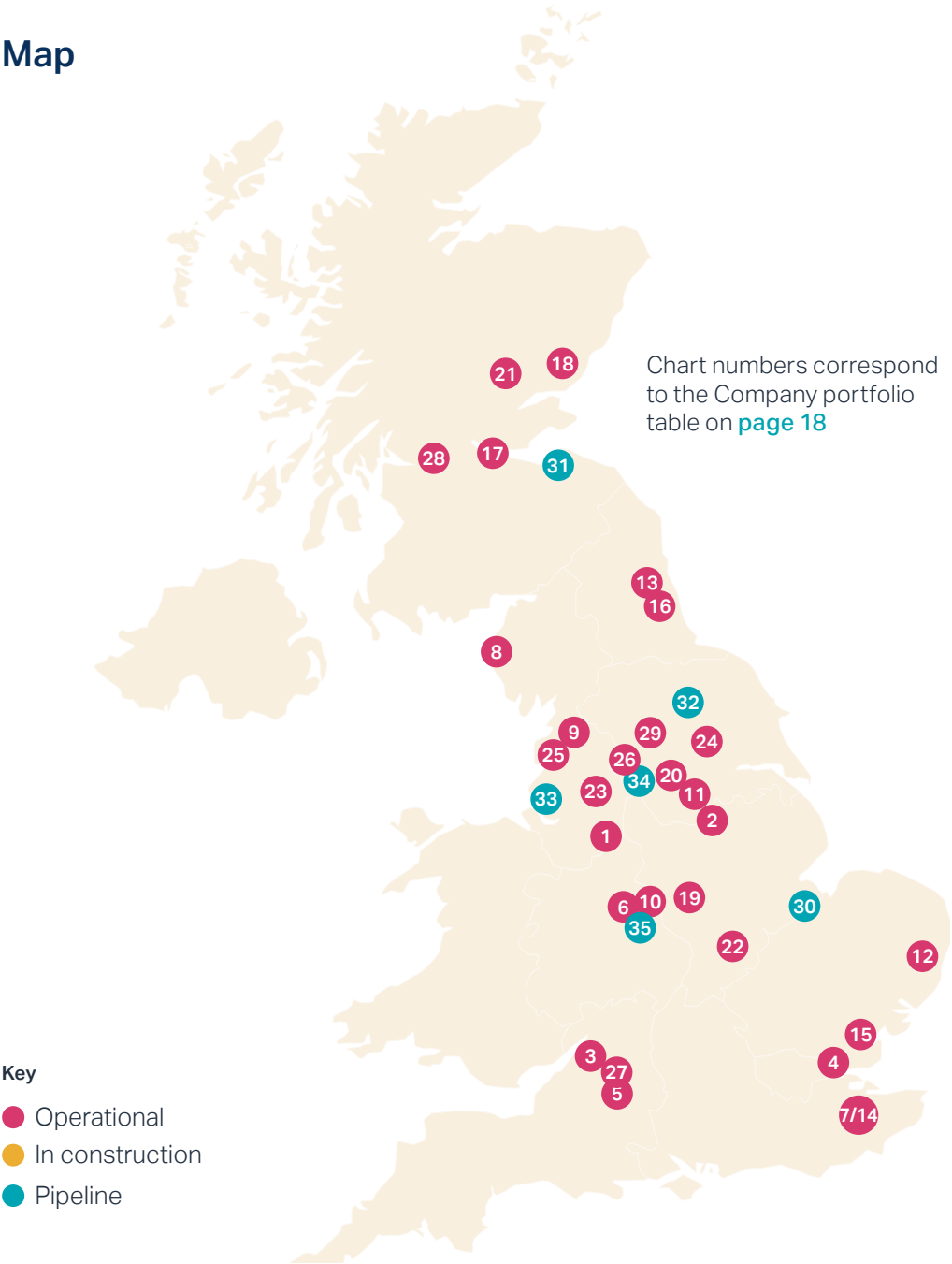
## Next phase of construction under the Three-year Plan

The Manager intends to acquire and construct 694MW of pipeline across a number of projects as set out in the table below. These projects are well positioned in the connection queue and are all expected to have near-term connection dates confirmed shortly. The Manager aims to begin construction on this portfolio by the end of 2025, subject to financing being in place.

| Pipeline projects<br>(all at a 2-hour + duration) | Location               | Grid connection capacity<br>(MW) |
|---------------------------------------------------|------------------------|----------------------------------|
| Cockenzie A                                       | Scotland               | 240                              |
| Monet's Garden                                    | York, North Yorkshire  | 57                               |
| Lister Drive                                      | Liverpool, Merseyside  | 57                               |
| Elland 2                                          | Elland, West Yorkshire | 100                              |
| Ocker Hill                                        | Tipton, Midlands       | 240                              |
| <b>Total pipeline</b>                             |                        | <b>694</b>                       |



Map



## Investment portfolio

| Existing assets           | Capacity (MW) | Current battery size (MWh) | Augmented battery size (MWh) |
|---------------------------|---------------|----------------------------|------------------------------|
| 1. Staunch                | 20            | 3                          | 3                            |
| 2. Rufford                | 7             | 9                          | 20                           |
| 3. Lockleaze              | 15            | 22                         | 22                           |
| 4. Littlebrook            | 8             | 6                          | 6                            |
| 5. Roundponds             | 20            | 26                         | 50                           |
| 6. Wolves                 | 5             | 8                          | 8                            |
| 7. Glassenbury            | 40            | 28                         | 100                          |
| 8. Cleator                | 10            | 7                          | 7                            |
| 9. Red Scar               | 49            | 74                         | 110                          |
| 10. Bloxwich              | 41            | 47                         | 47                           |
| 11. Thurcroft             | 50            | 75                         | 110                          |
| 12. Wickham               | 50            | 74                         | 74                           |
| 13. Tynemouth             | 25            | 17                         | 60                           |
| 14. Glassenbury Extension | 10            | 10                         | 10                           |
| 15. Nevendon              | 15            | 33                         | 33                           |
| 16. South Shields         | 35            | 28                         | 28                           |
| 17. Byers Brae            | 30            | 30                         | 30                           |
| 18. Arbroath              | 35            | 52                         | 52                           |
| 19. Enderby               | 50            | 100                        | 100                          |
| 20. Stairfoot             | 40            | 40                         | 120                          |
| 21. Coupar Angus          | 40            | 80                         | 80                           |
| 22. Grendon 1             | 50            | 100                        | 100                          |
| 23. West Didsbury         | 50            | 100                        | 100                          |
| 24. York                  | 50            | 76                         | 125                          |
| 25. Penwortham            | 50            | 100                        | 100                          |
| 26. Elland 1              | 50            | 100                        | 100                          |

| Existing assets                             | Capacity (MW) | Current battery size (MWh) | Augmented battery size (MWh) |
|---------------------------------------------|---------------|----------------------------|------------------------------|
| 27. Melksham                                | 100           | 200                        | 200                          |
| 28. Shilton Lane                            | 40            | 80                         | 80                           |
| 29. Bradford West                           | 87            | 174                        | 174                          |
| <b>Total operational portfolio</b>          | <b>1,072</b>  | <b>1,701</b>               | <b>2,049</b>                 |
| 30. Walpole (project rights)                | 100           | 200                        | 200                          |
| <b>Total portfolio owned by the Company</b> | <b>1,172</b>  | <b>1,901</b>               | <b>2,249</b>                 |

| Pipeline projects                              | Capacity (MW) | Battery size (MWh) |
|------------------------------------------------|---------------|--------------------|
| 31. Cockenzie                                  | 240           | 480                |
| 32. Monet's Garden                             | 57            | 114                |
| 33. Lister Drive                               | 57            | 114                |
| 34. Elland 2                                   | 100           | 200                |
| 35. Ocker Hill                                 | 240           | 480                |
| <b>Total pipeline not owned by the Company</b> | <b>694</b>    | <b>1,388</b>       |
| <b>Total portfolio and pipeline</b>            | <b>1,866</b>  | <b>3,289</b>       |

\* Rounded to nearest MW/MWh



# Market and financial review

# Financial review

## Company metrics table

|                                                            | 30 June 2025 | 31 December 2024 | 30 June 2024 |
|------------------------------------------------------------|--------------|------------------|--------------|
| <b>Company metrics</b>                                     |              |                  |              |
| NAV                                                        | £612.9mn     | £622.2mn         | £621.2mn     |
| Underlying portfolio asset valuation                       | £761.6mn     | £758.0mn         | £739.8mn     |
| NAV per share                                              | 107.71p      | 109.35p          | 109.16p      |
| Share price at closing                                     | 78.50p       | 45.90p           | 70.30p       |
| Share price discount to NAV at period end                  | -27.1%       | -58.0%           | -35.6%       |
| Ongoing charges (OCF)                                      | 1.14%        | 1.29%            | 1.35%        |
| Consolidated cash in the Company and subsidiaries          | £48.2mn      | £39.5mn          | £26.8mn      |
| Total external debt drawn at Company and subsidiaries      | £160.0mn     | £150.0mn         | £120.0mn     |
| Resulting net debt                                         | £111.8mn     | £110.5mn         | £93.2mn      |
| <b>Underlying portfolio performance (6m period ending)</b> |              |                  |              |
| Revenues                                                   | £31.7mn      | £28.6mn          | £17.9mn      |
| EBITDA                                                     | £20.5mn      | £18.7mn          | £10.4mn      |
| EBITDA margin                                              | 64.7%        | 65.3%            | 57.9%        |
| MW (period end)                                            | 945          | 845              | 790          |
| MW weighted average <sup>13</sup>                          | 845          | 809              | 748          |
| MWh (period end)                                           | 1,447        | 1,207            | 931          |
| MWh weighted average                                       | 1,227        | 1,102            | 874          |
| Annualised revenue per weighted average MW                 | £75,145      | £70,665          | £47,974      |
| Annualised revenue per weighted average MWh                | £51,753      | £51,876          | £41,048      |

13. Excludes Melksham as, although energised, this site did not produce revenues during the period as it was offline for augmentation and then site commissioning

## Company metrics

NAV per share held broadly flat at 107.71p, as model rollforward and the uplift from construction assets moving closer to operations offset lower forward price curves. Further details are provided in the Valuations section on [page 22](#). A recovering share price of 78.5p on 30 June 2025 narrowed the discount to NAV to 27.1% (31 December 2024: 58.0%; 30 June 2024: 35.6%). The management fee reduction in effect from February 2025, whereby the management fee is charged on the average of market cap and NAV, has helped to reduce the ongoing charges ratio to 1.14% for the period.

Net debt increased slightly in H1 2025 to £111.8mn, reflecting greater progression through construction on the Company's remaining assets.

## Refinancing

As of 30 June 2025, £160mn was drawn of the total £195mn legacy debt facilities. Debt was expected to peak at £175mn under those facilities once all construction costs were paid on the 1,072MW / 1,701MWh portfolio.

The August refinancing established a £220mn seven-year amortising term loan at SONIA + 225bps for the life of the facility, of which £210mn was immediately drawn. The 225bps margin on the new debt is lower than the 300bps margin on the previous financing and was made possible by the greater contracted nature of the portfolio on the back of tolling and floor agreements put in place over the past year. Contracted earnings cover all costs, including project costs, interest and amortisation. The Fund is therefore protected from downside scenarios.

The facility provides £45mn of additional liquidity to fund the next phase of augmentations and the initial equity for the 694MW pipeline. The refinancing also removes cash restrictions in place under the previous facility, allowing the Board greater control over capital allocation decisions.

Net debt to GAV is expected to be maintained below 30% throughout the life of the facility, even after the additional financing of the new pipeline is put in place, which is expected later this year.

## Financial review

Alongside the £220mn of available debt, the refinancing includes a Debt Service Reserve Facility (DSRF) of £18.6mn and a short-term VAT facility of £1.6mn, to improve working capital during the construction phase of the augmentations. The DSRF avoids the need to lock up cash and hence provides a more efficient cash structure for the business. The fees on the DSRF are expected to be at the commitment fee level, which is 30% of the 225bps margin. The VAT facility is priced at 150bps over SONIA.

The repayments to lenders are profiled as if the debt were to be repaid over fourteen years. At maturity after seven years, half the debt will have been repaid.

The debt service coverage ratio covenant has been set at 1.1x. Based on third-party revenue forecasts, the average debt service coverage is expected to be c.2.9x.

At the date of this report, £210mn has been drawn from the facility, with the remaining £10mn expected to be drawn towards the end of 2025.

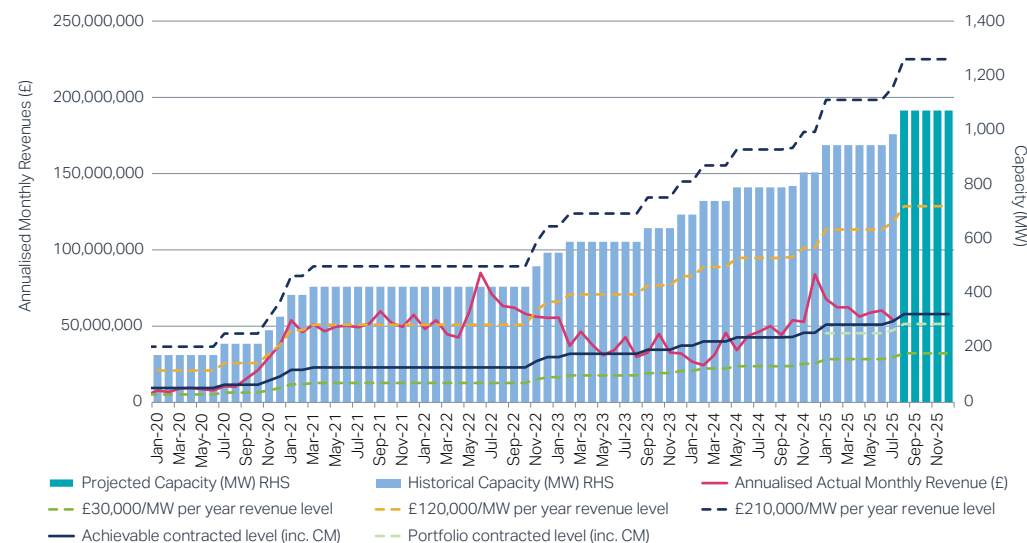
## Underlying portfolio performance

Underlying portfolio revenue of £31.7mn and EBITDA of £20.5mn represented growth of 76.9% and 97.6% respectively, compared to H1 2024. This was supported by improved merchant revenues, a full period of tolling income and greater operational capacity through the period.

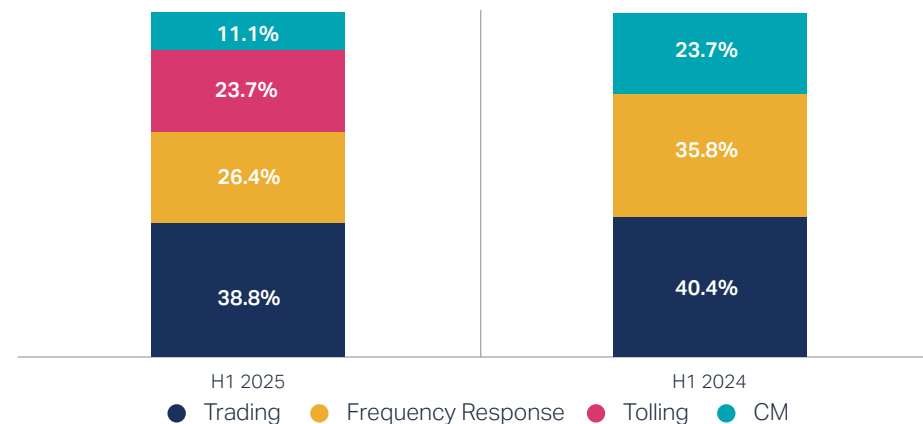
Revenue rates have remained fairly flat since Q4 2024 but sit at much higher levels than in the low of Q1 2024. Floor contracts signed for the portfolio have minimum revenues at levels significantly higher than the previous low revenue mark in February 2024, providing greater downside protection in future.

CM revenue weighting has reduced in the period on the back of overall revenues having increased substantially year on year. CM revenues are fixed long-term contracts and therefore their percentage of the revenue mix is driven by the merchant opportunity in the portfolio. The distribution of merchant revenues has continued to move more towards trading from Frequency Response, reflecting the relatively low value in Frequency Response today. Trading continues to be the largest share of revenues in 2025.

After the signing of tolling agreements in H2 2024, we now see tolling make up almost a quarter of revenues for the portfolio in H1 2025. This is expected to increase slightly in H2, assuming consistent merchant performance, as more assets are onboarded to tolls and contributing for longer periods. Longer term, we expect to see the move to trading revenues continue, with a substantial portion of the revenues now secured through floor arrangements.



## Revenue mix H1 2025 vs H1 2024



# Valuations

## NAV bridge

As of 30 June 2025, NAV per share was 107.71p, down 1.5% from 109.35p as of 31 December 2024. The change to the NAV per share resulted from the following:

- 11.54p impact from changes to revenue forecasts from independent third-party forecasters;
- +3.73p from extension of asset lives from lease options;
- +1.52p on the model rollforward;
- +1.93p from net working capital gains after debt costs;
- +1.73p from revaluing new projects such as the equity raise in Glassenbury, with its resulting augmentation plans, and projects moving closer to operation, thereby reducing the discount rate premiums used;
- +1.30p from updates to construction timings and changes to total build costs in the period;
- 0.43p for the movement in market value of interest rate swaps; and
- +0.12p from a reduction in O&M contractual costs at York, Elland and West Bradford.

Further information on the changes in the period and assumptions used is provided in the portfolio asset valuations section below.

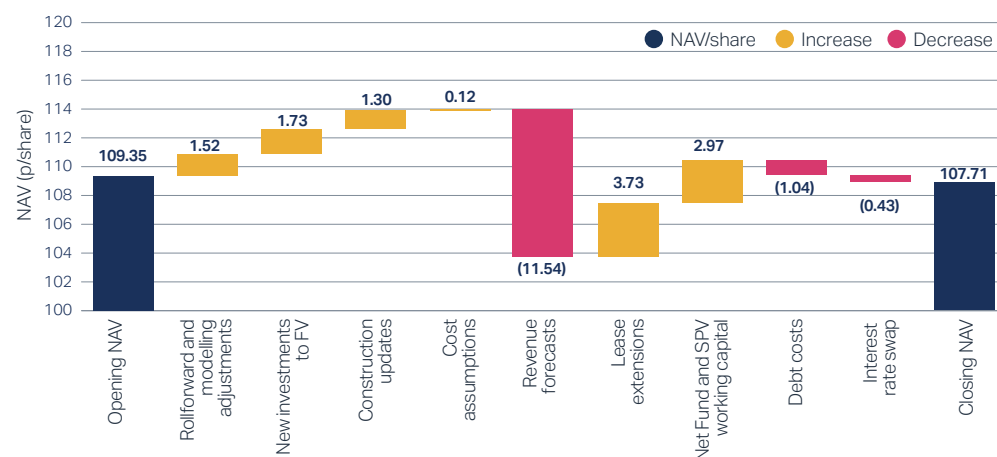
## Revenue forecasts

The approach to revenue forecasts is unchanged from the 2024 year end, combining two third-party consultant curves to achieve a set of blended curves. The third-party curves have reduced further this period, primarily due to:

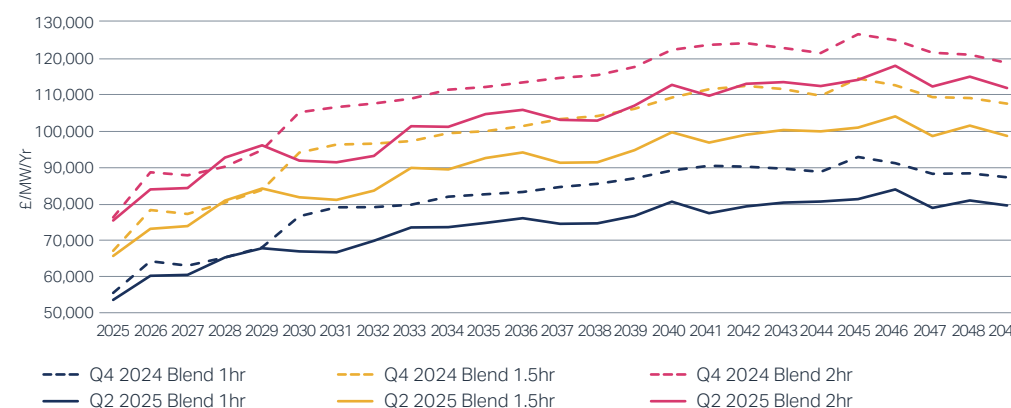
- lower assumed spreads in the longer term, driven by assumed lower gas pricing and extending of biomass generation, creating greater electricity supply in the forecast models; and
- slower recovery assumed in the Balancing Mechanism, impacting dispatch of BESS in the short term.

The changes to the curves have had a negative impact of 11.70p on the NAV during the period, which was partially offset by +0.16p coming from new CM contracts awarded in the period.

## NAV (p/share) bridge from 31 December 2024 to 30 June 2025



## Q4 2024 vs Q2 2025 revenue curve comparison



## Other key assumption changes

- Asset lives have been extended on several sites, through the use of lease extension options on existing contracts and signing a lease extension on the South Shields asset.
- The transaction to raise equity in the Glassenbury project means the Company has funding in place to perform the duration extension at the site, with works having already started. This transaction generated further NAV growth for the Company.

- There were no changes to inflation assumptions or underlying discount rates during the period. However, the average discount rate has been reduced on the back of assets in construction progressing towards becoming operational, removing the premiums applied to discount rates on those assets.

Discount rates are summarised in the table below:

| Valuation basis                                  | Discount rate approach applied:                                                                                                                                                      | MW<br>(30 June 2025) | MW (31<br>December 2024) |
|--------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|--------------------------|
| Operational DCF                                  | Contracted cash flows: 6.5%; tolling revenues: 8.5%; merchant/uncontracted revenues: 10.85%                                                                                          | 845                  | 795                      |
| Commissioning DCF (energised)                    | Cash flows of projects in a 30-day proving period following energisation: 50bps premium to Operational discount rates                                                                | 100                  | 50                       |
| Construction DCF (energised)                     | Cash flows of projects in construction – energised project but not achieved Provisional Acceptance (PAC) at valuation date: 75bps construction premium to Operational discount rates | -                    | -                        |
| <b>Total MW in operational portfolio</b>         |                                                                                                                                                                                      | <b>945</b>           | <b>845</b>               |
| Construction DCF                                 | Cash flows of projects in construction phase: 75bps construction premium to Operational discount rates                                                                               | 127                  | 227                      |
| Cost incurred to date                            | Assets held at cost, as valuation thresholds not met                                                                                                                                 | 100                  | 100                      |
| <b>Total portfolio MW included in valuations</b> |                                                                                                                                                                                      | <b>1,172</b>         | <b>1,172</b>             |

Operational assets were valued at £692k/ MW as of 30 June 2025. Adjusting for working capital, which means the valuation only includes the NPV of future cash flows, the valuation stood at £682k/ MW. Working capital includes cash, batteries and other equipment held for upgrades across the portfolio.

None of the new pipeline assets proposed under the Three-year Plan are currently included in the valuation.

A detailed sensitivity analysis ( $\pm 0.5\%$  discount rate;  $\pm £10\%$  merchant revenues) is presented in Note 15 to the interim financial statements.

The Board decided to rotate the independent valuer from Grant Thornton, as part of the planning ahead of the year end. This is to follow best practice to periodically rotate experts to maintain a fresh perspective on valuations. Mazars will assume the role of independent valuer from the 31 December 2025 year end and has undertaken an initial shadowing period for this interim valuation.

## Looking forward – sources of further NAV growth

Considering the updates post period end from the Company, particularly floor agreements and the refinancing unlocking further construction, the Manager has consulted with both the outgoing and incoming independent valuers with regards to valuation policy changes, to be implemented in subsequent periods. This has resulted in three refinements to the valuation methodology:

- earlier construction revaluation – projects will now be valued on a DCF basis from construction start, with a 100bps risk premium until nine months before energisation when the premium then steps down to 75bps and is reduced to 50bps when the asset reaches commissioning. The premium is removed once the asset has proven operational capability, in line with our previous valuation policy;
- discount rate for floor agreement contracted cash flows is now set at 7.5%, reflecting the investment grade nature of counterparties and length of contracts versus current tolls in place;
- discount rate on the merchant upside above the floor is to be 11.35%, with the discount rate on uncontracted merchant cash flows to remain at 10.85%.

As the floor contracts were signed after the period end, they will not impact the valuations until Q3 2025. The impact of floor revenues using the amended methodology above is expected to be broadly neutral to the NAV. Completing the refinancing post period end also provides additional funding for the next phase of augmentations, which can now be revalued. This is expected to have a positive impact on the Q3 2025 NAV.

Successful execution of the 694MW pipeline offers additional upside beyond the current three-year horizon. These projects will be revalued on a DCF basis once they are owned by the Company, funding is secured to build the assets and the project has reached all milestones to begin its construction. These projects are expected to have a meaningful positive impact on NAV per share over the next two years, as the assets are constructed.

## Alternative valuation metrics

### Valuation metrics based on a range of revenue projections

Set out below are forward-looking valuation metrics based on the portfolio after the funded augmentations, under different merchant scenarios for uncontracted assets and contracted revenues for those assets under tolling arrangements. The valuations assume up to £220mn of debt and use the closing share price as of 12 September 2025 (being the time of writing). These are provided in addition to the Alternative Performance Measures set out on [pages 53 to 55](#).

£75k/MW/Yr<sup>14,15</sup> of net merchant revenues reflects the Modo BESS index level used in the 2024 Annual Report and Accounts. The table also shows a sensitivity of £15k/MW/Yr up and down on merchant revenues, to illustrate the volatility in earnings driven by merchant revenues. The portfolio is assumed to move to 1.9 hours duration (from 1.6 hours), with the debt assumed here.

The portfolio continues to perform at those levels today and the Board and Manager remain confident in the long-term revenue outlook.

14. EV / total underlying portfolio revenues

15. Disclaimer: revenue rates on the merchant portion of the portfolio may vary significantly upwards or downwards from the figure mentioned; the information given here does not and should not be treated as indicating any likely level of profits for the current financial period or any subsequent financial period or as otherwise constituting a profit forecast

### Company valuations used for forward valuations metrics capacity

|                                                                |       |
|----------------------------------------------------------------|-------|
| Shares (millions)                                              | 569   |
| Market capitalisation at 72.0p share price <sup>16</sup> (£mn) | 410   |
| NAV per share at 30 June 2025 (pence/share)                    | 108   |
| NAV as of 30 June 2025 (£mn)                                   | 613   |
| Assumed future peak external debt (£mn)                        | 220   |
| Assumed minimum future cash (£mn)                              | 15    |
| Assumed operational capacity (MW)                              | 1,072 |

### Enterprise value (EV)<sup>17</sup> based on:

|                                                  |       |
|--------------------------------------------------|-------|
| Market capitalisation at 72.0p share price (£mn) | 614.7 |
| NAV as of 30 June 2025 (£mn)                     | 817.9 |

### EV per operational MW<sup>18</sup> based on:

|                                                  |       |
|--------------------------------------------------|-------|
| Market capitalisation at 72.0p share price (£mn) | 573.4 |
| NAV as of 30 June 2025 (£mn)                     | 763.0 |

16. Share price assumed to be 72.0p, reflecting the closing price on 12 September 2025 (being the time of writing)

17. Assumes full debt drawn. Some of these proceeds will be used to acquire the 694MW pipeline, which are not included in the valuations

18. Market capitalisation or NAV minus cash plus total external debt

### Forward valuation metrics based on different merchant revenue assumptions on 1,072MW capacity

All figures are in £mn unless otherwise stated.

|                                                | Merchant net revenue assumptions (£k/MW/Yr) |        |        |
|------------------------------------------------|---------------------------------------------|--------|--------|
|                                                | 60,000                                      | 75,000 | 90,000 |
| Assumed merchant revenue on merchant portfolio | 30.2                                        | 37.8   | 45.4   |
| Average contracted revenue during tolling      | 43.0                                        | 43.0   | 43.0   |
| Assumed underlying portfolio revenue           | 73.2                                        | 80.8   | 88.4   |
| Potential underlying portfolio EBITDA          | 51.8                                        | 59.4   | 66.9   |

### EV to EBITDA<sup>19</sup> based on:

|                                            |      |      |      |
|--------------------------------------------|------|------|------|
| Market capitalisation at 72.0p share price | 11.9 | 10.4 | 9.2  |
| NAV at 30 June 2025                        | 15.8 | 13.8 | 12.2 |

### EV to sales<sup>20</sup> based on:

|                                            |      |      |     |
|--------------------------------------------|------|------|-----|
| Market capitalisation at 72.0p share price | 8.4  | 7.6  | 7.0 |
| NAV at 30 June 2025                        | 11.2 | 10.1 | 9.3 |

19. EV / total operational capacity in MWs

20. EV / total underlying portfolio EBITDA

# Principal risks and uncertainties

## Risk management approach

The Company recognises that active risk management is critical to enable it to meet its strategic objectives. The Company has a clear framework for identifying and managing risk, at both an operational and strategic level, through a detailed risk register and quarterly risk reviews. Risk identification and mitigation processes have been designed to respond to the changing environment in which the Company operates. The impact of emerging risks on the Company's business model is also considered and used to make informed decisions, including about the delivery and evolution of the Company's strategy. The table opposite captures those risks that would have the most significant adverse impact on the Company (and the underlying investments), based on their impact and/or likelihood.

## Summary of key risks

This Interim report provides a high-level summary of the key risks facing the Company. The 2024 Annual Report provides a more comprehensive discussion of these risks, with changes to risks during the period being highlighted in the table opposite.

| Risk area    | Detail of risk                                                                                                                                                                                                                                                                                                                        | Risk appetite | Movement from 2024 Annual Report | Net rating |
|--------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|----------------------------------|------------|
| Financial    | Capital allocation policy not yet announced and shareholder uncertainty undermines share price.                                                                                                                                                                                                                                       | Low           | ↔                                | High       |
| Geopolitical | World economic issues create poor market opportunities / constrain credit available to BESS or renewables, which might reduce opportunities for the Company.                                                                                                                                                                          | Medium        | ↑                                | High       |
| Market       | National Grid service offerings impact adversely on BESS or focus more on supporting gas or other plant. Includes poor processes to allocate BESS in the BM and the risk that "skip rates" do not improve.                                                                                                                            | Low           | ↔                                | High       |
| Financial    | Risk that the Three-year Plan announced for new-build projects will not be delivered on time or the current debt process to fund these is unsuccessful. This impacts on the ability of the Company to grow and create cash flow for dividends.                                                                                        | Low           | New risk                         | Medium     |
| Financial    | Risk that the augmentation programme announced will not be delivered on time. This relates to the projects funded by the refinancing completed in August 2025 which has subsequently reduced this risk to "Low". This impacts revenues and earnings and affects the ability to meet banking covenants and finance Company priorities. | Low           | ↓                                | Medium     |
| Financial    | Higher than expected costs and/or lower than expected revenues / capital valuation may reduce the ability of the Company to meet its dividend expectations. This includes the potential slower deployment of debt capital, impacting cash flow.                                                                                       | Medium        | ↔                                | Medium     |
| Financial    | Despite the narrowing share price discount to NAV, this discount provides the potential for bid approaches which do not fully value the Company, along with its growth and development potential. This would be detrimental to the current shareholder base.                                                                          | Medium        | ↓                                | Medium     |
| Market       | There is a disproportionate downside risk if the Company does not achieve returns based on market expectations. This risk has been mitigated by a substantial level of flooring contracts bolstering contractual revenues and supporting the refinancing completed in August 2025.                                                    | Low           | ↓                                | Low        |



Governance

# Board of Directors

## The Company has a Board of five Independent Non-Executive Directors.

As announced on 29 July 2025, Andy Koss will join the Board as an Independent Non-Executive Director with effect from 25 September 2025.



**John Leggate**  
**CBE, FREng**  
(Chair and Independent Non-Executive Director)

John is highly experienced as a global energy sector executive and senior adviser on the energy transition and the commercialisation of advanced technologies. He has significant Board experience and is currently on the Board of cyber security firm Global Integrity in Washington DC. He is also a senior adviser in the energy sector to “blue chip” international consultants and senior adviser to Dial Partners (Dubai). John was appointed to the Board on 24 August 2018.

The Board considers that John’s breadth of board experience improves the Company’s ability to engage with and respond to changing market dynamics. John is highly motivated to deliver value to all stakeholders and thus contributes to the long-term sustainable success of the Company.

Significant interests: John is a director of Global Integrity, Inc (US) and a director of Flamant Technologies Limited.



**Isabel Liu**  
(Chair of the Management Engagement Committee and Independent Non-Executive Director)

Isabel has over 25 years’ global experience investing equity in infrastructure, including the AIG Asian Infrastructure Fund, the ABN AMRO Global Infrastructure Fund and as managing director of the Asia Pacific investment business of John Laing plc. Isabel served as a non-executive director of Pensions Infrastructure Platform, backed by UK pension schemes to invest in UK infrastructure. She has been a board member of Transport Focus, the consumer watchdog for public transport and England’s highways, and Heathrow Airport’s Consumer Challenge Board. Isabel was appointed to the Board on 1 October 2022.

The Board considers that Isabel’s extensive experience in all phases of direct investment in infrastructure, including renewable energy in the UK and around the world, as well as her work as Chair of the Management Engagement Committee, enable her to contribute effectively to Board discussions on project resourcing and financing, forecasts, valuations, and governance, and thus to contribute effectively to the Company’s long-term sustainable success.

Significant interests: Isabel is a director of Schroder Oriental Income Fund Limited and Utilico Emerging Markets Trust plc.



**Duncan Neale**  
(Audit Committee Chair and Independent Non-Executive Director)

Duncan is a CFO and Finance Director with over 20 years of commercial experience working for both publicly listed and privately owned companies. He is a Fellow of the Institute of Chartered Accountants and qualified with Price Waterhouse in London. Duncan was appointed to the Board on 24 August 2018.

The Board considers that Duncan’s financial expertise, including his experience working as an FD and CFO in the energy sector, as well as his work as Chair of the Audit Committee, enable him to contribute effectively to Board discussions covering valuation, the performance of the fund and risk, which together aid the long-term success of the Company.

Significant interests: Duncan is a director of DJN Consultancy Limited, and a non-executive director of AFC Energy plc.



**Catherine Pitt**  
(Chair of the Nomination Committee and Independent Non-Executive Director)

Cathy is a legal adviser who has specialised in the investment company and asset management sectors for over 20 years, specialising in governance, regulation and capital markets. She was appointed to the Board on 1 March 2019.

The Board considers that Cathy’s legal expertise, transaction experience and knowledge of the investment trust sector, as well as her work as Chair of the Nomination Committee, enable her to contribute effectively to Board discussions and governance enhancement, both of which are important to the Company’s long-term sustainable success.

Significant interests: Cathy is a non-executive director of Baillie Gifford UK Growth Trust plc and the Association of Investment Companies and a member of the Advisory Council of Sex Matters, a not-for-profit company limited by guarantee.

## Board of Directors



### David Stevenson

(Chair of the Remuneration Committee and Senior Independent Non-Executive Director)

David is a financial journalist and commentator for a number of leading publications, including The Financial Times (the Adventurous Investor), Citywire, and MoneyWeek. He is also the founder of [www.etfstream.com](http://www.etfstream.com), the leading source of ETF analysis in Europe. David was appointed to the Board on 24 August 2018.

The Board considers that David's knowledge of the investment industry, and experience of communicating with the end investor through various marketing and communications channels, as well as his work as Chair of the Remuneration Committee and on other boards, enables him to contribute effectively to Board discussions and to the Company's long-term sustainable success.

Significant interests: David is a director of Castelnau Group Limited, the Secured Income Fund plc, Aurora Investment Trust plc and Workspace plc.



### Andy Koss

Andy is a Chartered Accountant and Corporate Treasurer with 20 years' operational and financial leadership in the energy sector, having served as CEO Generation at Drax Group plc, a FTSE 250 company, and CEO, UK and Middle East, for Sembcorp Industries, which is listed on the Singapore Exchange. He brings end-to-end expertise in battery storage, connectivity and government engagement, underpinned by deep sector relationships with NESO, Ofgem and UK Government.

Significant interests: Andy is a director of Encyclis and has recently become Chair of the Board of Trustees for a children's charity, PANS PANDAS UK.



# Statement of Directors' responsibilities



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

The Directors acknowledge responsibility for the interim results and approve this Interim report. The Directors confirm that to the best of their knowledge:

a) the condensed financial statements have been prepared in accordance with IAS 34 "Interim Financial Reporting" and give a true and fair view of the assets, liabilities and financial position and the profit of the Group as required by DTR 4.2.4R;

b) the interim management report, included within the Chair's statement and Investment Manager's report, includes a fair review of the information required by DTR 4.2.7R, being the significant events of the first half of the year and the principal risks and uncertainties for the remaining six months of the year; and  
c) the condensed financial statements include a fair review of the related party transactions, as required by DTR 4.2.8R.

The responsibility statement has been approved by the Board

**John Leggate CBE, FREng**  
Chair

23 September 2025



**Accounts**

# Condensed Statement of Comprehensive Income (unaudited)

For the six months ended 30 June 2025

Company number 11535957

| Six months ended<br>30 June 2025                                  | Note | Revenue<br>(£)     | Capital<br>(£)     | Total<br>(£)       |
|-------------------------------------------------------------------|------|--------------------|--------------------|--------------------|
| Net return on investments at fair value through profit and loss   | 6    | 107,983            | (6,172,990)        | (6,065,007)        |
| Other income                                                      |      | 358,757            | -                  | 358,757            |
| <b>Total income</b>                                               |      | <b>466,740</b>     | <b>(6,172,990)</b> | <b>(5,706,250)</b> |
| Administrative and other expenses                                 | 7    | (3,511,776)        | (91,589)           | (3,603,365)        |
| <b>Loss before tax</b>                                            |      | <b>(3,045,036)</b> | <b>(6,264,579)</b> | <b>(9,309,615)</b> |
| Taxation                                                          | 8    | -                  | -                  | -                  |
| <b>Loss after tax and total comprehensive loss for the period</b> |      | <b>(3,045,036)</b> | <b>(6,264,579)</b> | <b>(9,309,615)</b> |
| Loss per share (basic and diluted) – pence per share              | 9    | (0.54)             | (1.10)             | (1.64)             |

All items dealt with in arriving at the result for the period relate to continuing operations.

The notes starting on [page 35](#) form an integral part of these condensed interim financial statements.

There are no other items of comprehensive income or expense apart from those disclosed above and consequently a separate statement of comprehensive income has not been prepared.

| Six months ended<br>30 June 2024                                                    | Note | Revenue<br>(£)    | Capital<br>(£)       | Total<br>(£)         |
|-------------------------------------------------------------------------------------|------|-------------------|----------------------|----------------------|
| Net return on investments at fair value through profit and loss                     | 6    | 9,927,825         | (122,843,656)        | (112,915,831)        |
| Other income                                                                        |      | 552,977           | -                    | 552,977              |
| <b>Total income</b>                                                                 |      | <b>10,480,802</b> | <b>(122,843,656)</b> | <b>(112,362,854)</b> |
| Administrative and other expenses                                                   | 7    | (4,569,159)       | -                    | (4,569,159)          |
| <b>Profit/(loss) before tax</b>                                                     |      | <b>5,911,643</b>  | <b>(122,843,656)</b> | <b>(116,932,013)</b> |
| Taxation                                                                            | 8    | -                 | -                    | -                    |
| <b>Profit/(loss) after tax and total comprehensive income/(loss) for the period</b> |      | <b>5,911,643</b>  | <b>(122,843,656)</b> | <b>(116,932,013)</b> |
| Profit/(loss) per share (basic and diluted) – pence                                 | 9    | 1.04              | (21.59)              | (20.55)              |

# Condensed Statement of Financial Position (unaudited)

As at 30 June 2025

Company number 11535957

|                                                                  | Note | 30 June<br>2025<br>(£) | 31 December<br>2024<br>(£) |
|------------------------------------------------------------------|------|------------------------|----------------------------|
| <b>Non-current assets</b>                                        |      |                        |                            |
| Investments in subsidiaries at fair value through profit or loss | 10   | 609,884,846            | 618,037,144                |
| <b>Current assets</b>                                            |      |                        |                            |
| Cash and cash equivalents                                        | 11   | 4,408,559              | 4,044,450                  |
| Trade and other receivables                                      | 12   | 775,384                | 777,173                    |
| <b>Total current assets</b>                                      |      | <b>5,183,943</b>       | <b>4,821,623</b>           |
| <b>Total assets</b>                                              |      | <b>615,068,789</b>     | <b>622,858,767</b>         |
| <b>Current liabilities</b>                                       |      |                        |                            |
| Trade and other payables                                         | 13   | (2,135,068)            | (615,431)                  |
| <b>Total net assets</b>                                          |      | <b>612,933,721</b>     | <b>622,243,336</b>         |
| <b>Shareholders' equity</b>                                      |      |                        |                            |
| Share capital                                                    | 18   | 5,734,447              | 5,734,447                  |
| Treasury shares                                                  | 18   | (2,012,553)            | (2,012,553)                |
| Share premium                                                    | 18   | -                      | -                          |
| Merger relief reserve                                            | 18   | -                      | -                          |
| Capital reduction reserve                                        | 18   | 561,106,626            | 561,106,626                |
| Capital reserves                                                 | 18   | (4,008,002)            | 2,256,577                  |
| Revenue reserves                                                 | 18   | 52,113,203             | 55,158,239                 |
| <b>Total shareholders' equity</b>                                |      | <b>612,933,721</b>     | <b>622,243,336</b>         |
| Net asset value per share (pence)                                | 17   | 107.71                 | 109.35                     |

The Interim report and condensed financial statements were approved and authorised for issue by the Board of Directors and are signed on its behalf by:

**John Leggate CBE, FREng**

Chair

23 September 2025

The notes starting on [page 35](#) form an integral part of these condensed interim financial statements.

# Condensed Statement of Changes in Equity (unaudited)

For the period from 1 January 2025 to 30 June 2025

| Six months ended<br>30 June 2025                | Note | Share<br>capital<br>(£) | Treasury<br>shares<br>(£) | Share<br>premium<br>reserve<br>(£) | Merger<br>relief<br>reserve<br>(£) | Capital<br>reduction<br>reserve<br>(£) | Capital<br>reserves<br>(£) | Revenue<br>reserves<br>(£) | Total<br>shareholders'<br>equity<br>(£) |
|-------------------------------------------------|------|-------------------------|---------------------------|------------------------------------|------------------------------------|----------------------------------------|----------------------------|----------------------------|-----------------------------------------|
| Shareholders' equity at<br>1 January 2025       |      | 5,734,447               | (2,012,553)               | –                                  | –                                  | 561,106,626                            | 2,256,577                  | 55,158,239                 | 622,243,336                             |
| Loss for the period                             |      | –                       | –                         | –                                  | –                                  | –                                      | (6,264,579)                | (3,045,036)                | (9,309,615)                             |
| <b>Shareholders' equity at<br/>30 June 2025</b> |      | <b>5,734,447</b>        | <b>(2,012,553)</b>        | <b>–</b>                           | <b>–</b>                           | <b>561,106,626</b>                     | <b>(4,008,002)</b>         | <b>52,113,203</b>          | <b>612,933,721</b>                      |

| Six months ended<br>30 June 2024                | Note | Share<br>capital<br>(£) | Treasury<br>shares<br>(£) | Share<br>premium<br>reserve<br>(£) | Merger<br>relief<br>reserve<br>(£) | Capital<br>reduction<br>reserve<br>(£) | Capital<br>reserves<br>(£) | Revenue<br>reserves<br>(£) | Total<br>shareholders'<br>equity<br>(£) |
|-------------------------------------------------|------|-------------------------|---------------------------|------------------------------------|------------------------------------|----------------------------------------|----------------------------|----------------------------|-----------------------------------------|
| Shareholders' equity at<br>1 January 2024       |      | 5,734,447               | –                         | 543,915,072                        | 13,299,017                         | 3,892,537                              | 120,353,097                | 52,953,330                 | 740,147,500                             |
| (Loss)/profit for the period                    |      | –                       | –                         | –                                  | –                                  | –                                      | (122,843,656)              | 5,911,643                  | (116,932,013)                           |
| <b>Transactions with owners:</b>                |      |                         |                           |                                    |                                    |                                        |                            |                            |                                         |
| Repurchase of Ordinary<br>Shares                |      | –                       | (2,012,552)               | –                                  | –                                  | –                                      | –                          | –                          | (2,012,552)                             |
| <b>Shareholders' equity at<br/>30 June 2024</b> |      | <b>5,734,447</b>        | <b>(2,012,552)</b>        | <b>543,915,072</b>                 | <b>13,299,017</b>                  | <b>3,892,537</b>                       | <b>(2,490,559)</b>         | <b>58,864,973</b>          | <b>621,202,935</b>                      |

The notes starting on [page 35](#) form an integral part of these condensed interim financial statements.

# Condensed Statement of Cash Flows (unaudited)

For the period from 1 January 2025 to 30 June 2025

|                                                                 | Note | Six months ended<br>30 June 2025<br>(unaudited)<br>(£) | Six months ended<br>30 June 2024<br>(unaudited)<br>(£) |
|-----------------------------------------------------------------|------|--------------------------------------------------------|--------------------------------------------------------|
| <b>Cash flows used in operating activities</b>                  |      |                                                        |                                                        |
| Loss for the period                                             |      | (9,309,615)                                            | (116,932,013)                                          |
| Net return on investments at fair value through profit and loss | 6    | 6,172,990                                              | 122,843,656                                            |
| Interest income                                                 |      | (196,740)                                              | (10,091,208)                                           |
| Decrease/(increase) in trade and other receivables              |      | 1,789                                                  | (534,071)                                              |
| Increase/(decrease) in trade and other payables                 |      | 1,519,637                                              | (1,936,462)                                            |
| Interest received                                               |      | 89,412                                                 | 163,383                                                |
| <b>Net cash used in operating activities</b>                    |      | <b>(1,722,527)</b>                                     | <b>(6,486,715)</b>                                     |
| <b>Cash flows used in investing activities</b>                  |      |                                                        |                                                        |
| Loans made to subsidiaries                                      | 10   | –                                                      | (4,200,000)                                            |
| Loans repaid by subsidiaries                                    | 10   | 2,086,636                                              | 2,024,597                                              |
| <b>Net cash received from/(used in) investing activities</b>    |      | <b>2,086,636</b>                                       | <b>(2,175,403)</b>                                     |

|                                                                            | Note | Six months ended<br>30 June 2025<br>(unaudited)<br>(£) | Six months ended<br>30 June 2024<br>(unaudited)<br>(£) |
|----------------------------------------------------------------------------|------|--------------------------------------------------------|--------------------------------------------------------|
| <b>Cash flows used in financing activities</b>                             |      |                                                        |                                                        |
| Repurchase of Ordinary Shares                                              |      | –                                                      | (2,012,552)                                            |
| <b>Net cash outflow from financing activities</b>                          |      | <b>–</b>                                               | <b>(2,012,552)</b>                                     |
| <b>Net increase/(decrease) in cash and cash equivalents for the period</b> |      |                                                        |                                                        |
| Cash and cash equivalents at the beginning of the period                   |      | 4,044,450                                              | 14,073,513                                             |
| <b>Cash and cash equivalents at the end of the period</b>                  |      | <b>4,408,559</b>                                       | <b>3,398,843</b>                                       |

The notes starting on [page 35](#) form an integral part of these Condensed Interim financial statements.

# Notes to the Financial Statements

For the period ended 30 June 2025

## 1. General information

Gresham House Energy Storage Fund plc (the "Company") is a company limited by shares and is listed on the special fund segment of the London Stock Exchange. The Company was incorporated in England and Wales on 24 August 2018 with Company number 11535957 as a closed-ended investment company. The Company's business is as an investment trust within the meaning of Chapter 4 of Part 24 of the Corporation Tax Act 2010. The registered office of the Company is The Scalpel, 18th Floor, 52 Lime Street, London, EC3M 7AF. Its share capital is denominated in Pounds Sterling (GBP or £) and currently consists of Ordinary Shares. Through its subsidiaries, the Company's principal activity is to invest in SPVs which operate a diversified portfolio of operating utility-scale Battery Energy Storage Systems (BESS), which utilise batteries and may also utilise generators. The BESS projects comprising the investment portfolio are located in diverse locations across Great Britain.

These interim financial statements cover the period from 1 January 2025 to 30 June 2025, with a comparative period from 1 January 2024 to 30 June 2024, and comprise only the results of the Company as all of its subsidiaries are measured at fair value.

## 2. Basis of preparation

### Statement of compliance

The Interim report and condensed financial statements have been prepared in accordance with International Accounting Standard 34 'Interim Financial Reporting' (IAS 34). The condensed interim financial statements have been prepared on a historical basis except for financial assets at fair value through profit or loss. The accounts have been prepared on the basis that is consistent with accounting policies applied in the preparation of the Company's Annual financial statements for 31 December 2024 and are expected to continue to apply in the Company's Annual financial statements for the year ended 31 December 2025.

Where presentational guidance set out in the Statement of Recommended Practice (the "SORP") 'Financial Statements of Investment Trust Companies and Venture Capital Trusts', issued by the Association of Investment Companies (AIC) is consistent with the requirements of IAS 34, the Directors have prepared the annual financial statements on a basis compliant with the recommendations of the SORP. The supplementary information which analyses the Statement of Comprehensive Income between items of revenue and a capital nature is presented in accordance with the SORP.

These condensed interim financial statements do not include all information and disclosures required in the Annual financial statements and should be read in conjunction with the Company's audited financial statement for the year ended 31 December 2024, which were prepared in accordance with the UK international accounting standards.

### Functional and presentation currency

The currency of the primary economic environment in which the Company operates (the functional currency) is Pound Sterling (GBP or £) which is also the presentation currency.

### Going concern

As at 30 June 2025, the Company had net current assets of £3.0mn including cash balances of £4.4mn (excluding cash balances of £43.8mn within investee companies) and no debt.

As set out in the Chair's statement on [page 7](#) and the Investment Manager's report on [page 10](#), in August 2025 a debt facility of £220mn was entered into by GRID Holdco 1 Limited, a wholly owned subsidiary of the Company. This replaces a £195mn debt facility entered into by the MidCo in September 2021 for which the Company was a guarantor. The Company is not a guarantor to the new debt facility.

As the gross debt under the previous facility was expected to peak at £175mn, the new facility provides additional capital to the portfolio to fund the second phase of augmentations and the initial equity for the 694MW pipeline. Alongside the £220mn of available debt, the refinancing includes a Debt Service Reserve Facility (DSRF) of £18.6mn and a short-term VAT facility of £1.6mn, to improve working capital during the construction phase of the augmentations.

The new facility carries a low 225bps margin made possible by the greater contracted nature of the portfolio on the back of tolling and floor agreements put in place over the past year. Contracted earnings cover all costs, including project costs, interest and amortisation.

Financial models have been prepared for the going concern period which consider liquidity at the start of the period and key financial assumptions at the Company level as well as at the operational project level. These financial assumptions include expected cash generated by the portfolio companies available to be distributed to the Company. Financial assumptions also include inflows and outflows in relation to the external debt and interest payments committed expenditure for construction projects, and the ongoing administrative costs of the Company.

The Directors have applied two scenarios to their going concern assessment:

- a base case assessment, based on central case forecasts provided by third-party consultants; and
- a severe but plausible downside case scenario based on low revenue forecasts.

Both the base case and the downside case show the Company is expected to have sufficient cash available to meet current obligations and commitments as they fall due and that the debt covenants of the new debt facility are expected to be met. The underlying investments have valuable assets which could be sold to generate cash flow if required.

The Directors confirm they have a reasonable expectation that the Company has adequate resources to continue its operations for at least 12 months from the date of signing these financial statements. As such, the Directors have adopted the going concern basis in preparing the Interim report and financial statements.

### 3. Significant accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

During the period the Directors considered the following significant judgements:

### Assessment as an investment entity

Entities that meet the definition of an investment entity within IFRS 10 are required to measure their subsidiaries at fair value through profit or loss rather than consolidate their subsidiaries unless their subsidiaries provide investment management services to the Company and the subsidiaries are not themselves investment entities. To determine that the Company continues to meet the definition of an investment entity, the Company is required to satisfy the following three criteria:

- a) the Company obtains funds from one or more investors for the purpose of providing those investors with investment management services;
- b) the Company commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and
- c) the Company measures and evaluates the performance of its investments on a fair value basis.

The Company meets the criteria as follows:

- the stated strategy of the Company is to deliver stable returns to shareholders through a mix of battery energy storage investments;
- the Company provides investment management services and has several investors who pool their funds to gain access to infrastructure-related investment opportunities that they might not have had access to individually; and
- the Company has elected to measure and evaluate the performance of all of its investments on a fair value basis. The fair value method is used to represent the Company's performance in its communication to the market, including investor presentations. In addition, the Company reports fair value information internally to Directors, who use fair value as the primary measurement attribute to evaluate performance.

The Company also meets the typical characteristics of an investment entity as it (via the MidCo) holds more than one investment, has more than one investor, has investors that are not related parties of the Company and it has ownership interests in the form of equity or similar interest.

Based on the above factors, the Directors are of the opinion that the Company meets the characteristics of an investment entity and meets the definition in the standard. The Directors will reassess this conclusion on an annual basis.

## Assessment of the MidCo as an investment entity

The MidCo (see Note 10) is not consolidated by the Company as the MidCo is also considered to be an investment entity. The Board of the MidCo has considered the requirements of IFRS 10 as per above and confirms the MidCo meets these criteria. If the MidCo was not considered to meet the definition of an investment entity, then the Company would be required to consolidate the MidCo. The net assets of the MidCo have been set out in Note 10. The impact of consolidating the MidCo would be to increase the investment value to £761,618,114 (31 December 2024: £757,992,640) and recognise a reduction in net working capital of £151,733,268 (31 December 2024: £139,955,496).

Note 10 includes an overview of the balances within the MidCo and what would be included in the accounts of the Company if the Company were required to consolidate the entity.

## Investment Manager not a related party

The AIFM is not disclosed as key management personnel in the financial statements. To meet the key management personnel definition, the AIFM would need to have authority and responsibility for planning, directing, and controlling the activities of the entity. The Directors are of the opinion that the AIFM does not meet these criteria as the Board has to approve key decisions. The AIFM is restricted to the delivery of the investment policy.

During the period the Directors considered the following significant estimates:

## Valuation of investments in subsidiaries

Significant estimates in the Company's financial statements include the amounts recorded for the fair value of the investments. By their nature, these estimates and assumptions are subject to measurement uncertainty and the effect on the Company's financial statements of changes in estimates in future periods could be significant. See Note 15 for further details.

## 4. New standards, amendments and interpretations published

### New and revised IFRSs in issue that came into effect during the period:

The following standards and interpretations have been issued and are effective for annual reporting periods beginning on or after 1 January 2025 and are not deemed to have had a material impact on the Company's financial statements:

- Amendments to add requirements for an entity to determine whether a currency is exchangeable into another currency and the exchange rate to use when it is not – IAS 21 – effective 1 January 2025
- Amendments regarding the definition of accounting estimates – IAS 8 – effective from 1 January 2025
- Amendments regarding significant changes in accounting for insurance contracts – IFRS 17 – effective from 1 January 2025
- Amendments regarding deferred tax on lease and decommissioning obligations – IAS 12 – effective from 1 January 2025

### New and revised IFRSs in issue but not yet effective:

Certain new accounting standards and amendments to accounting standards and interpretations have been published that are not mandatory for 31 December 2025 reporting periods and have not been early adopted by the Company. These standards, amendments or interpretations are not expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions hence they have not been presented in detail in these financial statements.

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of these financial statements are listed below. The Company intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

- Annual Improvements to IFRS Accounting Standards – IFRS standards volume 11 – effective from 1 January 2026
- Amendments to classification and measurement to contracts referencing nature – dependent electricity – IFRS 9 and IFRS 7 – effective from 1 January 2026
- Presentation and Disclosure in Financial Statements – IFRS 18 – effective from 1 January 2027
- Subsidiaries without Public Accountability: Disclosures – IFRS 19 – effective from 1 January 2027

## 5. Fees and expenses

### Accounting, secretarial and Directors

JTC (UK) Limited has been appointed to act as Secretary and Administrator for the Company through the Administration and Company Secretarial Agreement. JTC (UK) Limited is entitled to a £65,280 annual fee for the provision of Company Secretarial services and a £59,840 annual fee for the provision of fund accounting and administration services, based on a Company NAV of up to £200mn. An ad valorem fee based on total assets of the Company which exceed £200mn will be applied as follows:

- 0.04% on the NAV of the Company in excess of £200mn

During the period, expenses incurred with JTC (UK) Limited for administrative and secretarial services amounted to £157,820 (2024: £203,237) with £72,762 (2024: £85,162) being outstanding and payable at the period end.

### AIFM

The AIFM, Gresham House Asset Management Limited (the Investment Manager), is entitled to receive a fee from the Company in respect of its services provided under the AIFM Agreement. Following the prior year end, the Company and the Manager agreed to a revised management fee arrangement to apply from 1 February 2025.

Prior to the change, the management fee was solely based on the published NAV:

- 1% on the first £250mn of the NAV of the Company;
- 0.9% on the NAV of the Company in excess of £250mn and up to and including £500mn;
- 0.8% on the NAV of the Company in excess of £500mn.

Under the new arrangements, the management fee is based on an average of the closing daily market capitalisation during the period and the NAV at the beginning of each quarter:

- 1% on the first £250mn of the average of the market capitalisation and NAV of the Company;
- 0.9% on the average of the market capitalisation and NAV of the Company in excess of £250mn and up to and including £500mn;
- 0.8% on the average of the market capitalisation and NAV of the Company in excess of £500mn.

During the period, Investment Manager fees amounted to £2,337,528 (2024: £3,325,260) with £1,386,393 payable at the period end (2024: £nil).

The AIFM also provides accounting and administration services to the underlying project companies and is entitled to an annual fee of £9,000 per project. During the period, expenses incurred with the AIFM for accounting and administration services amounted to £135,000 (2024: £135,000) with £67,500 (2024: £67,500) being outstanding and payable at the period end.

The Investment Manager is a wholly owned subsidiary of Gresham House Limited, a significant shareholder in the Company, holding 8.72% (2024: 8.71%) of total issued Ordinary Shares. Ben Guest (a Director of the Investment Manager) holds 2.53% (2024: 2.53%) of total issued Ordinary Shares, including direct and indirect holdings.

## 6. Net return on investments at fair value through the profit and loss

|                                                                      | Six months ended<br>30 June 2025<br>(£) | Six months ended<br>30 June 2024<br>(£) |
|----------------------------------------------------------------------|-----------------------------------------|-----------------------------------------|
| Unrealised loss on investments at fair value through profit and loss | (6,172,990)                             | (122,843,656)                           |
| Interest on loans to subsidiaries                                    | 107,983                                 | 9,927,825                               |
|                                                                      | <b>(6,065,007)</b>                      | <b>(112,915,831)</b>                    |

## 7. Administrative and other expenses

|                                                                                   | Six months<br>ended<br>30 June 2025<br>(£) | Six months<br>ended<br>30 June 2024<br>(£) |
|-----------------------------------------------------------------------------------|--------------------------------------------|--------------------------------------------|
| Administration and secretarial fees                                               | 157,820                                    | 172,010                                    |
| Audit fees                                                                        | 163,894                                    | 268,862                                    |
| Depository fees                                                                   | 49,343                                     | 49,343                                     |
| Directors' remuneration including social security contributions and similar taxes | 185,082                                    | 183,843                                    |
| Investment Manager fee                                                            | 2,337,528                                  | 3,325,260                                  |
| Sundry expenses                                                                   | 254,433                                    | 240,760                                    |
| Transaction fees                                                                  | 88,336                                     | –                                          |
| Legal and professional fees                                                       | 366,929                                    | 329,081                                    |
|                                                                                   | <b>3,603,365</b>                           | <b>4,569,159</b>                           |

## 8. Taxation

The Company is recognised as an Investment Trust Company (ITC) for the accounting period and is taxed at the main rate of 25% (2024: 25%).

The Company may utilise group relief or make interest distributions to reduce taxable profits for the period to 30 June 2025.

|                                                               | Six months<br>ended<br>30 June 2025<br>(£) | Six months<br>ended<br>30 June 2024<br>(£) |
|---------------------------------------------------------------|--------------------------------------------|--------------------------------------------|
| <b>(a) Tax charge in profit or loss</b>                       |                                            |                                            |
| UK corporation tax                                            | –                                          | –                                          |
| <b>(b) Reconciliation of the tax charge for the period</b>    |                                            |                                            |
| Loss before tax                                               | (9,309,615)                                | (116,932,013)                              |
| Tax at UK main rate of 25% (2024: 25%)                        | 2,327,404                                  | 29,233,003                                 |
| Tax effect of:                                                |                                            |                                            |
| Net loss on investments at fair value through profit and loss | (1,543,248)                                | (30,710,914)                               |
| Non-deductible expenses                                       | (22,897)                                   | –                                          |
| Subject to group relief/designated as interest distributions  | (761,259)                                  | 1,477,911                                  |
| <b>Tax charge for the period</b>                              | <b>–</b>                                   | <b>–</b>                                   |

## 9. Earnings per Ordinary Share

Earnings per Ordinary Share (EPS) amounts are calculated by dividing the profit or loss for the period attributable to ordinary equity holders of the Company by the weighted average number of Ordinary Shares in issue during the period. As there are no dilutive instruments outstanding, basic and diluted EPS are identical.

|                                                            | Revenue       | Capital       | Six months ended<br>30 June 2025<br>Total |
|------------------------------------------------------------|---------------|---------------|-------------------------------------------|
| Net loss attributable to Ordinary Shareholders (£)         | (3,045,036)   | (6,264,579)   | (9,309,615)                               |
| Weighted average number of Ordinary Shares for the period  | 569,064,139   | 569,064,139   | 569,064,139                               |
| <b>Loss per Ordinary Share (basic and diluted) – pence</b> | <b>(0.54)</b> | <b>(1.10)</b> | <b>(1.64)</b>                             |

|                                                                     | Revenue     | Capital        | Six months ended<br>30 June 2024<br>Total |
|---------------------------------------------------------------------|-------------|----------------|-------------------------------------------|
| Net profit/(loss) attributable to Ordinary Shareholders (£)         | 5,911,643   | (122,843,656)  | (116,932,013)                             |
| Weighted average number of Ordinary Shares for the period           | 569,064,139 | 569,064,139    | 569,064,139                               |
| <b>Profit/(loss) per Ordinary Share (basic and diluted) – pence</b> | <b>1.04</b> | <b>(21.59)</b> | <b>(20.55)</b>                            |

## 10. Investments in subsidiaries at fair value through profit or loss

The Company meets the definition of an investment entity. Therefore, it does not consolidate its subsidiaries but, rather, recognises them as investments at fair value through profit or loss. The Company is not contractually obligated to provide financial support to the subsidiaries, except as a guarantor to the debt facility entered into by the MidCo, and there are no restrictions in place in passing monies up the structure.

|                                                       | Immediate parent | Place of business                                         | Registered office                                                                      | Percentage ownership |
|-------------------------------------------------------|------------------|-----------------------------------------------------------|----------------------------------------------------------------------------------------|----------------------|
| Gresham House Energy Storage Holdings Limited (MidCo) | The Company      | The Scalpel, 18th Floor, 52 Lime Street, London, EC3M 7AF | Gresham House Asset Management Limited, 5 New Street Square, London, England, EC4A 3TW | 100%                 |

Refer to Note 15 for valuation disclosures relating to the investments in subsidiaries.

The Directors evaluate the performance of the portfolio of energy storage investments through its subsidiary companies on a fair value basis. The income approach is used to value investments as it indicates value based on the sum of the economic income that a project, or group of projects, is anticipated to earn in the future.

The Company engaged with Grant Thornton as independent and qualified valuers to assess the fair value of the Company's investments and have provided their opinion on the reasonableness of the valuation of the Company's investment portfolio.

## Notes to the Financial Statements

Therefore, the investments in subsidiaries are measured at FVTPL under IFRS 9, as these financial assets are managed and their performance evaluated on a fair value basis.

|                               | 30 June<br>2025<br>(£) | 31 December<br>2024<br>(£) |
|-------------------------------|------------------------|----------------------------|
| Equity                        | 603,847,983            | 610,020,974                |
| Loans – interest bearing      | 1,836,863              | 3,816,170                  |
| Loans – interest free         | 4,200,000              | 4,200,000                  |
| <b>Total equity and loans</b> | <b>609,884,846</b>     | <b>618,037,144</b>         |

|                                                        | 30 June<br>2025<br>(£) | 31 December<br>2024<br>(£) |
|--------------------------------------------------------|------------------------|----------------------------|
| Opening balance                                        | 618,037,144            | 727,981,694                |
| Add: loans advanced                                    | –                      | 4,200,000                  |
| Less: repayment of loan through the issuance of shares | –                      | (613,781,000)              |
| Less: loan repayments                                  | (2,086,636)            | (6,111,843)                |
| Add: accrued interest on loans                         | 107,328                | 9,927,827                  |
| Add: purchase of equity interest                       | –                      | 613,781,000                |
| Total fair value movement through profit or loss       | (6,172,990)            | (117,960,534)              |
| <b>Closing balance</b>                                 | <b>609,884,846</b>     | <b>618,037,144</b>         |

The interest-bearing loan of £1,836,863 attracts an interest rate of 8% per annum from the date of advance. Interest compounds on 31 December of each year and the loan is unsecured. During the prior year, £613,781,000 of the principal balance of the loan to the MidCo was repaid through the issuance of new shares. Subsequently, during the prior year, the Company made a £4,200,000 interest-free loan to the MidCo.

Unless otherwise agreed, the loan principal and any interest accrued on the loans shall be repayable on the earlier of (i) written demand from the Company, or (ii) 31 December 2030.

## Further analysis

The Company owns 100% of the Ordinary Shares in Gresham House Energy Storage Holdings Limited (the MidCo) which itself holds a number of 100% owned subsidiaries. The investment in the MidCo of £609,884,846 (2024: £618,037,144) comprises underlying investments as follows:

|                                        | Percentage ownership |                            | Total investment       |                            |
|----------------------------------------|----------------------|----------------------------|------------------------|----------------------------|
|                                        | 30 June<br>2025      | 31 December<br>2024<br>(£) | 30 June<br>2025<br>(£) | 31 December<br>2024<br>(£) |
| Noriker Staunch Limited                | 100%                 | 100%                       | 6,675,057              | 9,991,463                  |
| HC ESS2 Limited                        | 100%                 | 100%                       | 12,050,186             | 13,494,479                 |
| HC ESS3 Limited                        | 100%                 | 100%                       | 13,649,699             | 15,206,290                 |
| West Midlands Grid Storage Two Limited | 100%                 | 100%                       | 1,217,928              | 1,467,353                  |
| Cleator Battery Storage Limited        | 100%                 | 100%                       | 4,939,232              | 5,169,624                  |
| Glassenbury Battery Storage Limited    | 65%                  | 100%                       | 25,455,866             | 29,208,602                 |
| HC ESS4 Limited                        | 100%                 | 100%                       | 32,653,398             | 34,982,667                 |
| Bloxwich Energy Storage Limited        | 100%                 | 100%                       | 18,177,725             | 17,273,600                 |
| HC ESS6 Limited                        | 100%                 | 100%                       | 31,890,859             | 33,041,897                 |
| HC ESS7 Limited                        | 100%                 | 100%                       | 33,966,575             | 36,400,480                 |
| Tynemouth Energy Storage Limited       | 100%                 | 100%                       | 5,673,485              | 6,467,591                  |
| Gridreserve Limited                    | 100%                 | 100%                       | 14,394,699             | 14,044,116                 |
| Nevendon Energy Storage Limited        | 100%                 | 100%                       | 11,162,436             | 10,731,805                 |
| South Shields Energy Storage Limited   | 100%                 | 100%                       | 14,162,350             | 13,540,097                 |
| Enderby Storage Limited                | 100%                 | 100%                       | 42,806,055             | 44,161,760                 |
| West Didsbury Storage Limited          | 100%                 | 100%                       | 45,790,769             | 47,779,392                 |
| Penwortham Storage Limited             | 100%                 | 100%                       | 45,917,599             | 41,161,144                 |

## Notes to the Financial Statements

|                                                                 | Percentage ownership |                      | Total investment   |                      |
|-----------------------------------------------------------------|----------------------|----------------------|--------------------|----------------------|
|                                                                 | 30 June 2025         | 31 December 2024 (£) | 30 June 2025 (£)   | 31 December 2024 (£) |
| Grendon Storage Limited                                         | 100%                 | 100%                 | 46,693,685         | 47,174,003           |
| Melksham East Storage Limited and Melksham West Storage Limited | 100%                 | 100%                 | 80,716,803         | 85,496,352           |
| UK Battery Storage Limited                                      | 100%                 | 100%                 | 145,137,966        | 123,458,132          |
| Stairfoot Generation Limited                                    | 100%                 | 100%                 | 23,563,416         | 23,976,915           |
| Greengridpower1 Limited                                         | 100%                 | 100%                 | 33,616,853         | 33,647,727           |
| Gresham House Energy Storage Solutions Limited                  | 100%                 | 100%                 | 2,174,322          | 2,075,295            |
| Arbroath Limited                                                | 100%                 | 100%                 | 27,426,203         | 29,367,937           |
| Roc Noir Limited                                                | 100%                 | 100%                 | 5,818,067          | 5,717,192            |
| Coupar Limited                                                  | 100%                 | 100%                 | 35,886,881         | 32,956,727           |
| <b>Total investments in subsidiaries</b>                        |                      |                      | <b>761,618,114</b> | <b>757,992,640</b>   |
| Working capital in MidCo**                                      |                      |                      | (151,733,268)      | (139,955,496)        |
| <b>Total investment in MidCo</b>                                |                      |                      | <b>609,884,846</b> | <b>618,037,144</b>   |

\*During the period, Glassenbury Battery Storage Limited issued shares to an external investor thereby diluting the Company's shareholding to 65%.

The place of business for all the investments is 5 New Street Square, London, England, EC4A 3TW.

A summary of impact on the Company's Statement of Financial Position if the MidCo was consolidated is included in Note 3.

|                                   | 30 June 2025 (£)     | 31 December 2024 (£) |
|-----------------------------------|----------------------|----------------------|
| <b>**Working capital in MidCo</b> |                      |                      |
| Cash at bank                      | 21,148,637           | 22,448,024           |
| Trade and other receivables       | 855,892              | 123,139              |
| Loan arrangement fees             | 2,066,395            | 2,907,959            |
| Trade and other payables          | (12,409,331)         | (14,582,564)         |
| Facility loan                     | (160,000,000)        | (150,000,000)        |
| Interest payable on facility loan | (2,597,116)          | (2,487,083)          |
| Derivative (liability)/asset      | (797,745)            | 1,635,029            |
|                                   | <b>(151,733,268)</b> | <b>(139,955,496)</b> |

## 11. Cash and cash equivalents

|                                | 30 June 2025 (£) | 31 December 2024 (£) |
|--------------------------------|------------------|----------------------|
| Cash at bank                   | 368,536          | 94,550               |
| Investment in liquidity funds* | 4,040,023        | 3,949,900            |
|                                | <b>4,408,559</b> | <b>4,044,450</b>     |

\*The liquidity fund is a liquid, short-term instrument which can easily be converted into cash

## 12. Trade and other receivables

|                | 30 June 2025 (£) | 31 December 2024 (£) |
|----------------|------------------|----------------------|
| Prepayments    | 48,921           | 61,241               |
| Accrued income | 384,716          | 329,640              |
| VAT receivable | 341,747          | 386,292              |
|                | <b>775,384</b>   | <b>777,173</b>       |

### 13. Trade and other payables

|                                     | 30 June<br>2025<br>(£) | 31 December<br>2024<br>(£) |
|-------------------------------------|------------------------|----------------------------|
| Administration and secretarial fees | 72,762                 | 72,762                     |
| Audit fee accrual                   | 162,500                | 240,740                    |
| Management fee payable              | 1,386,393              | –                          |
| Other accruals                      | 513,413                | 301,929                    |
|                                     | <b>2,135,068</b>       | <b>615,431</b>             |

### 14. Categories of financial instruments

|                                                 | 30 June<br>2025<br>(£) | 31 December<br>2024<br>(£) |
|-------------------------------------------------|------------------------|----------------------------|
| <b>Financial assets</b>                         |                        |                            |
| <i>Financial assets at amortised cost:</i>      |                        |                            |
| Cash and cash equivalents                       | 4,408,559              | 4,044,450                  |
| Trade and other receivables*                    | 384,716                | 329,640                    |
| <i>Fair value through profit or loss:</i>       |                        |                            |
| Investment in subsidiaries                      | 609,884,846            | 618,037,144                |
| <b>Total financial assets</b>                   | <b>614,678,121</b>     | <b>622,411,234</b>         |
| <b>Financial liabilities</b>                    |                        |                            |
| <i>Financial liabilities at amortised cost:</i> |                        |                            |
| Trade and other payables                        | (2,135,068)            | (615,431)                  |
| <b>Net financial assets</b>                     | <b>612,543,053</b>     | <b>621,795,803</b>         |

\* Excludes prepayments and VAT

As at 30 June 2025, the Company had an outstanding charge with Santander UK plc in respect of its position as guarantor to MidCo's debt facility, held against all the assets and undertakings of the Company. There are no liabilities recorded in respect of this position.

At the balance sheet date, all financial assets and liabilities were measured at amortised cost except for the investment in subsidiaries which are measured at fair value.

### 15. Fair Value measurement

#### Valuation approach and methodology

The Company, via the MidCo, used the income approach to value its underlying investments. The income approach indicates value based on the sum of the economic income that an asset, or group of assets, is anticipated to produce in the future. Therefore, the income approach is typically applied to an asset that is expected to generate future economic income, such as a business that is considered a going concern. Free cash flow to total invested capital is typically the appropriate measure of economic income. The income approach is the DCF approach and the method discounts free cash flows using an estimated discount rate.

#### Valuation process

The Company, via the MidCo, held a portfolio of energy storage investments with a capacity of 945MW (the investments) with a further 127MW in construction at 30 June 2025 and 694MW of longer-term pipeline. The wholly owned portfolio comprises 30 projects held in 27 special project vehicles.

All of the investments are based in the UK. The Directors review and approve the valuations of these assets following appropriate challenge and examination. The current portfolio consists of non-market-traded investments, and valuations are analysed using forecasted cash flows of the assets and use the discounted cash flow approach for valuation purposes. The Investment Manager prepares financial models utilising revenue forecasts from external parties, adjusted for contracted revenues from Capacity Market and tolling contracts, to determine the fair value of the Company's investments and the Company engages external, independent, and qualified valuers to verify the valuations. As at 30 June 2025, the fair value of the portfolio of investments has been determined by the Investment Manager and reviewed by Grant Thornton UK LLP.

The valuations have been determined using discounted cash flow methodology, whereby the estimated future cash flows relating to the Company's equity investment in each project have been discounted to 30 June 2025, using discount rates reflecting the risks associated with each investment project and the time value of money. The valuations are based on the expected future cash flows, using reasonable assumptions and forecasts for revenues, operating costs, macro-level factors and an appropriate discount rate.

When acquiring new investments, the Company's valuation approach is based on the status of the projects. If projects are under construction but not expected to be completed within nine months the project will be held at cost. After this date, during construction and once certain key milestones which reduce risk are met, the project will be fair valued. However, a construction premium of 0.75% will be added to the discount rate. When the investment reaches Provisional Acceptance (PAC) a project will be fair valued with a reduced construction premium for 30 days as a proving period. After 30 days the project will be fair valued without a construction premium. Conditional acquisitions, where the price of an acquisition has been agreed but shares have not been transferred, result in the recognition of a derivative at fair value. No value is attributed to pipeline which is not under construction.

The determination of the discount rate applicable to each individual investment project considers various factors, including, but not limited to, the stage reached by each project, the period of operation, the historical track record, the terms of the project agreements and the market conditions in which the project operates.

The Investment Manager exercises its judgement in assessing the expected future cash flows from each investment. The Investment Manager produces detailed financial models for each underlying project. The Investment Manager makes amendments where appropriate to:

- a) discount rates (i) implied in the price at which comparable transactions have been announced or completed in the UK energy storage sector (if available); (ii) publicly disclosed by the Company's peers in the UK energy storage sector (if available); and (iii) applicable for other comparable infrastructure asset classes and regulated energy sectors;
- b) changes in power market forecasts from leading market forecasters and the current revenue environment;
- c) changes in the economic, legal, taxation or regulatory environment, including changes in retail price index expectations;
- d) technical performance based on evidence derived from project performance to date;
- e) the terms of any power purchase agreement arrangements and/or tolling agreements;
- f) accounting policies;
- g) the terms of any debt financing at project level;
- h) claims or other disputes or contractual uncertainties; and
- i) changes to revenue, cost, or other key assumptions (which may include an assessment of future cost trends, as appropriate) including inflation, utilisation, operating and capital expenditure assumptions and asset life.

Valuation assumptions include consideration of climate-related matters such as expected levels of renewable energy entering the grid system, demand patterns and current regulatory policy. These are factored into the pricing assumptions which are prepared by independent consultants.

The Board reviews the operating and financial assumptions, including the discount rates, used in the valuation of the Company's underlying portfolio and approves them based on the recommendation of the Investment Manager.

| Key valuation input | 30 June 2025 |                  | 31 December 2024 |                  |
|---------------------|--------------|------------------|------------------|------------------|
|                     | Range        | Weighted average | Range            | Weighted average |
| WACC/WADR           | 9.9% – 11.4% | 10.7%            | 9.8% – 11.4%     | 10.7%            |
| RPI                 | 2.5%         | 2.5%             | 2.5%             | 2.5%             |

Another key assumption in the valuation models is the volatility of power prices. Due to the asset optimisation strategy, the investments are able to benefit from a range of revenue streams including arbitrage on power price volatility or Firm Frequency Response (FFR) and other similar income streams. Due to the nature of the assets owned by the investments, should one revenue stream be impacted the asset is able to switch to alternative sources of revenue to seek to maintain total revenue targets, as mentioned in the Investment Manager's report.

### Sensitivity analysis

The following table reflects the range of sensitivities in respect of the fair value movements of the Company's investments, via the MidCo.

The sensitivity analysis does not include an assessment of the fall in the power price as underlying power information is provided on a net revenue basis as the investment portfolio generates value through maximising on the volatility in the market, therefore adjusting revenue as a total is a more relevant measure. We have therefore provided a sensitivity based on percentage changes in revenue overall.

## Notes to the Financial Statements

| Investment                             | Project                         | Valuation technique | Significant inputs description | Sensitivity | Estimated effect on fair value 30 June 2025 (£) | Estimated effect on fair value 31 December 2024 (£) |
|----------------------------------------|---------------------------------|---------------------|--------------------------------|-------------|-------------------------------------------------|-----------------------------------------------------|
| Noriker Staunch Limited                | Staunch                         | DCF                 | Discount rate                  | +1%         | (424,526)                                       | (677,509)                                           |
|                                        |                                 |                     |                                | -1%         | 470,971                                         | 756,892                                             |
|                                        |                                 |                     | Revenue                        | +10%        | 162,832                                         | 27,095                                              |
|                                        |                                 |                     |                                | -10%        | (162,833)                                       | (27,112)                                            |
| HC ESS2 Limited                        | Rufford, Lockleaze, Littlebrook | DCF                 | Discount rate                  | +1%         | (802,040)                                       | (976,327)                                           |
|                                        |                                 |                     |                                | -1%         | 897,545                                         | 1,096,488                                           |
|                                        |                                 |                     | Revenue                        | +10%        | 2,030,753                                       | 2,40,784                                            |
|                                        |                                 |                     |                                | -10%        | (2,117,829)                                     | (2,249,778)                                         |
| HC ESS3 Limited                        | Roundponds                      | DCF                 | Discount rate                  | +1%         | (1,042,506)                                     | (1,161,663)                                         |
|                                        |                                 |                     |                                | -1%         | 1,198,068                                       | 1,333,815                                           |
|                                        |                                 |                     | Revenue                        | +10%        | 1,265,796                                       | 1,419,403                                           |
|                                        |                                 |                     |                                | -10%        | (1,477,349)                                     | (1,441,585)                                         |
| West Midlands Grid Storage Two Limited | Wolves                          | DCF                 | Discount rate                  | +1%         | (109,616)                                       | (146,524)                                           |
|                                        |                                 |                     |                                | -1%         | 123,556                                         | 166,150                                             |
|                                        |                                 |                     | Revenue                        | +10%        | 377,025                                         | 399,540                                             |
|                                        |                                 |                     |                                | -10%        | (377,431)                                       | (399,923)                                           |
| Cleator Battery Storage Limited        | Cleator                         | DCF                 | Discount rate                  | +1%         | (274,620)                                       | (312,116)                                           |
|                                        |                                 |                     |                                | -1%         | 305,483                                         | 347,978                                             |
|                                        |                                 |                     | Revenue                        | +10%        | 386,258                                         | 436,278                                             |
|                                        |                                 |                     |                                | -10%        | (385,628)                                       | (437,204)                                           |
| Glassenbury Battery Storage Limited    | Glassenbury A and B             | DCF                 | Discount rate                  | +1%         | (2,474,452)                                     | (1,689,869)                                         |
|                                        |                                 |                     |                                | -1%         | 2,796,422                                       | 1,890,633                                           |
|                                        |                                 |                     | Revenue                        | +10%        | 2,979,500                                       | 2,319,967                                           |
|                                        |                                 |                     |                                | -10%        | (2,982,196)                                     | (2,325,747)                                         |
| HC ESS4 Limited                        | Red Scar                        | DCF                 | Discount rate                  | +1%         | (2,684,729)                                     | (3,049,230)                                         |
|                                        |                                 |                     |                                | -1%         | 3,121,300                                       | 3,555,687                                           |
|                                        |                                 |                     | Revenue                        | +10%        | 3,638,513                                       | 3,972,613                                           |
|                                        |                                 |                     |                                | -10%        | (3,700,303)                                     | (3,988,759)                                         |
| Bloxwich Energy Storage Limited        | Bloxwich                        | DCF                 | Discount rate                  | +1%         | (1,690,219)                                     | (1,396,081)                                         |
|                                        |                                 |                     |                                | -1%         | 1,976,694                                       | 1,580,041                                           |
|                                        |                                 |                     | Revenue                        | +10%        | 2,277,622                                       | 2,105,026                                           |
|                                        |                                 |                     |                                | -10%        | (2,462,898)                                     | (2,494,163)                                         |
| HC ESS7 Limited                        | Thurcroft                       | DCF                 | Discount rate                  | +1%         | (2,878,377)                                     | (3,241,479)                                         |
|                                        |                                 |                     |                                | -1%         | 3,353,562                                       | 3,778,607                                           |
|                                        |                                 |                     | Revenue                        | +10%        | 3,358,185                                       | 3,627,409                                           |
|                                        |                                 |                     |                                | -10%        | (3,376,982)                                     | (3,633,332)                                         |
| HC ESS6 Limited                        | Wickham                         | DCF                 | Discount rate                  | +1%         | (2,168,779)                                     | (2,489,175)                                         |
|                                        |                                 |                     |                                | -1%         | 2,454,567                                       | 2,828,238                                           |
|                                        |                                 |                     | Revenue                        | +10%        | 3,410,850                                       | 3,768,464                                           |
|                                        |                                 |                     |                                | -10%        | (3,478,506)                                     | (3,799,937)                                         |

| Investment                                                      | Project       | Valuation technique | Significant inputs description | Sensitivity | Estimated effect on fair value 30 June 2025 (£) | Estimated effect on fair value 31 December 2024 (£) |
|-----------------------------------------------------------------|---------------|---------------------|--------------------------------|-------------|-------------------------------------------------|-----------------------------------------------------|
| Tynemouth Battery Storage Limited                               | Tynemouth     | DCF                 | Discount rate                  | +1%         | (486,794)                                       | (562,580)                                           |
|                                                                 |               |                     |                                | -1%         | 569,747                                         | 655,857                                             |
|                                                                 |               |                     | Revenue                        | +10%        | 1,108,194                                       | 1,205,364                                           |
|                                                                 |               |                     |                                | -10%        | (1,142,761)                                     | (1,223,872)                                         |
| Gridreserve Limited                                             | Byers Brae    | DCF                 | Discount rate                  | +1%         | (1,151,448)                                     | (1,082,788)                                         |
|                                                                 |               |                     |                                | -1%         | 1,317,507                                       | 1,221,510                                           |
|                                                                 |               |                     | Revenue                        | +10%        | 1,593,983                                       | 1,548,968                                           |
|                                                                 |               |                     |                                | -10%        | (1,619,445)                                     | (1,557,910)                                         |
| Nevendon Energy Storage Limited                                 | Nevendon      | DCF                 | Discount rate                  | +1%         | (698,701)                                       | (696,618)                                           |
|                                                                 |               |                     |                                | -1%         | 774,530                                         | 772,403                                             |
|                                                                 |               |                     | Revenue                        | +10%        | 1,151,033                                       | 1,013,581                                           |
|                                                                 |               |                     |                                | -10%        | (1,288,110)                                     | (1,125,214)                                         |
| South Shields Energy Storage Limited                            | South Shields | DCF                 | Discount rate                  | +1%         | (642,054)                                       | (536,482)                                           |
|                                                                 |               |                     |                                | -1%         | 702,145                                         | 575,951                                             |
|                                                                 |               |                     | Revenue                        | +10%        | 1,199,453                                       | 1,126,946                                           |
|                                                                 |               |                     |                                | -10%        | (1,199,740)                                     | (1,128,843)                                         |
| Enderby Storage Limited                                         | Enderby       | DCF                 | Discount rate                  | +1%         | (3,545,447)                                     | (3,640,641)                                         |
|                                                                 |               |                     |                                | -1%         | 4,107,451                                       | 4,171,825                                           |
|                                                                 |               |                     | Revenue                        | +10%        | 4,266,103                                       | 4,581,705                                           |
|                                                                 |               |                     |                                | -10%        | (4,293,857)                                     | (4,629,888)                                         |
| West Didsbury Storage Limited                                   | West Didsbury | DCF                 | Discount rate                  | +1%         | (3,772,509)                                     | (3,623,541)                                         |
|                                                                 |               |                     |                                | -1%         | 4,368,109                                       | 4,154,441                                           |
|                                                                 |               |                     | Revenue                        | +10%        | 4,161,411                                       | 3,948,311                                           |
|                                                                 |               |                     |                                | -10%        | (4,249,500)                                     | (3,948,020)                                         |
| Penwortham Storage Limited                                      | Penwortham    | DCF                 | Discount rate                  | +1%         | (3,771,055)                                     | (3,209,097)                                         |
|                                                                 |               |                     |                                | -1%         | 4,365,293                                       | 3,630,138                                           |
|                                                                 |               |                     | Revenue                        | +10%        | 3,782,334                                       | 3,485,973                                           |
|                                                                 |               |                     |                                | -10%        | (3,835,637)                                     | (3,420,556)                                         |
| Melksham East Storage Limited and Melksham West Storage Limited | Melksham      | DCF                 | Discount rate                  | +1%         | (6,497,593)                                     | (6,779,377)                                         |
|                                                                 |               |                     |                                | -1%         | 7,429,738                                       | 7,754,367                                           |
|                                                                 |               |                     | Revenue                        | +10%        | 8,134,216                                       | 8,585,144                                           |
|                                                                 |               |                     |                                | -10%        | (8,143,383)                                     | (8,683,823)                                         |
| Arbroath Limited                                                | Arbroath      | DCF                 | Discount rate                  | +1%         | (2,270,557)                                     | (2,537,155)                                         |
|                                                                 |               |                     |                                | -1%         | 2,631,860                                       | 2,943,971                                           |
|                                                                 |               |                     | Revenue                        | +10%        | 2,411,859                                       | 2,593,530                                           |
|                                                                 |               |                     |                                | -10%        | (2,418,196)                                     | (2,603,341)                                         |
| Grendon Storage Limited                                         | Grendon       | DCF                 | Discount rate                  | +1%         | (3,664,001)                                     | (3,779,055)                                         |
|                                                                 |               |                     |                                | -1%         | 4,242,814                                       | 4,344,298                                           |
|                                                                 |               |                     | Revenue                        | +10%        | 4,331,451                                       | 4,621,904                                           |
|                                                                 |               |                     |                                | -10%        | (4,355,729)                                     | (4,629,766)                                         |

## Notes to the Financial Statements

| Investment                   | Project       | Valuation technique | Significant inputs description | Sensitivity | Estimated effect on fair value 30 June 2025 (£) | Estimated effect on fair value 31 December 2024 (£) |
|------------------------------|---------------|---------------------|--------------------------------|-------------|-------------------------------------------------|-----------------------------------------------------|
| UK Battery Storage Limited   | Elland        | DCF                 | Discount rate                  | +1%         | (3,626,534)                                     | (3,026,521)                                         |
|                              |               |                     |                                | -1%         | 4,202,104                                       | 3,418,522                                           |
|                              |               |                     | Revenue                        | +10%        | 3,628,061                                       | 3,547,625                                           |
|                              |               |                     |                                | -10%        | (3,610,905)                                     | (3,571,134)                                         |
| UK Battery Storage Limited   | York          | DCF                 | Discount rate                  | +1%         | (2,302,615)                                     | (2,662,618)                                         |
|                              |               |                     |                                | -1%         | 2,598,454                                       | 3,011,685                                           |
|                              |               |                     | Revenue                        | +10%        | 3,142,902                                       | 3,768,148                                           |
|                              |               |                     |                                | -10%        | (3,141,722)                                     | (3,797,850)                                         |
| UK Battery Storage Limited   | Bradford West | DCF                 | Discount rate                  | +1%         | (5,670,569)                                     | (4,853,276)                                         |
|                              |               |                     |                                | -1%         | 6,548,125                                       | 5,478,942                                           |
|                              |               |                     | Revenue                        | +10%        | 6,339,496                                       | 5,843,580                                           |
|                              |               |                     |                                | -10%        | (6,449,566)                                     | (5,879,326)                                         |
| Stairfoot Generation Limited | Stairfoot     | DCF                 | Discount rate                  | +1%         | (1,971,060)                                     | (2,021,854)                                         |
|                              |               |                     |                                | -1%         | 2,284,517                                       | 2,322,627                                           |
|                              |               |                     | Revenue                        | +10%        | 2,266,380                                       | 2,296,992                                           |
|                              |               |                     |                                | -10%        | (2,286,083)                                     | (2,324,247)                                         |
| Greengridpower1 Limited      | Shilton Lane  | DCF                 | Discount rate                  | +1%         | (2,683,446)                                     | (2,782,011)                                         |
|                              |               |                     |                                | -1%         | 3,091,456                                       | 3,194,033                                           |
|                              |               |                     | Revenue                        | +10%        | 2,787,725                                       | 2,913,181                                           |
|                              |               |                     |                                | -10%        | (2,796,257)                                     | (2,926,420)                                         |
| Coupar Limited               | Coupar Angus  | DCF                 | Discount rate                  | +1%         | (2,410,219)                                     | (2,557,068)                                         |
|                              |               |                     |                                | -1%         | 2,707,425                                       | 2,879,950                                           |
|                              |               |                     | Revenue                        | +10%        | 2,883,460                                       | 2,932,432                                           |
|                              |               |                     |                                | -10%        | (2,892,985)                                     | (2,951,651)                                         |

All other projects are held at cost.

| Portfolio sensitivity of RPI | Sensitivity | Estimated effect on fair value 30 June 2025 (£) | Estimated effect on fair value 31 December 2024 (£) |
|------------------------------|-------------|-------------------------------------------------|-----------------------------------------------------|
| Inflation                    | +0.25%      | 20,133,112                                      | 20,336,539                                          |
|                              | -0.25%      | (19,494,239)                                    | (19,677,170)                                        |

The level in the fair value hierarchy within which the fair value measurement is categorised is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, significance of the inputs is assessed against the fair value measurement in its entirety. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs or any other significant unobservable inputs, that measurement is a Level 3 measurement.

The fair value hierarchy of financial instruments measured at fair value is provided below.

| 30 June 2025               | Level 1 (£) | Level 2 (£) | Level 3 (£)        |
|----------------------------|-------------|-------------|--------------------|
| Investment in subsidiaries | –           | –           | 609,884,846        |
|                            | –           | –           | <b>609,884,846</b> |

| 31 December 2024           | Level 1 (£) | Level 2 (£) | Level 3 (£)        |
|----------------------------|-------------|-------------|--------------------|
| Investment in subsidiaries | –           | –           | 618,037,144        |
|                            | –           | –           | <b>618,037,144</b> |

## Valuation of financial instruments

The investment at fair value through profit or loss is a Level 3 in the fair value hierarchy and the reconciliation in the movement of this Level 3 investment is presented in Note 10. No transfers between levels took place during the period.

## 16. Financial risk management

The Company is exposed to certain risks through the ordinary course of business and the Company's financial risk management objective is to minimise the effect of these risks. The management of risks is performed by the Directors of the Company and the exposure to each financial risk considered potentially material to the Company, how it arises, and the policy for managing it is summarised below:

### Counterparty risk

The Company is exposed to third-party credit risk in several instances and the possibility that counterparties with which the Company and its subsidiaries, together the Group, contracts may default by failing to pay for services received from the Company or its subsidiaries or fail to perform their obligations in the manner anticipated by the Group. Such counterparties may include (but are not limited to) manufacturers who have provided warranties in relation to the supply of any equipment or plant, EPC contractors who have constructed the Company's plants, who may then be engaged to operate assets held by the Company, property owners or tenants who are leasing ground space and/or grid connection to the Company for the locating of the assets, contractual counterparties who acquire services from the Company underpinning revenue generated by each project or the energy suppliers, demand aggregators, insurance companies who may provide coverage against various risks applicable to the Company's assets (including the risk of terrorism or natural disasters affecting the assets) and other third parties who may owe sums to the Company. In the event that such credit risk crystallises, in one or more instances, and the Company is, for example, unable to recover sums owed to it, make claims in relation to any contractual agreements or performance of obligations (e.g. warranty claims) or unable to identify alternative counterparties, this may materially adversely impact the investment returns. Management has completed a high-level analysis which considers both historical and forward-looking qualitative and quantitative information, to assess the credit risk of these exposures and has determined that the credit risk as at 30 June 2025 is low due to the financial position of these counterparties.

The projects in which the Company may invest will not always benefit from a turnkey contract with a single contractor and so will be reliant on the performance of several suppliers. Therefore, the key risks during battery installation in connection with such projects are the counterparty risk of the suppliers and successful project integration.

The Investment Manager regularly assesses the creditworthiness of its counterparties and enters into counterparty arrangements which are financially sound and ensures, where necessary, the sourcing of alternative arrangements in the event of changes in the creditworthiness of its present counterparties.

### Concentration risk

The Company's investment policy is limited to investments (via MidCo) in battery energy storage infrastructure, which will principally operate in GB. This means that the Company has a significant concentration risk relating to the GB battery energy storage infrastructure sector. Significant concentration of investments in any one sector may result in greater volatility in the value of the Company's investments, and consequently the NAV, and may materially and adversely affect the performance of the Company and returns to shareholders.

The Fund's BESS projects generate revenues primarily from FFR, asset optimisation, Capacity Market (CM) and other grid connection-related revenues, including TRIADs and Dynamic Containment. Revenues from the portfolio's BESS projects were historically skewed to FFR revenues, FFR being the provision to the National Grid of a dynamic response service to maintain the grid's electrical frequency at 50Hz. Since the end of 2022, operations were increasingly targeted towards asset optimisation, as this becomes the more profitable business activity. There are several additional revenue opportunities emerging for the portfolio as a series of regulatory changes are implemented.

The Investment Manager is of the view that the UK's exposure to renewable energy generation has increased significantly over the last few years and the pace has not lessened despite the removal of legacy subsidies to onshore wind and solar. This is largely because the development of offshore wind installations has continued apace.

### Credit risk

Cash and other assets that are required to be held in custody will be held at bank. Cash and other assets may not be treated as segregated assets and will therefore not be segregated from the bank's own assets in the event of the insolvency of a custodian. Cash held with the bank will not be treated as client money subject to the rules of the FCA and may be used by the bank in the ordinary course of its own business. The Company will therefore be subject to the creditworthiness of the bank. In the event of the insolvency of the bank, the Company will rank as a general creditor in relation thereto and may not be able to recover such cash in full, or at all.

The Investment Manager regularly assesses its credit exposure and considers the creditworthiness of its customers and counterparties. Cash and bank deposits are held with Barclays Bank plc and HSBC Global Liquidity Funds plc, reputable financial institutions with Moody's credit ratings of A1 and Aaa-mf respectively.

Investments held at fair value through profit or loss are not subject to IFRS 9 impairment requirements.

## Notes to the Financial Statements

For interest receivables on cash balances and loans receivable, the Company uses a 12-month expected loss allowance.

The Company has completed some high-level analysis and forward-looking qualitative and quantitative information to determine if the interest and receivables are low credit risk. Based on this analysis, the expected credit loss on interest and receivables is not material and therefore no impairment adjustments were accounted for.

### Liquidity risk

The objective of liquidity management is to ensure that all commitments made by the Company which are required to be funded can be met out of readily available and secure sources of funding. As noted below, this includes debt funding.

BESS projects have limited liquidity and may not be readily realisable or may only be realisable at a value less than their book value. There may be additional restrictions on divestment in the terms and conditions of any sale agreement in relation to a particular BESS project.

As set out in the Chair's statement on [page 7](#) and the Investment Manager's report on [page 10](#), in August 2025 a debt facility of £220mn was entered into by a wholly owned subsidiary of the Company replacing a £195mn debt facility previously entered into by the MidCo for which the Company was a guarantor. The Company is not a guarantor to the new debt facility. Contracted earnings, on the back of tolling and floor agreements, are expected to cover all costs, including project costs, interest and amortisation.

The Company is permitted to provide security to lenders in order to borrow money, which may be by way of mortgages, charges or other security interests or by way of outright transfer of title to the Company's assets. The Company was a guarantor to the previous MidCo debt facility but is not a guarantor to the new facility. The Directors will restrict borrowing to an amount not exceeding 50% of the Company's NAV at the time of drawdown. As at 30 June 2025, MidCo had drawn £160mn on the previous facility.

The Company's only financial liabilities are trade and other payables. The Company has sufficient cash reserves to cover these in the short to medium term. The Company's cash flow forecasts are monitored regularly to ensure the Company is able to meet its obligations when they fall due.

The following table reflects the maturity analysis of financial assets and liabilities:

| As at 30 June 2025                             | < 1 year<br>(£)  | 1 to 2<br>years<br>(£) | 2 to 5<br>years<br>(£) | > 5 years<br>(£)   | Total<br>(£)       |
|------------------------------------------------|------------------|------------------------|------------------------|--------------------|--------------------|
| <b>Financial assets</b>                        |                  |                        |                        |                    |                    |
| Cash and cash equivalents (see Note 11)        | 4,408,559        | –                      | –                      | –                  | 4,408,559          |
| Trade and other receivables (see Note 12)*     | 384,716          | –                      | –                      | –                  | 384,716            |
| <i>Fair value through profit or loss:</i>      |                  |                        |                        |                    |                    |
| Investment in subsidiaries                     | –                | –                      | –                      | 609,884,846        | 609,884,846        |
| <b>Total financial assets</b>                  | <b>4,793,275</b> | <b>–</b>               | <b>–</b>               | <b>609,884,846</b> | <b>614,678,121</b> |
| <b>Financial liabilities</b>                   |                  |                        |                        |                    |                    |
| <i>Financial liabilities at amortised cost</i> |                  |                        |                        |                    |                    |
| Trade and other payables (see Note 13)         | 2,135,068        | –                      | –                      | –                  | 2,135,068          |
| <b>Total financial liabilities</b>             | <b>2,135,068</b> | <b>–</b>               | <b>–</b>               | <b>–</b>           | <b>2,135,068</b>   |

| As at 31 December 2024                         | < 1 year (£)     | 1 to 2 years (£) | 2 to 5 years (£) | > 5 years (£)      | Total (£)          |
|------------------------------------------------|------------------|------------------|------------------|--------------------|--------------------|
| <b>Financial assets</b>                        |                  |                  |                  |                    |                    |
| Cash and cash equivalents (see Note 11)        | 4,044,450        | –                | –                | –                  | 4,044,450          |
| Trade and other receivables (see Note 12)*     | 329,640          | –                | –                | –                  | 329,640            |
| <i>Fair value through profit or loss:</i>      |                  |                  |                  |                    |                    |
| Investment in subsidiaries                     | –                | –                | –                | 618,037,144        | 618,037,144        |
| <b>Total financial assets</b>                  | <b>4,374,090</b> | <b>–</b>         | <b>–</b>         | <b>618,037,144</b> | <b>622,411,234</b> |
| <b>Financial liabilities</b>                   |                  |                  |                  |                    |                    |
| <i>Financial liabilities at amortised cost</i> |                  |                  |                  |                    |                    |
| Trade and other payables (see Note 13)         | 615,431          | –                | –                | –                  | 615,431            |
| <b>Total financial liabilities</b>             | <b>615,431</b>   | <b>–</b>         | <b>–</b>         | <b>–</b>           | <b>615,431</b>     |

\* Excludes prepayments and VAT

## Market risk

Market risk is the risk that the fair value or cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk reflects interest rate risk, currency risk and other price risks. The objective is to minimise market risk through managing and controlling these risks to acceptable parameters, while optimising returns. The Company uses financial instruments in the ordinary course of business, and also incurs financial liabilities, in order to manage market risks.

## Price risk

Price risk is the risk that the fair value or cash flows of a financial instrument will fluctuate due to changes in market prices. At 30 June 2025, the valuation basis of the Company's investments was valued at market value. This investment is driven by market factors and is therefore sensitive to movements in the market. The Company relies on market knowledge of the Investment Manager, the valuation expertise of the third-party valuer and the use of third-party market forecast information to provide comfort with regard to fair market values of investments reflected in the financial statements. Refer to Note 15 for trading revenue sensitivities.

## Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. The Company is exposed to interest rate risk on its cash balances held with counterparties, bank deposits, loans receivable, advances to counterparties and through loans to subsidiaries. Loans to subsidiaries carry a fixed rate of interest until repayment at the earlier of written demand from the lender or 31 December 2030. The Company may be exposed to changes in variable market rates of interest and this could impact the discount rate and therefore the valuation of the projects. The borrowings entered into by MidCo are subject to a floating interest rate dictated by the Sterling Overnight Interbank Interest rate (SONIA) but the majority of these borrowings are also subject to hedging instruments at a fixed rate.

## Currency risk

All transactions and investments during the current period were denominated in Pounds Sterling, thus no foreign exchange differences arose. The Company does not hold any financial instruments at period end which are not denominated in Pounds Sterling and is therefore not exposed to any significant currency risk. Subsidiary entities may, from time to time, incur expenditure in currencies other than Pounds Sterling.

## Capital risk management

The capital structure of the Company at period end consists of equity attributable to equity holders of the Company, comprising issued capital and reserves. The Board continues to monitor the balance of the overall capital structure so as to maintain investor and market confidence. The Company is not subject to any external capital requirements.

## 17. Net asset value (NAV) per Ordinary Share

Basic NAV per Ordinary Share is calculated by dividing the Company's net assets as shown in the statement of financial position that are attributable to the ordinary equity holders of the Company by the number of Ordinary Shares outstanding at the end of the period. As there are no dilutive instruments outstanding, basic and diluted NAV per Ordinary Share are identical.

|                                                    | 30 June<br>2025 | 31 December<br>2024 |
|----------------------------------------------------|-----------------|---------------------|
| Net assets per statement of financial position (£) | 612,933,721     | 622,243,336         |
| Ordinary Shares in issue                           | 569,064,139     | 569,064,139         |
| NAV per Ordinary Share – basic and diluted (pence) | 107.71          | 109.35              |

## 18. Shareholders' equity

|                                          | Ordinary<br>Shares<br>number | Treasury<br>shares<br>(£) | Share<br>capital<br>(£) | Share<br>premium<br>(£) | Merger<br>relief<br>reserve<br>(£) | Capital<br>reduction<br>reserve<br>(£) | Total<br>(£)       |
|------------------------------------------|------------------------------|---------------------------|-------------------------|-------------------------|------------------------------------|----------------------------------------|--------------------|
| <b>Allotted and issued share capital</b> |                              |                           |                         |                         |                                    |                                        |                    |
| As at 31 December 2024                   | 569,064,139                  | (2,012,553)               | 5,734,447               | –                       | –                                  | 561,106,626                            | 564,828,520        |
| <b>As at 30 June 2025</b>                | <b>569,064,139</b>           | <b>(2,012,553)</b>        | <b>5,734,447</b>        | <b>–</b>                | <b>–</b>                           | <b>561,106,626</b>                     | <b>564,828,520</b> |

|                                          | Ordinary<br>Shares<br>number | Treasury<br>shares<br>(£) | Share<br>capital<br>(£) | Share<br>premium<br>(£) | Merger<br>relief<br>reserve<br>(£) | Capital<br>reduction<br>reserve<br>(£) | Total<br>(£)       |
|------------------------------------------|------------------------------|---------------------------|-------------------------|-------------------------|------------------------------------|----------------------------------------|--------------------|
| <b>Allotted and issued share capital</b> |                              |                           |                         |                         |                                    |                                        |                    |
| As at 31 December 2023                   | 573,444,694                  |                           | 5,734,447               | 543,915,072             | 13,299,017                         | 3,892,537                              | 566,841,073        |
| Cancellation of share premium reserve*   | –                            | –                         | –                       | (543,915,072)           | –                                  | –                                      | (543,915,072)      |
| Cancellation of merger relief reserve*   | –                            | –                         | –                       | –                       | (13,299,017)                       |                                        | (13,299,017)       |
| Transfer to capital reduction reserve*   | –                            | –                         | –                       | –                       | –                                  | 557,214,089                            | 557,214,089        |
| Issue of class B shares*                 | 569,064,139                  | –                         | 13,299,017              | –                       | –                                  | –                                      | 13,299,017         |
| Cancellation of class B shares*          | (569,064,139)                | –                         | (13,299,017)            | –                       | –                                  | –                                      | (13,299,017)       |
| Shares repurchased**                     | (4,380,555)                  | (2,012,553)               | –                       | –                       | –                                  | –                                      | (2,012,553)        |
| <b>As at 31 December 2024</b>            | <b>569,064,139</b>           | <b>(2,012,553)</b>        | <b>5,734,447</b>        | <b>–</b>                | <b>–</b>                           | <b>561,106,626</b>                     | <b>564,828,520</b> |

\* During the year ended 31 December 2024 the Company cancelled the share premium reserve via a court process that concluded on 1 November 2024. As part of this process there was an issue and subsequent cancellation of class B Ordinary Shares to the existing holders of class A Ordinary Shares as a "bonus issue".

\*\* During the prior year, the Company repurchased 4,380,555 Ordinary Shares for £2,012,553 which are held as treasury shares at the period end.

## Share capital

The Company's capital is represented by the Ordinary Shares.

### Treasury shares

Own equity instruments held by the Company classified as treasury shares are treated as a reduction of equity at its cost price and are disclosed as a separate component in the statement of changes in equity. No gain or loss is recognised in the statement of comprehensive income on the purchase of the Company's own equity instruments. Amounts to be received when treasury shares are sold or reissued will be recognised directly in equity, and the resulting surplus or deficit on the transaction is transferred to or from retained earnings.

No dividends were received on treasury shares during the period.

Treasury shares are treated as a deduction from the weighted average number of shares in issue.

### Share premium

The surplus of net proceeds received from the issuance of new shares over their par value is credited to this account and the related issue costs are deducted from this account. The reserve is non-distributable.

During the prior year, the Board approved a resolution to cancel the share premium reserve and transfer the amount into the capital reduction reserve.

### Merger relief reserve

The merger relief reserve relates to shares issued for shares to acquire investments. This reserve is not distributable.

During the prior year the Board approved a resolution to cancel the merger relief reserve and transfer the amount into the capital reduction reserve.

### Capital reduction reserve

Following a successful application to the High Court and lodgement of the Company's statement of capital with the Registrar of Companies in prior periods, the Company was permitted to perform a capital reduction with the effect of cancelling its share premium and merger reserve account. This was completed on 13 February 2019 by a transfer of the balance of £97,009,475 from the share premium account to the capital reduction reserve and on 16 October 2024 by a transfer of the balance of £543,915,072 from the share premium account and £13,299,017 from the merger relief reserve to the capital reduction reserve.

The capital reduction reserve is classed as a distributable reserve and dividends to be paid by the Company may be offset against this reserve.

### Share capital and share premium account and capital reduction reserve account

On incorporation the Company issued 1 Ordinary Share of £0.01 which was fully paid up and 50,000 redeemable preference shares of £1 each which were paid to one quarter of the nominal value. These 50,000 redeemable preference shares were subsequently redeemed.

### Revenue reserve

The revenue reserve represents a distributable reserve of cumulative net gains and losses recognised in the revenue account of the Statement of Comprehensive Income.

### Capital reserve

The capital reserve represents a non-distributable reserve of cumulative net capital gains and losses recognised in the Statement of Comprehensive Income.

### Dividends

#### For the six months ended 30 June 2025

No dividends have been declared or paid for the period ended 30 June 2025.

#### For the year ended 31 December 2024

No dividends have been declared or paid for the period ended 31 December 2024.

## 19. Cash and non-cash flow items

The non-cash movements for the period ended 30 June 2025 predominantly relate to movement in the investments. These non-cash movements are reconciled and discussed in Note 10.

## 20. Transactions with related parties and other significant contracts

The Company and the Directors are not aware of any person who, directly or indirectly, jointly, or severally, exercises or could exercise control over the Company. The Company does not have an ultimate controlling party.

Details of related parties are set out below:

### Directors

|                                       | Six months<br>ended<br>30 June 2025<br>(£) | Six months<br>ended<br>30 June 2024<br>(£) |
|---------------------------------------|--------------------------------------------|--------------------------------------------|
| Directors' remuneration               | 162,784                                    | 163,813                                    |
| Employers' NI                         | 22,298                                     | 20,030                                     |
| <b>Total key management personnel</b> | <b>185,082</b>                             | <b>183,843</b>                             |

All Directors' remuneration is short-term salary.

No dividend amounts were payable to Directors as at 30 June 2025 (31 December 2024: none).

The aggregate fees of the Directors will not exceed £550,000 per annum. There are no performance conditions attaching to the remuneration of the Directors as the Board does not believe that this is appropriate for Non-Executive Directors. The Directors are not eligible for bonuses, pension benefits, share options, long-term incentive schemes or other benefits.

### Loans to related parties

Loans receivable represent amounts due to the Company from its subsidiary and are disclosed in Note 10.

|                    | 30 June<br>2025<br>(£) | 31 December<br>2024<br>(£) |
|--------------------|------------------------|----------------------------|
| Principal advanced | 5,928,880              | 4,200,000                  |
| Interest accrued   | 107,983                | 3,816,170                  |
| <b>Total loans</b> | <b>6,036,863</b>       | <b>8,016,170</b>           |

## 21. Capital commitments

As at 30 June 2025 there are no significant binding or conditional future capital commitments.

## 22. Post balance sheet events

In August 2025, a debt facility of £220mn was entered into by GRID Holdco 1 Limited, a wholly owned subsidiary of the Company. This debt facility replaces a £195mn debt facility entered into by the MidCo for which the Company was a guarantor. The Company is not a guarantor to the new debt facility.

An intra-group reorganisation was carried out as part of the new debt facility, inserting GRID Holdco 1 Limited as a new holding company below the MidCo, holding all the operational SPVs previously owned by the MidCo.

There were no further events after the reporting date which require disclosure.

# Alternative Performance Measures

For the period from 1 January 2025 to 30 June 2025

## 1. Dividend per Ordinary Share

Dividend per Ordinary Share is a measure to show the distributions made to shareholders during the period.

### Dividend period: six months to 30 June 2025

No dividends have been declared or paid for the period ended 30 June 2025.

### Dividend period: year ended December 2024

No dividends have been declared or paid for the year ended 31 December 2024.

## 2. Ordinary Share price total return

Ordinary Share price total return is a measure of the return that could have been obtained by holding a share since initial public offering.

|                                                            | 30 June<br>2025<br>pence | 30 June<br>2024<br>pence |
|------------------------------------------------------------|--------------------------|--------------------------|
| Share price at end of the period                           | 78.50                    | 70.30                    |
| Dividends paid from inception to end of the period         | 31.02                    | 31.02                    |
| Dividend reinvestment impact                               | (10.42)                  | (10.96)                  |
| Share price at initial public offering                     | (100.00)                 | (100.00)                 |
| <b>Ordinary Share price total return since inception</b>   | <b>(0.90)</b>            | <b>(9.64)</b>            |
| <b>Ordinary Share price total return since inception %</b> | <b>-0.90%</b>            | <b>-9.64%</b>            |

## 3. Net asset value (NAV) per Ordinary Share

|                                                  | 30 June<br>2025 | 31 December<br>2024 |
|--------------------------------------------------|-----------------|---------------------|
| NAV at end of the period/year                    | £612,933,721    | £622,243,336        |
| Ordinary Shares in issue                         | 569,064,139     | 569,064,139         |
| <b>NAV per share (pence) – Basic and diluted</b> | <b>107.71</b>   | <b>109.35</b>       |

## 4. NAV per Ordinary Share total return for the period

NAV per Ordinary Share total return is a measure of the success of the Investment Manager's strategy to grow the NAV, showing how the NAV has changed over a period of time, considering both capital returns and dividends paid to shareholders.

|                                                                                   | 30 June<br>2025<br>(pence) | 30 June<br>2024<br>(pence) |
|-----------------------------------------------------------------------------------|----------------------------|----------------------------|
| NAV per Ordinary Share at end of the period                                       | 107.71                     | 109.16                     |
| Dividends paid from inception to end of the period                                | 31.02                      | 31.02                      |
| Dividend reinvestment impact                                                      | 1.74                       | 1.92                       |
| NAV per Ordinary Share at end of the period including dividend reinvestment       | 140.47                     | 142.10                     |
| NAV per Ordinary Share at beginning of the period including dividend reinvestment | (142.36)                   | (168.02)                   |
| <b>NAV total return for the period</b>                                            | <b>(1.89)</b>              | <b>(25.92)</b>             |
| <b>NAV per Ordinary Share total return for the period</b>                         | <b>(1.33%)</b>             | <b>(15.43%)</b>            |

Dividend reinvestment impact recalculated to compound the dividend reinvestment as at the date of payment, consistent with the Ordinary Share price total return calculation.

## 5. Gross asset value (GAV)

GAV is a measure of the total value of the Company's assets.

|                                                       | 30 June<br>2025<br>(£'000) | 30 June<br>2024<br>(£'000) |
|-------------------------------------------------------|----------------------------|----------------------------|
| Total assets reported in the Company at end of period | 615,069                    | 621,699                    |
| Debt held by intermediate holding company (A)         | 160,000                    | 120,000                    |
| <b>GAV (B)</b>                                        | <b>775,069</b>             | <b>741,699</b>             |
| <b>Gearing as defined by the Company (A/B)</b>        | <b>20.64%</b>              | <b>16.18%</b>              |

## 6. Ongoing charges figure (OCF)

OCF measures the Company's recurring fund management costs incurred during the period expressed as a percentage of the average of the net assets at the end of each quarter during the period.

|                                               | 30 June<br>2025<br>(£'000) | 30 June<br>2024<br>(£'000) |
|-----------------------------------------------|----------------------------|----------------------------|
| Fees to Investment Manager                    | 2,338                      | 3,325                      |
| Legal and professional fees                   | 421                        | 329                        |
| Transaction fees                              | 88                         | –                          |
| Administration fees                           | 270                        | 327                        |
| Directors' remuneration                       | 185                        | 184                        |
| Audit fees                                    | 164                        | 269                        |
| Other expenses                                | 137                        | 135                        |
| <b>Total expenses</b>                         | <b>3,603</b>               | <b>4,569</b>               |
| Non-recurring expenses not in OCF calculation | (88)                       | –                          |
| <b>Total ongoing expenses (A)</b>             | <b>3,515</b>               | <b>4,569</b>               |
| <b>Average NAV for the period (B)</b>         | <b>620,008</b>             | <b>680,675</b>             |
| Number of days in period                      | 181                        | 182                        |
| <b>Ongoing charges for the period (A/B)</b>   | <b>1.14%</b>               | <b>1.35%</b>               |

## 7. Operational dividend cover

Operational dividend cover is a measure to demonstrate the Company's ability to pay dividends from the earnings of its underlying investments after accounting for external interest costs, facility commitment fees and administrative costs of the Company but excluding historic transaction costs and historic debt arrangement fees.

|                                                                       | 30 June<br>2025<br>(£'000) | 30 June<br>2024<br>(£'000) |
|-----------------------------------------------------------------------|----------------------------|----------------------------|
| EBITDA of underlying group companies                                  | 20,461                     | 10,413                     |
| Ongoing costs in the Company                                          | (3,515)                    | (4,569)                    |
| <b>Net earnings before interest</b>                                   | <b>16,946</b>              | <b>5,844</b>               |
| Bank interest received in the Company and the Midco                   | 471                        | 687                        |
| Facility commitment fees                                              | (201)                      | (934)                      |
| External interest costs in the MidCo                                  | (5,277)                    | (3,730)                    |
| <b>Net earnings for dividend cover calculation (A)</b>                | <b>11,939</b>              | <b>1,867</b>               |
| Interest income on construction capital deployed to owned SPVs        | 6,439                      | 7,951                      |
| <b>Net earnings for dividend cover as previously calculated</b>       | <b>18,378</b>              | <b>9,818</b>               |
| <b>Dividends declared by the Company in respect of the period (B)</b> | <b>–</b>                   | <b>–</b>                   |
| <b>Dividend cover (A/B)</b>                                           | <b>n/a</b>                 | <b>n/a</b>                 |

## 8. Dividend yield

Dividend yield is a measure to show the dividend return received by shareholders for the period.

|                                                              | 30 June<br>2025 | 30 June<br>2024 |
|--------------------------------------------------------------|-----------------|-----------------|
| Dividend per share declared in respect of the period (pence) | –               | –               |
| Share price at end of period (pence)                         | 78.50           | 70.30           |
| <b>Dividend yield for the period</b>                         | <b>n/a</b>      | <b>n/a</b>      |

## 9. Operational capacity of the portfolio

Operational capacity of the portfolio is a measure to show the revenue-generating capacity of the underlying investments.

|                            | 30 June<br>2025 | 30 June<br>2024 |
|----------------------------|-----------------|-----------------|
| Operational capacity (MW)  | 945             | 790             |
| Operational capacity (MWh) | 1,447           | 931             |

## 10. Aggregated financial information

Aggregated financial information provides greater insight into the financial performance of the Company and its portfolio.

|                                                                                      | 30 June<br>2025<br>(£'000) | 30 June<br>2024<br>(£'000) |
|--------------------------------------------------------------------------------------|----------------------------|----------------------------|
| Net operating revenue in SPVs                                                        | 31,696                     | 17,962                     |
| Operating SPV administrative and other costs                                         | (11,176)                   | (7,504)                    |
| Ongoing administrative and other costs in the MidCo                                  | (59)                       | (45)                       |
| <b>Portfolio operational earnings before interest, depreciation and amortisation</b> | <b>20,461</b>              | <b>10,413</b>              |
| Company administrative and other expenses                                            | (3,515)                    | (4,569)                    |
| Bank interest income                                                                 | 471                        | 687                        |
| Facility interest expense and commitment fees                                        | (5,478)                    | (4,664)                    |
| Other interest                                                                       | 29                         | (16)                       |
| Non-recurring transaction, FX and similar costs                                      | (184)                      | (414)                      |
| Non-operational SPV administrative and other costs                                   | (247)                      | (113)                      |
| Depreciation and amortisation (including amortisation of loan arrangement fees)      | (26,569)                   | (19,013)                   |
| <b>Net aggregated earnings</b>                                                       | <b>(15,032)</b>            | <b>(17,689)</b>            |



**Other information**

# Company information

## Non-Executive Directors

John Leggate – Chair  
Isabel Liu  
Duncan Neale  
Catherine Pitt  
David Stevenson

## Registered office

The Scalpel  
18th Floor  
52 Lime Street  
London  
EC3M 7AF

## Investment Manager and AIFM

Gresham House Asset  
Management Limited  
5 New Street Square  
London  
EC4A 3TW

## Corporate Brokers and Financial Adviser

Jefferies International Limited  
100 Bishopsgate  
London  
EC2N 4JL

Peel Hunt LLP  
100 Liverpool Street  
London  
EC2M 2AT

## Tax Adviser

Blick Rothenberg Chartered Accountants  
16 Great Queen Street  
London  
EC4V 6BW

## Independent Auditor

BDO LLP  
55 Baker Street  
London  
W1U 7EU

## Administrator and Secretary

JTC (UK) Limited  
The Scalpel  
18th Floor  
52 Lime Street  
London  
EC3M 7AF

## Registrar and Receiving Agent

Computershare Investor Services plc  
The Pavilions  
Bridgewater Road  
Bristol  
BS13 8AE

## Legal Adviser

Eversheds LLP  
1 Wood Street  
London  
EC2V 7WS

## Depository

INDOS Financial Limited  
54 Fenchurch Street  
London  
EC3M 3JY

## Investment Valuer

Grant Thornton LLP  
30 Finsbury Square  
London  
EC2A 1AG

## Ticker:

GRID

# Glossary

## Asset optimisation

Asset optimisation involves buying and selling electricity in order to capture a spread between the high and low electricity prices on any given day. This can be done via one or more market mechanisms and includes trading in the wholesale market and offering the battery to National Grid via the BM.

## AUM

Assets under management: the total net assets of the Company.

## Balancing Mechanism (BM)

A tool used by the ESO to balance the electricity supply and demand close to real time. The BM is used to balance supply and demand in each half hour trading period of every day. Where the ESO predicts that there will be a discrepancy between the amount of electricity produced and the level of demand during a certain period, they may accept a "bid" or "offer" to either increase or decrease generation (or even increase consumption in the case of storage assets). Sites must be registered in the BM to receive such actions but once registered they are able to set their own prices for being used.

## Balancing services

National Grid procure services to balance demand and supply and to ensure the security and quality of electricity supply across Britain's transmission system. These include:

- Demand side response
- Dynamic Containment (DC)
- Enhanced Frequency Response (EFR)
- Firm Frequency Response (FFR)
- Optional Downward Flexibility Management (ODFM)
- Short-Term Operating Reserve (STOR)

<https://www.nationalgrideso.com/balancing-services>

## Capacity Market (CM)

The income received by generators to ensure generation capacity is available to meet shortfalls.

## Curtailment

Large wind farms are connected to the UK's high-voltage network and National Grid balances electricity supply and demand. As demand rises and falls during the day, electricity supply mirrors these peaks and troughs.

National Grid accepts bids and offers from electricity generators to increase or decrease electricity generation as and when required. As such, it may mean that there are times when generators are paid to curtail their output (constraint payments).

<https://www.nationalgrideso.com/news/grounds-constraint>

## Dividend yield

The annual dividends expressed as a percentage of the current share price.

## EBITDA of underlying group companies

EBITDA includes earnings before interest, tax, depreciation and amortisation and includes liquidated damages earned by SPVs. Earnings are calculated on an accruals basis and therefore only SPVs which were owned in the accounting period have their earnings included here. Transactions completing after the period will have locked box income recognised once the transaction is completed.

This is important to measure the underlying performance of the investments and ensure cash earnings are available to payment of costs in the Company and dividends to shareholders.

## Engineering, Procurement and Construction (EPC) contract

This relates to a "turnkey" construction project where the EPC contractor takes full responsibility for the delivery of a project.

## Engineering, Procurement and Construction Management (EPCM) contract

This is a type of professional engineering services contract where the EPCM contractor is responsible only for the management of the construction project.

## Frequency Response services (FR)

A subset of Balancing Services which relates to services performed by batteries to manage the frequency on the electricity system. This includes the following services:

- Dynamic Containment (DC)
- Dynamic Moderation (DM)
- Dynamic Regulation (DR)
- Enhanced Frequency Response (EFR)
- Firm Frequency Response (FFR)
- Optional Downward Flexibility Management (ODFM)

## Gross asset value (GAV)

Gross Asset Value is the total value of the investments and cash under the management of the Company including debt held by the MidCo.

## UK adopted International Accounting Standards UK (IFRS UK)

UK adopted International Standards are accounting standards issued by the International Accounting Standards Board (IASB) as adopted by the UK and have been applied by the Company in the preparation of the financial statements.

## Liquidated damages (LD)

Liquidated damages are presented in certain legal contracts as an estimate of losses to one of the parties. It is a provision that allows for the payment of a specified sum should one of the parties be in breach of contract. Liquidated damages are meant as a fair representation of losses in situations where actual damages are difficult to ascertain.

Liquidated damages are often included in specific contract clauses to cover circumstances where a party faces a loss from an asset. The Company typically uses these in EPC arrangements to protect earnings from an asset in the result of delays to construction but are also common in other contracts such as for O&M arrangements.

## Market capitalisation

Market capitalisation is the total value of the publicly traded outstanding shares, calculated by multiplying the current share price by the number of outstanding shares.

## Net asset value (NAV) per Ordinary Share

The total net assets in the Company divided by the total number of Ordinary Shares in issue. This is an important measure to understand the capital return to shareholders.

## National Energy System Operator (NESO)

Refers to National Energy System Operator Limited, which has taken over the electricity system operation from National Grid Electricity System Operator Limited. The NESO is responsible for ensuring Great Britain has the essential energy it needs so that supply meets demand on the electricity system every second of every day.

<https://www.neso.energy>

## NAV total return

A measure showing how the NAV per share has performed over a period of time, considering both capital returns and dividends paid to shareholders.

NAV total return is shown as a percentage change from the start of the period. It assumes that dividends paid to shareholders are reinvested at NAV at the time the shares are quoted ex-dividend.

NAV total return shows performance which is not affected by movements in discounts and premiums (share prices). It also considers the fact that different investment companies pay out different levels of dividends.

## Ongoing charges figure (OCF)

The Ongoing charges figure includes all charges and costs incurred by the Company which relate to the ongoing operation of the Company. This includes management fees, administration fees, audit fees, Directors' remuneration, depositary services costs and other similar costs. It excludes capital costs and costs of raising new capital. The ongoing charges are then divided by the weighted average NAV and annualised.

## Operational dividend cover

Operational dividend cover for the purpose of this report refers to a calculation for the ratio between net earnings of the underlying investment portfolio in the review period and dividends paid in respect of the same review period. This measure aims to add clarity on the Company's ability to pay dividends from the earnings and cash generation of its underlying investments after deducting Company costs. This measure includes the EBITDA of underlying group companies less Company and holding company costs (excluding capital-related costs and debt arrangement fees but including external interest expense) and interest income on construction capital deployed to SPVs.

## Ordinary Share

Share in the Company with a nominal value of 1p.

### Ordinary Share price total return

A measure showing how the share price has performed over a period of time, considering both capital returns and dividends paid to shareholders.

Share price total return is shown as a percentage change from the start of the period. It assumes that dividends paid to shareholders are reinvested in the shares at the time the shares are quoted ex-dividend.

Share price total return shows performance which is affected by movements in discounts and premiums. It also considers the fact that different investment companies pay out different levels of dividends.

### Proving period

A period of 30 days after a project has achieved PAC. During this time, the project is fair valued subject to a premium added to the base discount rates of 50 bps to capture risk during the commissioning of the project. After this period, the project is fair valued without any additional premium.

### Skip rates

In the BM, a skip is broadly defined as when an action is taken by the control room even though there is a cheaper alternative to achieving the same outcome – so the cheaper action is “skipped”.

### Site uptime

Calculation for the average level of availability in the portfolio or for an asset in Frequency Response services. This is calculated by taking the average MWs available in each period as a percentage of total capacity contracted.

### System inertia

Inertia works to keep the electricity system running at the right frequency by using the kinetic energy in spinning parts in power plant generator turbines. When needed, the spinning parts in generator turbines can rotate slightly faster or slower to help balance out supply and demand. The more turbines there are, the more energy there is in the system and the greater the system inertia, which helps to stabilise the frequency.

<https://www.nationalgrideso.com/information-about-great-britains-energy-system-and-electricity-system-operator-eso/technical-terms-explained>

### Tolling

A tolling agreement allows the toller to take operational control of the batteries and operate them, within the technical constraints of the BESS, in return for a fixed periodic fee per MW.

### TRIADs

TRIADs are defined as the three half-hours of highest demand on the Great Britain electricity transmission system between November and February each year; the TRIADs are part of a charge-setting process. This identifies peak electricity demand at three points during the winter in order to minimise energy consumption.

However, TRIADs must be at least ten days apart. This is to avoid all three potentially falling in consecutive hours on the same day, for example during a particularly cold spell of weather.

<https://www.nationalgrideso.com/news/triads-why-three-magic-number>



**Gresham House**

Specialist investment