energia group

Powering the Energy Transition

Annual Report & Consolidated Financial Statements 2026

energia group

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Group pro-forma EBITDA	2026 €m	2025 €m
Renewables	121.4	121.4
Flexible Generation	91.6	93.5
Customer Solutions	116.1	108.6
Group pro-forma EBITDA	**329.1**	**323.5**

€95.8m

Capital Expenditure

Capital expenditure was €95.8m
(2025 - €98.6m)

€200.9m

IFRS Results[2]

Revenue was €3,239.3m
(2025 - €3,191.2m)

Operating profit was €200.9m
(2025 - €130.6m)

Operational Facts

1,113

Employee numbers at 31 March 2026
– 1,113 (2025 - 1,135)

Huntstown 1 **87.4%** Huntstown 2 **85.5%**

Huntstown CCGT Asset Availability

Huntstown 1
– 87.4% (2025 – 94.2%)

Huntstown 2
– 85.5% (2025 – 75.1%)

3.0TWh

NI Electricity Sales

NI electricity sales volumes
– 3.0TWh (2025 – 2.9TWh)

4.7TWh

RoI Electricity Sales

RoI electricity sales volumes
– 4.7TWh (2025 – 4.3TWh)

794,200

Residential Customer Sites Supplied

794,200
(2025 – 790,000)

383MW

Wind Generation Assets Operational

Wind generation assets operational at 31 March 2026 – 383MW
(2025 – 358MW)

95.8%

Wind Generation Assets Availability

Wind generation assets availability
– 95.8% (2025 – 96.0%)

1 Based on regulated entitlement and before exceptional items and certain remeasurements as outlined in note 2.
2 Before exceptional items and certain remeasurements.

Annual Report 2026

Strategic and Director's Report

1.

Strategic and Director's Report

Operating review

All references in this document to 'Group' denote Energia Group Limited and its subsidiary undertakings and to 'Company' denote Energia Group Limited, the parent company. The principal activity of the Company is that of a holding company.

Business Model and Principal Activities

The Group is a leading modern, integrated energy utility with substantial businesses across Ireland in both the Republic of Ireland (RoI) and Northern Ireland (NI). The Group primarily operates through three business units:

- Renewables;
- Flexible Generation; and
- Customer Solutions.

At 31 March 2026 the Renewables business owns and operates 383MW of wind assets and purchases electricity from 1,110MW of renewable generation capacity throughout Ireland. In addition, the Group is developing a further pipeline of onshore wind and solar projects across the island of Ireland.

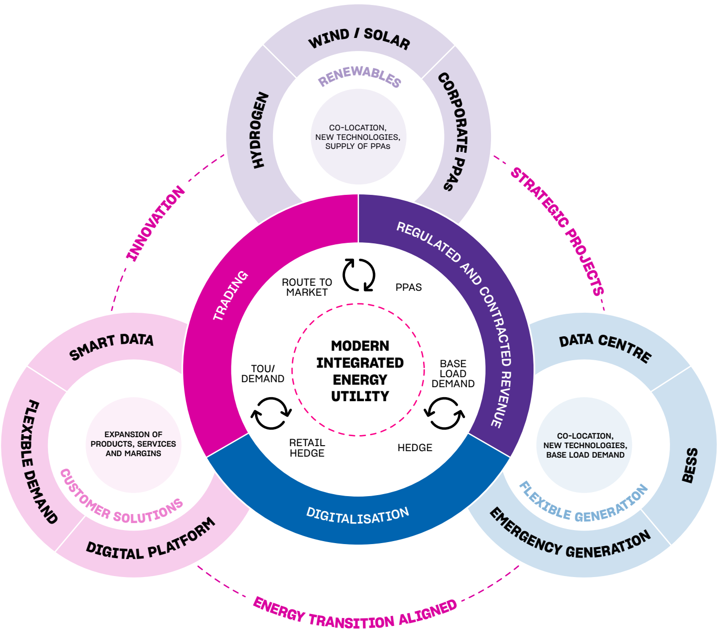
The Flexible Generation business owns and operates 747MW of conventional generation assets in the RoI, a 50MW battery storage facility in Belfast and a 50MW emergency gas generation plant at the Huntstown campus in Dublin.

The Flexible Generation business is also progressing the development of a data centre at its Huntstown campus, which is in its construction phase, and has a further pipeline of battery storage development projects across the island of Ireland.

The Customer Solutions business supplies electricity and gas to 323,800 customer sites in the RoI and 561,700 customer sites in NI through its two retail brands, Energia and Power NI, respectively. The business is committed to guiding customers throughout their energy transition, promoting a sustainable and efficient energy future.

Integrated business model

The Group's earnings are derived from a combination of regulated and contracted revenue streams together with integrated energy margin optimised across the Group's business segments.



The robustness of the delivery of the Group's integrated energy margin is driven by the natural hedge between the generation and supply activities and the optimisation of the energy value chain across the Group's Renewables, Flexible Generation and Customer Solutions businesses.

Strategy

The energy sector on the island of Ireland is undergoing an unprecedented transformation. The global drive to decarbonise existing energy demand through electrification together with new economic growth, particularly in the technology sector, is set to accelerate an increase in electricity demand from renewables and underpin a sustainable and thriving economy.

Energia Group is a modern, integrated energy utility focused on playing a pivotal role in the transformation of the economy and the energy transition. Our strategy builds on the leading positions of the Group's businesses across Renewables, Flexible Generation and Customer Solutions to satisfy the growing needs of our customers and facilitate the achievement of ambitious governmental decarbonisation policy goals.

Four key objectives underpin our strategy:

- **Significantly increase our generation from renewables:** to build on and diversify the Group's renewable asset platform to meet the rapidly growing demand for renewable energy;
- **Supporting our customers to decarbonise:** utilising technological advances to offer differentiated and enhanced product offerings to our customers, while looking for opportunities to increase, diversify and broaden the quality of our customer relationships, in particular through assisting customers to decarbonise;
- **Support the rapid transformation of the energy system:** to develop, operate and grow the Group's portfolio of system critical flexible generation and storage assets in a manner that supports the Group's increasing renewable asset portfolio; enables the development of new product offerings to customers; and provides the security of supply and grid services needed as Ireland transitions to a carbon neutral economy; and
- **Power a new model for growth:** from the crossover of the energy and digital sectors, to utilise and grow our asset portfolio to innovatively support new opportunities for economic growth, including the development of new, highly efficient data centres powered by renewable electricity.

These objectives will continue to create opportunities to extract value across the Group's complementary business activities, supporting the predictability of the Group's financial performance; producing strong cash conversion; and enabling further investments with attractive returns. Delivery against these will also position the Group to further evolve and grow our contracted and regulated earnings alongside our sustainable integrated energy earnings.

As we continue to play a leading role in the energy transition across the island of Ireland, Energia Group is also committed to making a positive impact in the communities in which we operate and to building an inclusive and successful workplace.

Management Team

The management team is responsible for the delivery of the agreed strategy through the operational management of the Group's businesses. Biographies for the management team are provided in the section entitled "Management Team, Ownership and Directorship".

Key Performance Indicators

The Group has determined that the following key performance indicators (KPIs), covering both financial and operational performance, are the most effective measures of progress towards achieving the Group's objectives.

Financial KPIs

The financial KPIs are:

- Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA);
- Capital expenditure; and
- Net debt.

The EBITDA KPI is pro-forma EBITDA which is based on regulated entitlement and before exceptional items and certain remeasurements as outlined in note 4.

Commentary on the financial KPIs is set out in the Group Financial Performance section below and within the relevant Business Review.

Operational KPIs

The operational KPIs are:

Renewables

- the average annual and year end capacity (MW) of wind generation in operation in the RoI and NI;
- availability (the percentage of time wind generation assets are available to produce full output);
- wind factor (the indicative net output of the available wind generation assets after dispatch losses); and
- the average annual and year end capacity (MW) of contracted renewable generation in operation in the RoI and NI.

Flexible Generation

- generation plant availability (the percentage of time Huntstown CCGTs are available to produce full output);
- generation plant unconstrained utilisation (the indicative dispatch of the available Huntstown CCGTs assuming no constraints, i.e. restrictions imposed by the Single Electricity Market Operator (SEMO) on the availability of the Huntstown CCGTs to dispatch electricity or physical limitations of dispatching such electricity); and
- generation plant incremental impact of constrained utilisation (the actual dispatch of the available Huntstown CCGTs assuming constraints imposed by SEMO).

Customer Solutions

- residential and non-residential customer sites in the RoI and NI;
- the volume of electricity sales (TWh) in the RoI and NI;
- the volume of gas sales (million therms) in the RoI; and
- the number of complaints which the Commission for Regulation of Utilities (CRU) and the Consumer Council for NI (CCNI) (Stage 2 complaints) takes up on behalf of customers.

Operational KPIs and commentary on business performance are set out in the relevant Business Review.

The Group also regards the lost time incident rate (LTIR) as a KPI in respect of employee safety; details are set out in the Responsible Business Report.

Group financial performance

The Group's financial KPIs are shown below:

	2026 €m	2025 €m
Pro-forma EBITDA[1]	329.1	323.5
Capital expenditure	95.8	98.6
Net debt[2]	599.0	605.8

1 As shown in note 4 to the accounts.
2 As shown in the 'Summary of Financial Performance'

Total Group pro-forma EBITDA increased to €329.1m (2025 - €323.5m) reflecting continued operating performance during the year and increased renewable generation capacity offset by lower power prices across the year. The Group's integrated energy margin remained stable, reflecting the continued effectiveness of the hedge between generation and supply activities.

Capital expenditure in respect of tangible fixed assets and intangible software assets was €95.8m (2025 - €98.6m), broadly in line with the prior year. Current year's additions include data centre electrical infrastructure investment and initial milestone payments in respect of planned plant upgrade works. Investment in renewables was lower compared to the previous period, which included capital expenditure relating to newly commissioned wind farms.

The Group's net debt decreased to €599.0m (2025 - €605.8m) primarily reflecting an increase in cash and cash equivalents during the year. This was partly offset by an increase in project finance debt reflecting two new facilities put in place during the year (Ballylongford and Crossmore).

Business Reviews

Renewables

Overview

The Group owns and operates a generation portfolio comprising onshore wind assets across the RoI and NI. In addition, the Group is developing a further pipeline of onshore and solar projects across Ireland. The Group also purchases electricity under off-take Power Purchase Agreement (PPA) contracts with third party renewable generators and the Group's owned renewable assets through its Customer Solutions businesses.

Financial performance

The Renewables financial KPIs are shown below:

	2026 €m	2025 €m
EBITDA[1]	121.4	121.4
Capital expenditure	46.0	71.2

1 Before exceptional items and certain remeasurements as outlined in note 4.

Renewables EBITDA was €121.4m (2025 - €121.4m). Increased portfolio wind capacity supported generation levels during the year offset by lower average power prices, resulting in the performance being in line with the prior year.

Renewables capital expenditure decreased to €46.0m (2025 - €71.2m). Expenditure in the prior year included investment in newly commissioned onshore wind development projects, resulting in a lower level of capital expenditure in the current year.

Operational performance

KPIs	2026	2025
Onshore wind generation assets		
Wind generation capacity in operation in the RoI and NI		
- average during the year (MW)	365	340
- at 31 March (MW)	383	358
Availability (%)	95.8	96.0
Wind factor (%)	24.4	23.0
Renewable PPA portfolio		
Contracted renewable generation capacity in operation in the RoI and NI		
- average during the year (MW)	1,148	1,190
- at 31 March (MW)	1,110	1,173

Onshore wind generation assets

The Group owns onshore wind farm assets across the RoI and NI. The average onshore wind generation capacity in operation during the year was 365MW (2025 - 340MW) and at 31 March 2026, total generation capacity increased to 383MW (2025 – 358MW). This comprised 210MW (2025 – 185MW) of operating onshore wind generation capacity in the RoI and 173MW (2025 - 173MW) of operating onshore wind generation capacity in NI.

Renewable assets availability was 95.8% (2025 – 96.0%) with a wind factor of 24.4% (2025 – 23.0%).

Distributions of €15.8m were made in the year (2025 - €21.3m) from wholly owned onshore wind generation assets.

Renewable PPA portfolio

The Group's renewable PPA portfolio primarily consists of off-take contracts with third-party wind farms alongside wind generation assets in which the Group has an equity interest. The Group, via its Customer Solutions business, has entered into contracts with developers under which it has agreed to purchase the output of a number of wind farm projects and with generators from other renewable sources (e.g. anaerobic digestion and biomass technologies).

The average contracted generation capacity in operation during the year was 1,148MW (2025 – 1,190MW) with 31 March 2026 operating capacity of 1,110MW (2025 – 1,173MW) of which RoI operating capacity was 462MW (2025 - 514MW) and NI operating capacity was 648MW (2025 – 659MW).

Solar

The Group's current solar pipeline is 1,227MW, of which 667MW of capacity is fully consented and a further 560MW of capacity is in the planning preparation stage.

The first of the Group's consented solar projects is the Fieldstown Solar Cluster, a 153MW project in counties Dublin and Meath in the RoI. Significant progress was made on this project as the Grid Works Contract and the EPC Contract have now been signed and construction of the new 110kV substation has commenced. Completion of the project is expected in FY29. The project is expected to be underpinned by a corporate PPA with Microsoft.

Onshore wind development assets

The Group continues to progress the development of its onshore wind pipeline projects (25MW under construction and 302MW in development) and expects to enter into Corporate PPAs for these development projects.

Construction and commissioning of the Crossmore wind farm (25MW) in County Clare in the RoI was completed during the year with commercial operation of the project effective from mid-December 2025. The wind farm is underpinned by a Corporate PPA with Microsoft.

Construction of the Ballylongford wind farm (25MW) in County Kerry in the RoI continued during the year. Commissioning works have now been completed with commercial operation of the project effective from late-May 2026. The wind farm is underpinned by a corporate PPA with Microsoft.

Offshore wind development assets

The Group has a joint venture in RoI offshore wind.

During the year it was announced that the NCS joint venture had not been awarded a CfD ORESS contract under the recent Tonn Nua auction process when results were published on 10 December 2025. The Government also published a process for a National Designated Marine Area Map (DMAP) policy which is not expected to complete until late 2027 with no guarantee that this will include the SIS joint venture identified site.

Following these announcements the joint venture entities have impaired their remaining assets to their recoverable amounts.

1 Distributions from wholly owned onshore wind generation assets are eliminated on Group consolidation.

Outlook

Development is ongoing for the Group's pipeline of onshore wind and solar projects across Ireland. The table below summarises the current portfolio of renewable projects:

MW	Operating	Under construction	In development	Total
Onshore wind generation assets				
- NI	173	-	95	268
- RoI	210	25	207	442
	383	**25**	**302**	**710**
Solar				
- RoI	-	-	1,227	1,227
	383	**25**	**1,529**	**1,937**

The Group continues to assess a number of other opportunities to acquire and develop further renewable development projects.

Flexible Generation

Overview

The Group owns and operates two CCGT plants at the Huntstown site in north Dublin. Huntstown 1, a 343MW CCGT plant which was commissioned in November 2002 and Huntstown 2, a 404MW CCGT plant adjacent to Huntstown 1, which was commissioned in October 2007. The Group also owns and operates a 50MW battery storage facility in Belfast which was commissioned in October 2022 and a 50MW emergency gas generation plant at the Huntstown campus in Dublin which was commissioned in February 2024. The Group is also progressing the development of a data centre at its Huntstown campus which is in its construction phase.

Financial performance

	2026 €m	2025 €m
EBITDA[1]	91.6	93.5
Capital expenditure	37.5	12.1

1 Before exceptional items and certain remeasurements as outlined in note 4.

Flexible Generation EBITDA was broadly in line with the prior year at €91.6m (2025 – €93.5m). Lower inframarginal rent during the year was largely offset by improved performance in Customer Solutions.

Flexible Generation capital expenditure increased to €37.5m (2025 - €12.1m) primarily reflecting levels of investment in the data centre project, which entered its construction phase during the year.

Operational performance

KPIs	2026	2025
Huntstown CCGTs		
Availability (%)		
- Huntstown 1	87.4	94.2
- Huntstown 2	85.5	75.1
Unconstrained utilisation (%)		
- Huntstown 1	46.6	56.9
- Huntstown 2	60.5	64.5
Incremental impact of constrained utilisation – constrained up / (down) (%)		
- Huntstown 1	16.6	8.9
- Huntstown 2	(0.1)	(4.9)

Huntstown 1 availability was 87.4% (2025 – 94.2%) reflecting 25-days of unplanned outage (2025 – 5-days) and higher planned outage days of 20 (2025 – 16-days). Huntstown 1 unconstrained utilisation was 46.6% (2025 – 56.9%). The incremental impact of constrained utilisation for Huntstown 1 was 16.6% constrained up (2025 – 8.9%).

Huntstown 2 availability was 85.5% (2025 – 75.1%) reflecting 54 days of unplanned outages (26 days in April 2025 for a steam turbine rotor crack and 28 days across May and June 2025 for a pipe leak). Both issues were successfully repaired with the plant returning to full operational service. Huntstown 2 unconstrained utilisation was 60.5% (2025 – 64.5%). The incremental impact of constrained utilisation for Huntstown 2 was 0.1% constrained down (2025 – 4.9%).

As previously disclosed, the Huntstown 2 steam turbine rotor crack in January 2025 resulted in an unplanned outage totaling 88 days. The Group has successfully claimed for property damage and business interruption losses under its insurance policy and in February 2026 a settlement was agreed with the insurer which has resulted in a €12.0m claim being recognised in the year and the claim proceeds are expected to be received in FY27.

Capacity contracts

The reliability options awarded to the Huntstown plants in previous auctions for the current and next seven capacity years, including the 5-year ILC award, is summarized as follows:

			Contract Price Awarded	
Capacity Year	Auction	Contract Type	Huntstown 1	Huntstown 2
2025/26	T-4 (Mar 22)	RO	€46,000/MW	€46,000/MW
2026/27	T-4 (Mar 23)	RO	€83,050/MW	€83,050/MW
2027/28	T-4 (Oct 23)	RO	€106,666/MW	€106,666/MW
2028/29-2032/33	T-4 (Dec 24)	ILC	€227,220/MW	€153,880/MW

In addition to the ILCs awarded to the Huntstown plants, the Group has also secured 10-year contracts (for capacity years 2028/29 - 2037/38) for three new battery storage projects. De-rated capacity totalling 22MW was awarded to the Group at capacity payment prices ranging from €222,000/MW to €226,000/MW.

Emergency generation capacity

During the year, the Group's 50MW of emergency generation plant remained available to the system operator to provide emergency services as required and the plant has been called to operate monthly for testing / maintenance purposes.

Battery storage

During the year, the Group's 50MW battery storage facility in Belfast continued to provide grid-balancing services, operating reserve and steady state reactive power to the system operator in NI.

The Group has a further pipeline of battery storage projects for up to 700MWh consented over seven sites across the island of Ireland.

Data centre

The Group is progressing the development of a data centre at its Huntstown campus in Dublin adjacent to the CCGT plants. The data centre is a strategic collaboration between the Group and Microsoft, the end user of the facility. During the year all pre-commencement planning conditions for both the data centre and the substation were achieved and onsite construction works commenced. Construction of 220kV substation is progressing in line with plan.

Outlook

Both of the Group's Huntstown plants have Reliability Options and Intermediate Length Contracts giving capacity price certainty to September 2033 and allowing the Group to refurbish the plants ensuring they remain available to support Ireland's transition to a low carbon economy. The underlying contracts to deliver the refurbishments have been signed with the OEMs.

The Group continues to assess a number of flexible generation, energy storage and behind the meter projects in line with its strategy to grow the business in a manner which supports its renewable asset portfolio and product offerings to customers.

Customer Solutions

Overview

The Group's Customer Solutions business operates under the Energia and Power NI brands.

Energia supplies electricity and natural gas to business and residential customers in the RoI.

Power NI is the regulated electricity supplier in NI and supplies electricity to business and residential customers.

Financial performance

	2026 €m	2025 €m
EBITDA[1]	116.1	108.6
Capital expenditure	12.3	15.3

1 Based on regulated entitlement and before exceptional items and certain remeasurements as outlined in note 4.

Customer Solutions EBITDA increased to €116.1m (2025 - €108.6m) primarily reflecting increased volumes, increased customer numbers and an increase in regulated PNI entitlement during the year (including recovery of capital expenditure).

Customer Solutions capital expenditure was €12.3m (2025 - €15.3m).

Operational performance

KPIs	2026	2025
Customer sites (number)		
RoI		
- Residential electricity	202,600	206,800
- Residential gas	69,800	67,500
	272,400	**274,300**
- Non-residential electricity	48,900	48,400
- Non-residential gas	2,500	2,600
	51,400	**51,000**
Total RoI	**323,800**	**325,300**
NI		
- Residential electricity	521,800	515,700
- Non-residential electricity	39,900	39,700
Total NI	**561,700**	**555,400**
Total customer sites	**885,500**	**880,700**
Energy sales*		
RoI		
- Electricity sales (TWh)	4.7	4.3
- Gas sales (million therms)	44.1	48.3
NI		
- Electricity sales (TWh)	3.0	2.9
Complaints (number)		
Complaints to the CRU in the RoI	10	1
Complaints to the CCNI in NI	-	2

* Sales volumes include estimates for non-half hourly metered customers

Residential electricity and gas customer sites in the RoI were 272,400 at 31 March 2026 (2025 – 274,300).

Non-residential electricity customer sites in the RoI were 48,900 at 31 March 2026 (2025 – 48,400). Non-residential gas customer sites in the RoI were 2,500 at 31 March 2026 (2025 – 2,600).

Residential customer numbers in NI were 521,800 at 31 March 2026 (2025 – 515,700).

Non-residential customer numbers in NI were 39,900 at 31 March 2026 (2025 – 39,700).

Total electricity sales volumes in the RoI were 4.7TWh (2025 – 4.3TWh) and in NI were 3.0TWh (2025 – 2.9TWh). RoI gas sales volumes were 44.1m therms (2025 – 48.3m therms).

During the year, the Group received 10 (2025 – 1) complaints which was referred to the CRU and no (2025 – 2) complaints which were referred to the CCNI. The number of complaints continues to compare favourably with competitors.

Tariffs

Both Energia and Power NI continue to monitor wholesale prices and their implications for tariffs going forward.

On 5 September 2025, Power NI announced a 4% increase in its residential electricity tariff effective from 1 October 2025 and on 9 September 2025, Energia announced a 10.9% increase in its standard electricity tariff effective from 9 October 2025. Both tariff increases were primarily due to rising market and network related costs.

Customer Solutions Positive Energy Programme

Work continues across the Group's established Positive Energy Programme, with the Customer Solutions business building on capabilities and products that support customers in transforming how they use and generate energy, delivering positive and sustainable environmental outcomes.

The Group's Customer Solutions business has continued to evolve beyond its traditional role as an energy supplier to operate as a comprehensive energy management partner, supporting customers as they navigate their energy transition. As customers increasingly evolve from consumers to prosumers, Customer Solutions supports this journey through its well embedded Engage, Empower and Collaborate strategy.

The *Engage* phase focuses on strengthening customer engagement and improving energy efficiency, underpinned by the ongoing rollout and adoption of smart metering across the Republic of Ireland. Time of Use tariffs are targeted at customers who are further advanced in their energy transition, including electric vehicle (EV) owners, microgenerators and customers capable of exporting energy to the grid. In addition, Customer Solutions provides established digital services offering personalised energy insights, enabling customers to understand half hourly household energy consumption and supporting budgeting, peer comparisons and tracking of usage trends through an accessible digital platform.

The *Empower* phase supports customers in progressing further along their energy transition through the continued enhancement of solutions, including smart EV charging. Dynamic tariffs are scheduled to be made available from June 2026, further supporting customers in optimising energy costs and usage.

Through these ongoing initiatives, Customer Solutions remains focused on supporting customers throughout their energy transition and contributing to a more sustainable and efficient energy future.

Outlook

Digitalisation remains a strong focus and the Group continues to invest in its development of innovative, enhanced and differentiated product offerings to customers in line with its strategy. The Group's near real-time cloud platform, Energia Digital IQ, is expected to enhance Energia's Customer Solutions business by increasing customer self-serve, boosting customer engagement and enabling decarbonisation through smart, low carbon energy technologies.

Annual Report 2026

Summary of Financial Performance

2.

Summary of Financial Performance

Revenue

Revenue from continuing operations increased to €3,239.3m (2025 - €3,191.2m). The breakdown by business is as follows:

Year to 31 March	2026 €m	2025 €m
Renewables	339.3	362.4
Flexible Generation	546.9	581.4
Customer Solutions (based on regulated entitlement)	2,395.9	2,365.9
Adjustment for under-recovery	(32.0)	(108.5)
Inter business elimination	(10.8)	(10.0)
Total revenue from continuing operations	**3,239.3**	**3,191.2**

Revenue from the Renewables business decreased to €339.3m (2025 - €362.4m) with increased generation capacity being offset by lower energy prices.

Flexible Generation revenue decreased to €546.9m (2025 - €581.4m) reflecting lower energy prices and the impact of the unplanned outages at both plants during the year (offset in EBITDA with the recognition of outage insurance settlement).

Customer Solutions revenue increased to €2,395.9m (2025 - €2,365.9m) primarily reflecting higher volumes, higher average Energia and Power NI customer numbers and the impact of increased tariffs.

During the year the regulated business of Power NI recovered €13.0m against its regulated entitlement (2025 – €27.2m under-recovered). PPB ceased operations in September 2023. Financial Year 2026 includes the final settlement of PPB's regulated entitlement of €45.0m (2025 includes the initial settlement of €89.8m).

At 31 March 2026 the cumulative under-recovery against regulated entitlement was €11.1m. The under-recovery of regulated entitlement reflects the phasing of tariffs.

Operating costs

Operating costs (pre-exceptional items and certain remeasurements and excluding depreciation and amortisation) decreased to €2,942.2m (2025 - €2,975.7m). The breakdown is as follows:

Year to 31 March	2026 €m	2025 €m
Energy costs	2,738.2	2,767.5
Employee costs	76.3	74.1
Other operating charges	127.7	134.1
Total pre-exceptional items and certain remeasurements	**2,942.2**	**2,975.7**

Energy costs decreased to €2,738.2m (2025 - €2,767.5m) primarily reflecting lower energy prices through the year together with the impact of lower utilisations of both Huntstown plants as a result of the outages noted above.

Employee costs increased to €76.3m (2025 - €74.1m) reflecting the impact of inflation and higher social security costs during the year.

Other operating charges decreased to €127.7m (2025 - €134.1m) primarily reflecting lower maintenance costs compared to the prior period.

Group EBITDA

The following table shows the Group pro-forma EBITDA (pre-exceptional items and certain remeasurements) by business:

Year to 31 March	2026 €m	2025 €m
Renewables	121.4	121.4
Flexible Generation	91.6	93.5
Customer Solutions	116.1	108.6
Group pro-forma EBITDA	**329.1**	**323.5**
Under - recovery of regulated entitlement	(32.0)	(108.5)
EBITDA	**297.1**	**215.0**

All of the above amounts are pre-exceptional items and certain remeasurements as shown in note 4 to the accounts.

Group pro-forma EBITDA (pre-exceptional items and certain remeasurements) increased to €329.1m (2025 – €323.5m) as outlined below:

Renewables EBITDA (pre-exceptional items and certain remeasurements) was €121.4m (2025 - €121.4m) with increased portfolio wind capacity offsetting lower average power prices, resulting in the performance being in line with the prior year.

Flexible Generation EBITDA was broadly in line with the prior year at €91.6m (2025 – €93.5m). Lower inframarginal rent during the year was largely offset by improved performance in Customer Solutions.

Customer Solutions EBITDA (pre-exceptional items and certain remeasurements) increased to €116.1m (2025 - €108.6m) primarily reflecting increased volumes, increased customer numbers and an increase in regulated PNI entitlement during the year (including recovery of capital expenditure).

Depreciation and amortisation

The Group's depreciation and amortisation (pre-exceptional items and certain remeasurements) by business is summarised as follows:

Year to 31 March	2026 €m	2025 €m
Renewables	35.1	33.5
Flexible Generation	42.9	36.8
Customer Solutions	18.2	14.1
Total depreciation and amortisation	**96.2**	**84.4**

Depreciation and amortisation (pre-exceptional items and certain remeasurements) increased to €96.2m (2025 - €84.4m) primarily reflecting higher depreciation within the Flexible Generation business, including accelerated depreciation of components being replaced as part of upgrade works together with higher amortisation in the Customer Solutions business related to Customer Acquisition costs.

Group pro-forma operating profit

The Group's pro-forma operating profit by business is summarised as follows:

Year to 31 March	2026 €m	2025 €m
Renewables	86.3	87.9
Flexible Generation	48.7	56.7
Customer Solutions	97.9	94.5
Total Group pro-forma operating profit	**232.9**	**239.1**

The Group's underlying performance and operating profit increased with the reported reduction being driven by a movement in foreign exchange rates and the accelerated depreciation noted above.

Group pro-forma exceptional items and certain remeasurements

Exceptional items and certain remeasurements were a €19.1m cost (2025 - €65.5m credit). The breakdown by business is as follows:

Year to 31 March	2026 €m	2025 €m
Renewables	(23.9)	(5.2)
Flexible Generation	-	63.3
Customer Solutions	4.8	7.4
Total pro forma exceptional items and certain remeasurements	**(19.1)**	**65.5**

Exceptional items in the Renewables business were a €23.9m cost (2025 - €5.2m) reflecting acquisition and disposal activity of €23.8m (2025 - €nil) and a net impairment of property, plant and equipment €0.2m (2025 - €5.7m) partly offset by a fair value adjustment to contingent consideration of €0.1m credit (2025 - €0.5m).

Exceptional items in the prior year for Flexible Generation business were a €63.3m credit reflecting the reversal of impairment recognised on property, plant and equipment for both Huntstown CCGT plants.

Exceptional items in the Customer Solutions business were a €4.8m credit (2025 - €7.4m) reflecting certain remeasurements relating to the recognition of the fair value of derivatives.

Net finance costs

Net finance costs (pre-exceptional items and certain remeasurements) increased from €55.8m to €69.7m primarily reflecting the impact of foreign exchange movements and reduced interest rates on bank deposits.

Tax charge

The total tax charge (pre-exceptional items and certain remeasurements) was €11.4m (2025 – €10.1m). A detailed analysis of the tax charge is outlined in note 11 to the accounts.

Cash flow before acquisitions, disposals, interest and tax

Group cash flow before acquisitions, disposals, interest and tax of continuing operations is summarised as follows:

Year to 31 March	2026 €m	2025 €m
Group pro-forma EBITDA[1]	**329.1**	**323.5**
Defined benefit pension charge less contributions paid	(1.8)	(1.7)
Net movement in security deposits	(3.4)	8.3
Changes in working capital[2]	(38.0)	(71.4)
Under - recovery of regulated entitlement	(32.0)	(108.5)
Exceptional items[3]	(23.7)	(0.6)
Foreign exchange translation	4.9	(1.5)
Pro-forma cash flow from operating activities	**235.1**	**148.1**
Capital expenditure[4]	(95.8)	(98.6)
Net (amortisation release) / receipt of government grant / deferred income[5]	(4.9)	(5.5)
Cash flow before acquisitions, disposals, interest and tax	**134.4**	**44.0**

1 Includes EBITDA of unrestricted assets of €74.6m (2025 - €63.0m).

2 Includes changes in working capital of unrestricted assets of €0.7m decrease (2025 – €1.5m). These items are disclosed in the Consolidated Statement of Cash Flows as working capital adjustments with the inclusion of the movements in intangible assets related to ROCs, EEOs and Emissions (2026 - €2.0m decrease, 2025 - €85.5m increase).

3 Includes acquisition and disposal costs.

4 Includes capital expenditure on unrestricted assets of €46.0m (2025 - €71.2m). This capital expenditure is disclosed in the Consolidated Statement of Cash Flows as Investing Activities (excluding movements in other deferred income and contingent consideration paid) with the exclusion of the movements in intangible assets related to ROCs, EEOs and Emissions.

5 Includes amortisation release of €10.7m (2025 - €9.8m) in relation to the Group's emergency generation plant and data centre project together with release of government grant of €0.5m (2025 - €0.3m) in relation to hydrogen project partly offset by deferred income of €6.3m (2025 – €4.6m) in relation to the Group's emergency generation and data centre projects as disclosed further in note 23.

Pro-forma Group cash flow from operating activities was a €235.1m inflow (2025 - €148.1m) primarily reflecting EBITDA of €329.1m (2025 - €323.5m) partly offset by an increase in working capital of €38.0m (2025 - €71.4m), an under-recovery of regulated entitlement of €32.0m (2025 - €108.5m) and exceptional items of €23.7m (2025 - €0.6m).

Net movement in security deposits

The net movement in security deposits was a €3.4m increase (2025 – €8.3m decrease). There were €14.9m of security deposits in place at 31 March 2026 (2025 - €11.7m).

Changes in working capital

Working capital increased by €38.0m (2025 – €71.4m). The increase in working capital is largely attributable to higher commodity prices.

Trade and other receivables increased, driven by increased retail volumes and higher energy prices, together with higher accrued income. These movements were partly offset with higher gas related accruals and net emissions balances, reflecting increased plant utilisation.

Under - recovery of regulated entitlement

As noted previously the regulated business of Power NI recovered €13.0m against its regulated entitlement (2025 – €27.2m under-recovered). PPB ceased operations in September 2023. Financial Year 2026 includes the final settlement of PPB's regulated entitlement of €45.0m (2025 includes the initial settlement of €89.8m).

Capital expenditure

Capital expenditure in respect of tangible fixed assets and intangible software assets decreased to €95.8m (2025 - €98.6m). The breakdown by business is as follows:

Year to 31 March	2026 €m	2025 €m
Renewables	46.0	71.2
Flexible Generation	37.5	12.1
Customer Solutions	12.3	15.3
Capital expenditure	**95.8**	**98.6**

Renewables capital expenditure decreased to €46.0m (2025 - €71.2m).Expenditure in the prior year included investment in newly commissioned onshore wind development projects, resulting in a lower level of capital expenditure in the current year.

Flexible Generation capital expenditure increased to €37.5m (2025 - €12.1m) primarily reflecting levels of investment in the data centre project, which entered its construction phase during the year.

Customer Solutions capital expenditure was €12.3m (2025 - €15.3m).

Other cash flows

Net interest paid

Net interest paid (excluding exceptional finance costs) was €52.3m (2025 - €46.3m) reflecting a decrease in bank interest income.

Dividends

On 28 April 2025 the Board approved the payment of a €40.0m dividend to the parent undertaking which was subsequently paid on 30 April 2025 (2025 - €110.0m).

Net debt

The Group's net debt is summarised in the following table:

Year to 31 March	2026 €m	2025 €m
Cash and cash equivalents	319.5	299.8
Senior secured notes	(594.3)	(592.1)
Project finance facilities	(321.6)	(311.0)
Interest accruals	(2.6)	(2.5)
Total net debt	**(599.0)**	**(605.8)**

The Group's net debt decreased by €6.8m from €605.8m at 31 March 2025 to €599.0m at 31 March 2026 primarily reflecting an increase in cash and cash equivalents during the year. This was partly offset by an increase in project finance facilities reflecting two new facilities put in place during the year (Ballylongford and Crossmore).

Net debt at 31 March 2026 includes project finance net debt of €280.1m (2025 - €279.0m). Excluding project financed net debt, net debt was €318.9m (2025 - €326.8m).

Defined benefit pension surplus

The pension surplus in the Group's defined benefit scheme under International Accounting Standard (IAS) 19 was €5.3m at 31 March 2026 (2025 – €1.9m).

The last actuarial valuation of the EGNIPS was as at 31 March 2024, the outcome of which was agreed with the trustees in June 2025. Under the terms of the recovery plan agreed with the Trustees, the Group will make good the €0.9m funding shortfall by 31 July 2026 through payment of the Power Procurement Business (PPB) deficit allowance of €1.8m in year ended 31 March 2026 and a deficit repair contribution of €0.2m on or before 31 July 2026. The first deficit repair contribution (€1.8m PPB deficit allowance) made under the recovery plan was paid in the year ended 31 March 2026.

Outlook

We continue to play a leading role in the decarbonisation of the energy system across the island of Ireland through the development and build out of our extensive renewable asset portfolio, the provision of flexible generation (underpinned by the ILC capacity contracts) critical for security of supply and excellent service to homes and businesses.

Management is monitoring the impact of elevated and volatile wholesale price for gas, following the recent conflict in the Middle East, and the resulting higher SEM market price for electricity. Although gas prices are expected to remain high and volatile in the short to medium term, management expects the Group to continue to deliver robust overall financial performance through its regulated and contracted revenues supported by its integrated business model.

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Market Structure

3.

Market Structure

Single Electricity Market

In November 2007, the electricity market regulators in the RoI and NI, the CRU and the UR, respectively, replaced their individual wholesale market arrangements with an all-island market known as the Single Electricity Market, or SEM. Revised SEM market arrangements were put in place from 1 October 2018 designed to integrate the all-island electricity market with European electricity markets, making optimal use of cross-border interconnectors through a single marketplace and common rules. The trading arrangements comprise a Day Ahead Market, Intra-Day Market and Balancing Market and there is also an auction-based capacity market. The auction-based capacity mechanism awards capacity contracts in the form of Reliability Options that incentivise generators to generate electricity when market prices exceed a defined strike price in exchange for a fixed payment. The Northern Ireland Protocol, as updated by the Windsor Framework, ensures the continued functioning of the SEM market post Brexit. However, from 1 January 2021 the framework for electricity trading across interconnectors between Ireland and Great Britain changed and these two interconnectors are no longer able to participate in the EU single day-ahead market. Implicit intra-day fallback arrangements are currently in operation until replaced by new day-ahead trading arrangements for EU–UK interconnectors.

The SEM is jointly regulated by the CRU in the RoI and the UR in NI. The decision-making body which governs the market is the SEM Committee (SEMC).

Republic of Ireland

Regulators

Overall policy responsibility for the energy sector lies with the Minister for Climate, Energy and the Environment (‘the Minister’). In this capacity, the Minister is advised by the Department of Climate, Energy and the Environment (DCEE) and other statutory bodies including the CRU and the Sustainable Energy Authority of Ireland (SEAI).

The principal objective of CRU in carrying out its functions in relation to energy is to protect the interests of energy consumers, wherever appropriate, by promoting effective competition between persons engaged in, or in commercial activities connected with, the generation, transmission or supply of electricity and the transportation and supply of natural gas. CRU has a duty to carry out its functions in a manner which does not discriminate between market participants.

Transmission & Distribution network ownership and operation

Electricity Supply Board (ESB) is the incumbent electricity utility in the RoI and its network functions are ring-fenced from its generation and supply interests. EirGrid is the independent Transmission System Operator (TSO) and also owns the East/West Interconnector.

Renewable energy

The RoI Government has a target to achieve 80% of Ireland’s electricity supply to be generated from renewables by 2030.

Up until December 2019 the Government’s support mechanism, REFIT, encouraged renewable generation in the RoI with suppliers and renewable energy generators entering into a PPA for a minimum of 15 years. In return for entering into the PPA, the supplier receives a supplier balancing payment equal to 15% of the base REFIT tariff for large scale wind. The supplier is also entitled to compensation if the market price of electricity falls below the REFIT tariff. The REFIT scheme is now closed.

The RoI Government has since introduced the Renewable Electricity Support Scheme (RESS) and Offshore RESS (ORESS) to provide support to renewable electricity projects and help deliver renewable electricity policy to 2030. Both RESS and ORESS allocate support in the form of a two-way Contract for Differences (CfD) via a competitive pay as bid auction. The Climate Action Plan 2023 (re-affirmed in subsequent Climate Action Plans 2025 and 2026) commits Ireland to having 9GW of onshore wind, 8GW solar and at least 5GW of offshore wind installed by 2030, with the expectation that RESS and ORESS will provide the route to market for the majority of this capacity.

Northern Ireland

Regulators

The UR and the Department for the Economy (DfE) are the principal regulators. Each is given specific powers, duties and functions under the relevant legislation.

The principal objective of both the UR and DfE in carrying out their functions in relation to electricity is to protect the interests of consumers of electricity, wherever appropriate, by promoting effective competition between those engaged in, or in commercial activities connected with, the generation, transmission or supply of electricity.

Transmission & Distribution network ownership and operation

Northern Ireland Electricity Networks (NIEN) owns the transmission and distribution networks in NI and the System Operator for NI is the independent TSO.

Price control

Power NI is subject to a price control, defined in formulae set out in Power NI Energy Limited’s licence, which limits the revenues they may earn and the prices they may charge. The principles of price regulation employed in the relevant licence conditions reflect the general duties of the UR and DfE under the relevant legislation. These include having regard to the need to ensure that licensees are able to finance their authorised activities.

If the amount of revenue recovered in any one year exceeds or falls short of the amount allowed by the relevant price control formula, a correction factor operates in the following year to give back any surplus with interest, or to recover any deficit with interest, as appropriate. A surplus is referred to as an over-recovery and a deficit as an under-recovery.

Renewable energy

In December 2022, the Northern Ireland Executive published a new ‘Energy Strategy – Pathway to Net Zero’ which aims to decarbonise the NI energy sector by 2050 at least cost to the consumer. The strategy includes a target of at least 70% electricity consumption from a diverse mix of renewable sources by 2030. This target was subsequently increased to at least 80% through the Climate Change Act 2022 (Northern Ireland).

The United Kingdom (UK) Renewable Obligation (RO) scheme applies in NI to projects constructed pre-March 2017. The RO scheme is designed to incentivise the generation of electricity from renewable sources. The scheme places an obligation on suppliers to source a portion of their electricity from renewable sources. Under the RO scheme, eligible renewable generators receive ROCs for each MWh of electricity generated. ROCs are freely tradeable and can be sold to suppliers in order to fulfil their obligation. Suppliers can either present ROCs to cover their obligation or pay a buy-out fee for any shortfall. All proceeds from buy-out fees are recycled to the holders of ROCs.

The RO and NIRO schemes are now closed. ROC benefit rights will be grandfathered to projects that accredit under the NIRO following its closure. Generation accrediting under the NIRO will receive full support under the RO until 2037. From 2027 it is proposed that fixed price certificates will be issued, in place of ROCs, to projects qualifying for RO support until the end of the RO mechanism in 2037. In August 2015, DfE confirmed that the fixed-price certificate scheme will be introduced for the NIRO in 2027, however, a consultation on the detailed design of the fixed-price certificate scheme and the associated legislation has not yet been issued but is expected later in 2026. For projects receiving ROCs, the benefit of the scheme will extend until 2037 to ensure that generation accredited through 2017 receives the full 20 years of support under the NIRO. In October 2025, the UK government consulted on changing how the NIRO is indexed to inflation and decided in January 2026 that it should change from the retail price index (RPI) to the consumer price index (CPI) with effect from April 2026 (subject to legislative schedules).

Whilst there is currently no support scheme available to new renewable generators in NI, the DfE launched a consultation on introducing a new support scheme in February 2023 and published the final scheme design, called the Renewable Electricity Price Guarantee (REPG), that will operate as a two-way CfD along similar lines to RESS in Ireland and the CfD scheme in Great Britain. The REPG will be limited to onshore renewables in the first auction. It will be a pay-as-clear auction offering 15 years of support and will provide full indexation and compensation for constraints and curtailment. Subject to the NI Assembly passing the necessary legislation, it is intended that the first auction is intended to take place in Quarter 1 calendar year 2027 for delivery of new projects by 2030. A separate Offshore auction is intended to be held subsequently, with timing dependent on the Crown Estates seabed leasing process.

energia group

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Risk Management and Principal Risks and Uncertainties

4.

Risk Management and Principal Risks and Uncertainties

The Group operates a structured and disciplined approach to the management of risk. Its approach is to conduct business in a manner which balances costs and risks while taking account of all its stakeholders and protecting the Group's performance and reputation by prudently managing the risks inherent in the businesses.

The Board of Energia Group NI Holdings Ltd is ultimately responsible for risk management. The Group's risk policy is approved by the Board and explains the Group's underlying approach to risk management and outlines its risk appetite statement together with the roles and responsibilities of the Board, its sub-committees and senior management. It also outlines key aspects of the Group's systems of internal control.

The Group's Audit Committee, which meets quarterly, plays a key role in internal control and risk management. The Audit Committee monitors the Group's financial reporting processes and the effectiveness of the internal control and risk management systems; reviews and appraises the activities of the internal and external auditors; and provides an open channel of communication among the internal and external auditors, senior management and the Board.

The Group's Risk Management Committee (RMC) comprises a number of senior managers from across the Group and meets bi-monthly to oversee the management of risks and ensure that adequate and timely action is taken to mitigate and manage risk. The RMC reviews individual business and functional risk registers and reports to the Audit Committee on a quarterly basis.

The Group's risk management strategy combines strategic oversight from the top-down with operational level insights from the bottom-up. Management regularly identifies and considers the risks to which the businesses are exposed. Management's assessment of the key risks and the associated controls and actions required to mitigate these risks are recorded in business risk registers. Each risk is regularly assessed for the severity of its impact on the business and for the effectiveness of the controls in place. The risk environment is reviewed continually in order to identify new or emerging potential risks. The emphasis on sound management structures and policies and procedures is backed up by operational and financial review mechanisms and an externally resourced internal audit function.

The Director acknowledges that he has responsibility for the Group's systems of internal control and risk management and monitoring their effectiveness. The purpose of these systems is to manage, rather than eliminate, the risk of failure to achieve business objectives, to provide reasonable assurance as to the quality of management information and to maintain proper control over the income, expenditure, assets and liabilities of the Group. No system of control can, however, provide absolute assurance against material misstatement or loss.

Accordingly, the Director has regard to those specific controls, which in his judgement, are appropriate to the Group's business given the relative costs and benefits of implementing them.

The principal risks and uncertainties that affect the Group are described below but are not intended to be an exhaustive analysis of all the risks that may arise in the ordinary course of business or otherwise.

Competition in generation and supply of electricity

There is a risk that increased competition in generation and supply will reduce margins. The rules of the SEM are complex and affect the major revenue streams of all generators, thermal and renewable, who sell into the market. Under the SEM there are multiple opportunities to trade electricity. Most electricity is traded through a Day Ahead Market where a single day ahead price for each hour, determined by the day ahead price coupling solution used across Europe, is received by all generators with a market position. Capacity payments are quantity-based in the form of "reliability options" and issued through a competitive auction process. The commissioning of new generating capacity, relief of transmission network constraints and further interconnection may reduce the System Marginal Price (SMP) and may lead to increased competition in the capacity auction process resulting in lower capacity payments, subject to the impact of plant retirements and overall levels of demand. Both Huntstown plants bid in the competitive capacity auctions and both have reliability options awarded for the next four capacity years (as summarised within the Flexible Generation operating review section).

The Group's main competitors in the electricity supply markets in the RoI are Electric Ireland, Bord Gáis Energy, SSE Airtricity, PrePay Power, Yuno Energy and Pinergy. The main competitors in the electricity supply markets in NI are SSE Airtricity, Electric Ireland, Budget Energy, Go Power, Share Energy and Click Energy. Growing competition could adversely affect the Group's retail market share and margins in both the residential and business sectors. Certain of the Group's competitors may be able to offer lower prices or incentives that may attract customers away from the Group thereby reducing its market share, which in turn, may have a material adverse effect on margins achieved and delivery of the Group's growth strategy.

Wholesale electricity price

All electricity (with limited exceptions) bought and sold across the island of Ireland is traded through the SEM.

The SEM market trading arrangements comprise a Day Ahead Market, Intra-Day Market Balancing Market, Capacity Remuneration Mechanism (CRM) and payments for ancillary services. The Group's supply businesses remain exposed to energy and price resettlement risks within these markets and the Group's assets remain exposed to prices, competition and regulation (involving evolving EU requirements and State aid rules), within these markets.

Fluctuations in market prices of electricity, changes to renewable support mechanisms and the availability of generators may adversely affect the Group's wind farm generation and PPA results. Volatility in electricity prices, which can be impacted by commodity prices for coal, oil, natural gas, and carbon, and, in particular, a drop in the prices for such traditional energy fuels, may cause electricity generated from wind power to achieve a lower than anticipated market price for electricity and adversely affect the Group's business. The Group does not and cannot fully hedge the risks associated with changes in electricity, natural gas and CO_2 prices or generation plant utilisations or its relative size in the market. Customer demand and the amount of energy generation on the system, including the amount of wind, can also impact market prices. Capacity mechanism prices and ancillary service income can be impacted by regulator decisions and competition. There is also a risk that the Group may not have access to a sufficient number of counterparties offering facilities to meet the Group's commodity and foreign exchange hedging requirements. The Group could be exposed to the fair value of hedges not being offset by customer demand in the event that Energia and Power NI experience an unexpected reduction in demand from their customer portfolios. Energia and Power NI could also be exposed to the risk of higher wholesale electricity prices in the event of significant outages of generation plant on the system.

During the final quarter of FY26, commodity markets for oil and gas experienced elevated pricing and some volatility, influenced by geopolitical developments in the Middle East. While such conditions can lead to variability in wholesale energy markets, the Group's vertically integrated model provides a degree of natural mitigation. In this context, movements in wholesale electricity prices can have differing impacts across the portfolio, with higher prices generally benefiting the Renewables and Flexible Generation businesses, while increasing input costs for Customer Solutions. The Group actively manages this dynamic through its integrated structure and pricing strategies to maintain balance across segments. Periods of higher commodity prices can also lead to increased working capital requirements, including collateral postings to the SEM market and gas counterparties. The Group continues to actively manage liquidity and funding arrangements to ensure adequate headroom. The Group also maintains a disciplined approach to credit management, with ongoing monitoring of receivables to mitigate potential impacts from changing market conditions.

During the year, the market operator has resettled the SEM markets in line with the expected market resettlement timetable of 4 months and 13 months after initial settlement and the market had one system fix released. The Group therefore continues to be exposed to potential price resettlements in the balancing market and estimates the level of resettlement that may be applied based on facts and circumstances as at the Balance Sheet date.

The Group manages wholesale electricity price risk as follows:

Both Energia and Power NI have hedging policies to hedge their exposure to changes in the price of SEM power in line with retail electricity sales contracts. The strategy adopted varies by customer type and can be summarised as follows:

- Large Energy User (LEU) and large Small or Medium-sized Enterprise (SME) group customers are priced on variable tariffs and no specific hedging is undertaken unless a customer's specific request for a fixed price tariff is agreed to by Energia or Power NI. Where an LEU customer requests a fixed price, Energia and Power NI will provide a fixed price via the hedging of gas, carbon and GB power prices as a proxy for SEM power prices.
- Energia's SME customers' demand is either aggregated and hedged monthly on a rolling basis or priced on a pool pass-through basis. Power NI SME customers are generally priced on a pool pass-through basis.
- RoI residential customers' demand is aggregated and hedged monthly on a rolling basis. In respect of NI residential customers, Power NI's price control allows it to pass through the costs of wholesale electricity subject to compliance with its economic purchasing obligation, which it discharges by hedging wholesale electricity prices in line with policies agreed with the UR.

Energia adopts a similar strategy for hedging its exposure to changes in the price of gas in line with retail gas sales contracts.

- Government price interventions and/or reductions in governmental support for renewable energy sources in general, or wind farms in particular, could adversely affect the Group's operations. The REFIT support mechanism provides Energia Customer Solutions RoI with a fixed floor price for its fixed price REFIT PPAs with renewable generators. Energia Group recognises revenues when received (in line with accounting policy) however REFIT is settled on an October – September basis and the REFIT reference price is compared to the average market price earned for that compliance year. The Group has benefitted from market prices cumulatively being above REFIT however there is a risk that if market prices reduce below the REFIT reference price over the annual term ending September 2025, revenue initially recognised in Financial Year 2026 could be clawed back in Financial Year 2027.

Environmental, Social and Governance factors and climate change

The Group recognises its responsibility to contribute meaningfully to the decarbonisation of the energy system while maintaining security of supply and supporting a fair and just transition. Failure to effectively manage Environmental, Social and Governance (ESG) matters could give rise to financial, operational and reputational risks. The Group manages ESG and climate change risk through robust ESG Governance. Sponsored by the Group CFO and overseen by a cross business Steering Committee, the ESG strategy is embedded in the Group's management processes and core business activities. This work is supported by a dedicated Sustainability team.

A Double Materiality Assessment which was completed in 2025 is currently being updated to identify the most salient risks for the Group. This further supports the management of Environmental, Social and Governance risks through business risk registers and review of relevant policies.

The ESG regulatory landscape is evolving. Europe concluded its Omnibus review of CSRD and CSDDD and the Group remains in scope to report in 2029 and 2030 respectively. The Group's ESG strategy is focused on ensuring readiness for this significant increase in sustainability reporting. The UK framework is also developing, and the Group continues to monitor the implications for future sustainability reporting. Whilst across the island of Ireland, it is becoming increasingly clear that 2030 emissions reduction targets are unlikely to be met in this timeframe we continue to remain committed to making a significant contribution to decarbonisation. External factors, such as short-term energy security concerns due to global geopolitical events and the pace of the renewable generation development across the island creates a risk to Group both in terms of its own renewable build programme and the requirement for our power plants to operate to provide security of supply in meeting customer demand.

As an energy company, climate change presents both risks and opportunities for the Group. A failure to ensure the business is climate resilient presents risks if the Group is not able to successfully manage the impacts of climate change. Physical effects of climate change such as increased temperatures, rising sea levels, severity and frequency of weather events could result in physical damage or a decrease in the value of the Group's assets.

Future changes in legislation and regulations on climate change and ESG could result in increased operating and capital expenditure to improve the efficiencies of the Group's assets or other related aspects of its assets in order to comply with such regulations or otherwise adapt to climate change.

Through its ESG governance structure the Group will continue to monitor developments with policy, regulation and legislation in RoI and NI.

Conventional and renewable generation plant availability and utilisation

Energia Group runs the risk of interruptions to the availability of its conventional and renewable generation plants. Unscheduled interruptions to availability risks asset output performance levels. Mechanical failure, equipment malfunction or technological breakdown could adversely affect the Group's business and operating results. The Group's assets, including its electricity generating plants, battery storage, and hydrogen generation assets, require regular maintenance which may be for extended periods for various reasons and therefore cause interruptions to production, including, among other things, failed deliveries by suppliers or manufacturers or longer-than-expected periods for technical adjustments.

For the Huntstown CCGTs, this risk is managed by having long-term maintenance agreements in place with the plants' Original Equipment Manufacturers (OEM), Siemens and Mitsubishi. Energia Group operates the plants to the manufacturers' guidelines within a suite of International Organisation for Standardisation (ISO) approved operation, maintenance and safety policies and procedures. The plant designs incorporate industry accepted levels of redundancy for critical plant components and there is regular testing of back up services and standby equipment.

The availability of wind farm assets is managed through maintenance contracts with the original turbine manufacturers and third parties. The Group's Renewables Business is also certified to ISO 55001:2014 Asset Management in respect of its asset management system for renewable generation assets. ISO 55001:2014 is the international standard for asset management and associated life cycle engineering.

The Group's other assets such as battery storage, emergency gas generation and hydrogen generation assets have maintenance contracts in place with OEM and / or specialist third parties.

In the event of damage, it could take longer than expected to repair impacted facilities due to delays in the supply chains, many of which are international, used by the Group. The Group holds appropriate property damage and business interruption insurance for its operational assets in line with good industry practice. However, there is a risk that such insurance may not cover all eventualities resulting in damage to an operational asset and the interruption caused.

Additionally, Ireland relies heavily on natural gas interconnectors from Great Britain for its natural gas supply. In the RoI, there are two interconnectors, IC1 and IC2, that transport natural gas from Great Britain's natural gas transmission network. The natural gas transmission system in NI imports natural gas from Scotland. Disruption of, or any restriction on access to natural gas interconnectors or pipelines, would impact upon the ability of the Huntstown plants to operate. Furthermore, ongoing geopolitical circumstances such as EU sanctions against Russia or the recent conflict in the Middle East, could result in a shortage of gas in Europe, which, in turn, could affect the flow of gas supplies to the UK and Ireland.

Health and safety

The Group is committed to ensuring a safe working environment. The risks arising from inadequate management of health and safety matters are the exposure of employees, contractors and third parties to the risk of injury, potential liability and / or loss of reputation. There is a strong focus on the audit of work sites and the reporting and reviewing of near miss incidents. These risks are closely managed by the Group through the employment of Health and Safety Managers, the use of the services of an external health and safety advisor, the promotion of a strong health and safety culture, training for staff and well-defined health, safety and environmental policies.

The Group's approach to health and safety issues is described more fully in the Responsible Business Report.

The Group is certified ISO 45001:2018 Occupational Health and Safety Management Standard and ISO 14001:2015 Environmental Management Standard by the National Standards Authority of Ireland (NSAI).

Regulation and legislation

The markets in which the Group operates are subject to a wide range of complex governmental legislation and regulation, including those overseen by regulatory bodies in the UK, the RoI and the EU, including the UR and the DfE in NI, the CRU and the DCEE in the RoI as well as the SEMC on an all-island basis.

Energia Group is exposed to the impact of regulatory decisions and compliance with licence obligations as well as changes in legislation which impact its generation and supply activities as well as its development projects. Through its senior management, Energia Group maintains regular interaction with the UR, CRU, SEMC, DfE and DCEE. A pro-active approach is taken to the Regulatory Authorities' (RAs) consultations on all SEM related matters.

The SEM market arrangements create risks to revenues from generation activities. The CRM operates through capacity auctions which award reliability options to successful bidders at the market clearing price. In addition, the Huntstown plants could be required to generate to relieve constraints and therefore participate in the Balancing Market. The market places restrictions on the costs generation plants can take into account when setting their bids in the balancing market.

Ireland's future power market programme, managed by EirGrid and SONI under the Shaping Our Electricity Future (SOEF) roadmap, focuses on transitioning the electricity market to handle up to 80% renewable energy by 2030. Key initiatives include redesigning system services, enhancing scheduling and dispatch, and integrating with EU markets via the Celtic Interconnector by 2028. Management is monitoring the development of the future power market programme and the implications for the Group.

Regulation and government policy impacts numerous aspects of the Group's business and industry including, but not limited to; overall market structure and design; construction and operation of generation facilities; acquisitions; disposals; recovery of costs and investments; return on Power NI's regulated business activities; market transparency and behaviour rules (including REMIT and bidding codes of practice); support mechanisms for renewable generation; capacity mechanisms; system services; battery energy storage systems and other procurement frameworks; energy efficiency and renewable heat obligations; generator obligations; supplier obligations; cybersecurity obligations; and present or prospective wholesale and retail competition and environmental matters. Power NI is exposed to regulatory risk in respect of its price control. The Group's approach to price control reviews is to be pro-active in promoting arrangements that will lead to an agreed outcome. This includes adherence to relevant precedent and best practice. There is regular reporting to the UR and DfE on a wide range of financial and other regulatory matters including licence compliance. Regulatory relationships are managed by senior management through frequent meetings, informal dialogue and formal correspondence. In addition, the Group employs dedicated economic regulation and policy staff supporting all business segments on market design, energy policy and market reforms, representing the business on market TSC Modifications Committee, SEMOpx Modifications Committee, CMC Workshops, GNI Code Mod Forum, and retail change forums and industry groups and, engaging with regulators, and policy makers and system operators on an ongoing basis, proactive lobbying through trade associations (Electricity Association of Ireland (EAI), Wind Energy Ireland (WEI), Energy Storage Ireland (ESI), Irish Energy Storage Association (IESA), and RenewableNI (RNI)) and other groups (e.g. Economic and Social Research Institute (ESRI) and Irish Business and Employer's Confederation (IBEC)).

The Group is also subject to general competition rules and pro-competition government policies. In response to Russia's invasion of Ukraine, the EU and the UK have imposed comprehensive trade restrictions on Russia as well as significantly expanded the existing sanctions against individuals and entities. The Group has a policy on sanctions and continues to monitor developments in trade restrictions and sanctions in order to manage any potential future risks.

The Group is subject to applicable procurement laws, including the Procurement Act 2023. Changes in, revisions to, or reinterpretations of existing or pending laws and regulations may have an adverse effect on the Group's businesses. Further, the Group's ability to take actions and implement new policies may be constrained by government regulations. In addition, the Group may be subject to, or requested to participate in, regulatory inquiries, reviews, or investigations from time to time.

The Group's development assets are subject to planning consent and licensing regimes in the jurisdictions in which they are located, which are constantly subject to change and in some instances still evolving. In addition, the Group's operating assets are subject to planning compliance conditions.

The Group is also subject to extensive environmental regulation by governmental authorities and may incur costs beyond those currently contemplated to comply with these requirements.

Post Brexit trading arrangements

When the UK formally left the EU on 31 January 2020, it remained in the EU's Single Market and Customs Union until the EU-UK Trade and Cooperation Agreement (EU-UK TCA) became operational from 1 January 2021. Notwithstanding the wider EU-UK TCA, the Northern Ireland Protocol, agreed as part of the Withdrawal Agreement, also came into force on 1 January 2021 to ensure that there would be no new checks on goods crossing the border between NI and the RoI. As a result of the protocol, NI has in effect remained in the EU's Single Market for goods, while England, Scotland and Wales have left the EU's Single Market for goods. The Protocol also protects the continued operation of the SEM market, however the framework for electricity trading across interconnectors between Ireland and Great Britain has changed and these three interconnectors are no longer able to participate in the EU single day-ahead market. Due to significant disagreements surrounding the Protocol, the UK and EU negotiated the "Windsor Framework" which was ratified by the UK and EU on 24 March 2023. The Windsor Framework has been largely implemented following its phased rollout to the end of 2025 and, whilst operational, continues to be refined.

Post Brexit uncertainty and unpredictability concerning the UK's legal, political and economic relationship with the EU could be a source of instability in the UK economy and international markets, and it may create significant currency fluctuations and / or otherwise adversely affect trading agreements or similar cross border cooperation arrangements (whether economic, tax, fiscal, legal, regulatory or otherwise) for the foreseeable future. There remains some uncertainty for global trading arrangements, and there is a risk of tariffs being increased by a number of nations which could impact the Group's supply chains and those of its suppliers.

The Group will continue to monitor and manage the implications of new day ahead trading arrangements for EU–UK interconnectors which are expected to be introduced in the future. Furthermore, the Group will continue to monitor the impact of Brexit, including post Brexit Trading arrangements, the Windsor Framework and global tariffs on its supply chains and those of its suppliers in order to manage any potential future risks.

Development and construction of new assets

Through the development and construction of its onshore wind, solar, conventional generation, battery storage, hydrogen production and data centre projects, including new technologies, the Group is exposed to various risks including technical, commercial, contractor, planning, post development planning amendments, financing, economic and ESG risks. Any construction delay, change in government policy, issues with securing permissions from local landowners or need to obtain planning amendments could result in delays to the estimated commencement date for commercial operations and increased costs. The Group's projects must obtain connections to the electricity grid, however there are significant demands for connections from the system operators, EirGrid and SONI, from the Group and other developers which could result in significant delays in securing the connections needed. Global supply chain shortages have the potential to disrupt the availability of contractors, equipment and supplies which could cause delays to the construction of assets. Such risks could delay the construction or delivery of the Group's onshore wind farms, conventional generation, solar, battery storage, hydrogen production or data centre projects or the commencement of commercial operations or adversely impact operational efficiency. Furthermore, supply chain cost escalation could make projects uneconomic. Older turbine models are being withdrawn so there is a risk that consented projects could become stranded. Experienced senior staff operate appropriate project management controls to manage the project risks with appropriate management reporting up to the Board.

Talent and the delivery of growth initiatives and IT projects

Employees in all industries are looking for flexible working options. People have more choice about the industry, company and location in which they wish to work and in some areas this has led to scarcity of skills in the market. While the Group has a hybrid working model for office-based staff, future staffing strategies will be kept under review to ensure that they are sufficiently flexible and in line with evolving practices. This could introduce new risks which will be required to be managed. Increasing competitiveness in the market for talent has led to increasing salary and benefits inflation which in turn has increased the risk of attrition. While the Group has increased its focus on engagement and retention strategies, there is a risk that there could be a loss of talent from the Group.

As part of its strategy, the Group has identified a number of strategic planning and growth initiatives. The delivery of these initiatives and the transition to the new energy world requires the Group to have a team of experienced senior staff and specialist staff resourcing with the appropriate skills and capabilities. Furthermore, as the Group evolves it may require staff with a broader range of skill sets. The Group also faces market-led initiatives that require significant investment in specialist personnel in order to deliver complex IT projects required to operate in the market in a responsible manner. The Group has a dedicated corporate development team in place responsible for the delivery of identified strategic objectives and an IT project management office to oversee the delivery of IT projects. There is a risk that the Group is unable to attract, develop and retain the staff necessary to ensure that it has the appropriate resourcing levels and capabilities to meet its strategic objectives.

Business continuity

The Group has measures in place to manage the risk that one or more of its businesses sustains a greater than necessary financial impact through inability to carry on its operations either for a short or prolonged period. Geopolitical events have the potential to result in volatility in the wholesale commodity markets. Furthermore, with the continuation of EU sanctions against Russia and the recent conflict in the Middle East, there remains a risk that there could be a shortage of gas in Europe which in turn could affect the flow of gas supplies to the UK and Ireland. Should the Governments of the UK or Ireland need to ration the supply of gas there is a risk that the Group's Huntstown 1 and 2 plants will not be able to generate due to gas not being available. In such a situation, the Huntstown 1 and 2 plants both have the ability to run on fuel oil as their secondary fuel source, however prolonged running on fuel oil is constrained by the capacity of fuel oil stored onsite and the rate at which the storage tanks can be refilled.

The Group has business interruption insurance in place for both its Flexible Generation and Renewable assets. However, even though business interruption insurance is in place, the Group could potentially be exposed to a greater than necessary financial impact in the event that a property damage event and the cause of the interruption is not covered under the policy.

An IT disaster recovery plan is in place which covers the whole Group and Business Continuity plans are in place covering critical business processes. Furthermore, office-based staff have the capability to work from home securely. However there is a risk that a severe or prolonged period of unavailability of one or more critical IT systems could have a detrimental impact on the Group's ability to carry on its operations while impacted IT systems are re-built and made available to its businesses.

Outsourcing

The Group has a managed service contract with Capita Managed IT Solutions Limited (Capita) for the outsourcing of a range of important Information and Communication Technologies (ICT). Voice and data telecoms services are provided by BT through a contract managed by Capita and a number of other business services and systems are outsourced to a range of third parties including Software as a Service providers. There is a risk of disruption to the Group if there are service delivery failures, which in turn could lead to reputational damage to one or more of the Group's businesses. Comprehensive business continuity and disaster recovery plans are maintained to manage this risk.

Taxation

The Group manages its tax affairs so as to maintain its reputation as a well-run, open and compliant business. The Group pays taxes primarily in the UK and the RoI (the jurisdictions in which it has trading operations). Changes in tax laws, challenges to the Group's tax position or misinterpretations of certain tax laws could adversely affect its results of operations or financial condition. Good relationships are maintained with HM Revenue & Customs (HMRC) and the Irish Revenue Commissioners based on trust and co-operation. The Group's appetite for tax risk is low and its policy is to manage its tax liabilities in an efficient manner and in compliance with relevant legislation and guidance. During the year the Group updated its tax strategy and the Board approved this to satisfy its obligations under paragraph 19(2) Schedule 19 of the UK Finance Act 2016. A copy of the Group's tax strategy is publicly available on the homepage of the Group's website.

The UK Government introduced the Electricity Generator Levy on low carbon electricity generation in response to high commodity prices during the energy crisis. It is possible that other such interventions could be introduced by the RoI or the UK Governments in future and management continues to monitor for market interventions and their potential impact on the Group's businesses.

The Organisation for Economic Co-operation and Development (OECD) Pillar Two (Global Minimum Tax) model rules, introduced a 15% global minimum tax rate on the Group across more than 60 jurisdictions, including Ireland, the UK and Luxembourg. Management continues to monitor and evaluate the domestic implementation of the rules by relevant countries. The impact of this legislation and potential implication for the Group is discussed further at Note 11 to the accounts.

The Group has a zero-tolerance approach to tax evasion and specifically the facilitation of tax evasion and has appropriate policies and procedures in place to comply with the UK Criminal Finances Act 2017.

Pensions

The EGNIPS has two sections: a money purchase section and a defined benefit section. The defined benefit section is closed to new entrants and at 31 March 2026 there were 74 members comprising 7 active members, 59 pensioners and 8 secured pensioners. There is also a money purchase arrangement for employees in the RoI known as 'Choices'. Most employees of the Group are members of EGNIPS or Choices. While the trustees seek the advice of professional investment managers regarding the scheme's investments, there is a risk that the cost of funding the defined benefit section of EGNIPS could increase if investment returns are lower than expected, mortality rates improve or salary or benefit increases are higher than expected.

IT security, cloud computing and data privacy

Failure to maintain adequate IT security measures could lead to the loss of data or the inability to operate due to system unavailability through malicious cyber-attack on the Group's IT systems or its outsourced partners' IT systems or employee negligence. The Group defines its cyber risk appetite as "risk averse" covering data security threats, privacy breaches and potential financial losses from cyberattacks. Loss of Group data or loss / misuse of customer data could damage the Group's reputation, adversely impact operational performance or lead to a loss of income. The Group's businesses rely on complex IT systems (both its own IT systems and the IT systems of its outsourced partners) to operate and, as such, are at risk of being unable to operate in the event of a major IT systems failure. IT systems are potentially at risk of cyber-attack which could lead to data breaches or the inability to operate due to systems unavailability. The Group is subject to the requirements of privacy legislation such as General Data Protection Regulation (GDPR) and the National Information Security Directive (NIS and NIS2) with Power NI designated as a supplier of Essential Services by the Department of Finance in NI who are developing the regulations. Additionally, the Group is designated as an

Operator of Essential Services in RoI by National Cyber Security Centre (NCSC). NIS2 will further enhance the work started in the NIS Directive in building a high common level of cybersecurity across the European Union. NIS2 regulations, to be implemented by all Operators of Essential Services, have not yet been transposed into national law in RoI and management continues to monitor potential implications for the Group while preparing for its implementation. There is a risk that the Group may be unable to protect itself from a nation-state cyber-attack due to their advanced cyber capabilities. Furthermore, there is a heightened concern around cyber-attacks in light of ongoing geopolitical events. The Group is an active participant in industry forums led by the Competent Authorities to share and disseminate cyber intelligence for the purposes of collective protection of participants. In addition, the capabilities of Artificial Intelligence (AI) have developed rapidly and there could be a risk that the Group is not adequately prepared to implement AI processes into its business operations. The EU AI Act imposes risk based obligations on the Group in developing or deploying AI-based systems or processes. There is a risk that one or more of the Group's businesses could sustain a greater than necessary financial impact through inability to carry on its operations either for a short or prolonged period as a result of the unavailability of either its own IT systems or the IT systems of its outsourced partners. There is also a risk of reputational damage to one or more of the Group's businesses in the event of such an incident. The Group has a strong cyber security, cloud computing and data privacy culture and employs a team of dedicated IT security and data privacy professionals. In addition, the Group has an IT Security Forum and a Data Privacy Forum which both comprise of senior IT security and data privacy staff and a number of relevant operational managers from across the Group. These forums meet monthly and bi-monthly respectively and report to the Group's RMC. Through the forums, the Group actively promotes awareness of IT security and data privacy and targeted controls and procedures are in place to mitigate the risks including the use of the services of external IT security and data privacy advisors.

Business performance

The Group aims to deliver business performance in line with or better than expectations, however there is always a risk that the Group's plans and forecasts may not be deliverable. Decreases in demand for electricity may adversely affect the Group's business, financial condition and results of operations. Furthermore, the projected increase in demand for electricity may not materialise.

From time to time, the Group is required to make certain operational and maintenance related capital expenditures on its sites. The ability to undertake such operational and maintenance measures largely depends on cash flow from operations and access to capital, however the Group may have unforeseen capital expenditure needs for which it may not have adequate capital.

Commodity markets for gas and carbon can experience high and volatile prices resulting in higher SEM market prices for electricity. While the Group is vertically integrated, the volatility has impacted segmental financial performance. Higher commodity prices have also impacted liquidity and the requirement to post collateral with the SEM market, the Group's gas supply counterparties and network operators. It is expected that the benefit of higher SEM market prices to the Group's Renewables and Flexible Generation businesses is offset by the negative impact of higher prices on the Group's Customer Solutions businesses to the extent that such higher prices are not recovered through tariffs. In recent years, higher electricity prices to customers together with global supply chain shortages have resulted in higher price inflation in the UK and Ireland. There is a risk that the impact of recent increased gas prices could impact on customer bills and result in increased uncertainty over the recoverability of trade receivables (primarily for the Group's Customer Solutions businesses).

Ongoing uncertainty in global trading arrangements including the possibility of tariffs being increased further by a number of nations could lead to a downturn in demand and corresponding reduction in electricity consumption or potentially result in some of the Group's larger commercial customers withdrawing from the Irish Market and relocating operations elsewhere.

Management monitors the impact of high wholesale commodity and SEM market prices and global tariff increases on the Group's operations, finances and business plan projections and has modelled plausible and extreme downside scenarios to determine liquidity and collateral requirements as well as the financial impact on the Group and to stress test its resilience.

The increasing prevalence of wind generation assets on the Irish network gives rise to the risk that curtailments and constraints may become more frequent than the levels experienced to date. Significant investment in the electricity grid and interconnection to facilitate wider and deeper electrification powered by renewable electricity is fundamental to the long-term decarbonisation of the island of Ireland. The decisions taken by the TSO imposing constraints and curtailment on the Group's wind farms and third-party wind farms in respect of which the Group has PPAs directly impact upon the revenue and profitability of the Group's wind farm assets and PPAs, and if the scale of these actions were to increase it could have a material adverse effect on the Group's operating and financial performance. Article 13(7) of the EU Electricity Regulation (2019/943) mandates that electricity generators, particularly renewables, must be financially compensated by system operators when instructed to dispatch down due to non-market based redispatch, such as grid constraints or curtailment. While legal proceedings between the CRU and a number of wind farm generators are ongoing, management continues to monitor developments in the case and the potential for compensation in respect of its relevant assets.

The Group's insurance arrangements provide a level of coverage adequate for an energy generation and supply business of its size and scope of operations with coverage in line with industry norms. The Group's insurance policies cover product and public liability, property damage, business interruption, employer's liability, directors' and officers' liability, and credit risk insurance. However, these insurance policies may not cover any losses or damages resulting from the materialisation of all of the risks to which it is subject.

Furthermore, inappropriate investment or underperformance by a particular business segment can affect the forecasts and growth targets for the Group. The Group's planning processes are subject to scrutiny from the Energia Group Management Board and the Board and performance by each business segment is reviewed against budget on a monthly basis through the use of KPIs, variance analysis and cash flow reporting.

Financial control

Strong financial and business controls are necessary to ensure the integrity and reliability of financial and other information on which the Group relies on for day-to-day operations, external reporting and for longer-term planning. The Group exercises financial and business control through a combination of appropriately qualified and experienced personnel; rigorous business planning processes; detailed performance analysis; an integrated accounting system; and clearly defined approval limits.

The internal auditors test the effectiveness of financial and business controls. Investment decisions are accompanied by detailed analysis, both short and long-term, of the markets and opportunities in which the Group operates or is considering investing in.

Treasury risks

The Group's treasury function manages liquidity, funding, investment and the Group's financial risk, including risk from volatility in currency, interest rates, commodity prices and counterparty credit risk. The treasury function's objective is to manage risk at optimum cost in line with Group policies and procedures approved by the Board. The treasury function employs a continuous forecasting and monitoring process to manage risk and to ensure that the Group complies with its financial and operating covenants.

An analysis of the Group's net debt is as follows:

Year to 31 March	2026 €m	2025 €m
Cash and cash equivalents	277.9	267.8
Senior secured notes €600m (2028)	(594.3)	(592.1)
Interest accruals – Senior secured notes	(1.8)	(1.5)
Other interest accruals	(0.7)	(1.0)
Net debt excluding project finance facilities	**(318.9)**	**(326.8)**
Project finance cash	41.6	32.0
Project finance bank facility (RoI)	(187.1)	(156.7)
Project finance bank facility (NI)	(134.5)	(154.3)
Project finance interest accruals	(0.1)	-
Pro-forma net debt	**(599.0)**	**(605.8)**

The maturity profile of the Group's loans and borrowings at 31 March 2026 is as follows:

Facility	€m	Maturity
Senior secured notes €600m	(594.3)	July 2028
Project finance facilities	(321.6)	2026-2046
Interest accruals – Senior secured notes	(1.8)	
Other interest accruals	(0.8)	
	(918.5)	

Maturity analysis of loans and other borrowings is:

Facility	2026 €m	2025 €m
In one year or less or on demand	(31.4)	(29.9)
In more than one year but less than two years	(29.6)	(28.7)
In more than two years but less than five years	(687.3)	(682.6)
In more than five years	(170.2)	(164.4)
	(918.5)	**(905.6)**

Project finance bank facilities

The Group expects to put in place project finance facilities for its renewable development projects going forward.

Analysis of undrawn committed project finance bank facilities:

At 31 March	2026 €m	2025 €m
Project finance bank facilities	556.4	511.9
Draw down	(546.7)	(511.9)
Undrawn committed project finance facilities	**9.7**	**-**

All of the above amounts exclude project finance facilities in relation to working capital

Liquidity and capital resources

The Group is financed through a combination of retained earnings, medium-term bond issuance and both medium-term and long-term bank facilities. A summary of the Group's net debt is set out above and in note 28. Liquidity, including short-term working capital requirements, is managed through committed Senior revolving credit bank facilities together with available cash resources. The Group continues to keep its capital structure under review and may from time to time undertake certain transactions such as financing transactions, acquisitions and disposals which affect its capital structure. The Group may also from time to time repurchase its Senior secured notes, whether through tender offers, open market purchases, private purchases or otherwise.

The Group can have significant movements in its liquidity position due to working capital variations such as the movements in commodity prices, the seasonal nature of the business and regulatory under-recoveries. Short-term liquidity is reviewed daily by the treasury function and Group cash forecasts, covering a rolling two-year period, are reviewed monthly. This monitoring includes reviewing the minimum EBITDA covenant, required to be reported quarterly under the Senior revolving credit facility, to ensure sufficient headroom is maintained. The project financed facilities have one main covenant, a debt service cover ratio, which measures available cash against the debt service requirements on an historic annual basis.

At 31 March 2026, the Group had letters of credit issued out of the Senior revolving credit facility of €260.7m resulting in undrawn committed facilities of €189.3m (2025 - €193.2m). There were no cash drawings under the Senior revolving credit facility at 31 March 2026 (2025 - €nil).

During the year the Group has met all required financial covenants in the Senior revolving credit facility and project finance facilities.

At 31 March 2026, there was €41.6m (2025 - €32.0m) of restricted cash in the project financed wind farms which is subject to bi-annual distribution debt service requirements.

Interest rate risk

The majority of the Group's borrowings bear interest at fixed rates with its €600m Euro denominated Senior secured notes bearing interest at a fixed rate coupon of 6.875%.

The Group's only exposure to interest rate risk is in respect of drawings on the Senior revolving credit facility which was undrawn at 31 March 2026 (2025 - €nil) and to a minor portion of its project financed facilities which are based on Sonia / Euribor rates but which are largely fixed through the use of interest rate swaps. As a result, at 31 March 2026, 97.7% of the Group's total borrowings were on a fixed rate basis and therefore not subject to any interest rate risk.

At 31 March	2026 €m	2025 €m
Loans and other borrowings fixed / floating analysis:		
Fixed rate debt	(896.9)	(870.6)
Variable rate debt	(21.6)	(35.0)
	(918.5)	**(905.6)**

The estimated fair value of the Group's interest rate derivative financial instruments is disclosed in note 26 to the accounts.

Foreign currency risk

Following the refinancing of the Senior secured notes in July 2023, the Group's debt is predominantly in Euro. The Group has not designated a hedging relationship between the Euro-denominated assets on the Group's balance sheet and the Group's Euro borrowings in the current year.

At 31 March	2026 €m	2025 €m
Loans and other borrowings currency analysis:		
Euro	(783.8)	(751.0)
Sterling	(134.7)	(154.6)
	(918.5)	**(905.6)**

Energia receives income and incurs expenditure in Euro. Energia is also exposed to currency movements in respect of its gas and some of its power purchases denominated in Sterling. The Group's policy is to identify foreign exchange exposures with a value equivalent to, or greater than €1.0m, with the percentage level of hedging dependent on the specific project. Exchange rate exposures are identified, monitored and hedged through the use of financial instruments (mainly forward currency contracts and swap arrangements).

Power NI is exposed to currency movements in respect of its Euro denominated CfDs. These exposures are hedged in accordance with a policy agreed with the UR.

The estimated fair value of the Group's foreign currency derivative financial instruments is disclosed in note 26 to the accounts.

Commodity risk

Energia employs commodity swaps to hedge gas price exposures and forward purchase contracts to hedge its shortfall of CO_2 emission allowances. Energia's policy is to hedge its exposure to changes in the price of gas and CO_2 emission allowances in line with retail electricity sales contracts.

Power NI employs commodity swaps to hedge gas and carbon price exposures and GB Power price exposures. Power NI's policy is to hedge its exposure to changes in the price of gas, carbon and GB Power relative to retail electricity sales contracts.

The Group enters into SEM CfDs to manage its exposure to pool price volatility.

The estimated fair value of the Group's commodity derivative financial instruments is disclosed in note 26 to the accounts.

Further detail on Energia and Power NI's hedging strategy is provided in the 'Wholesale electricity price' risk above.

Credit risk

The Group's credit risk is primarily attributable to its trade receivables. Provisions are made based on previous experience and identifiable events which indicate a reduction in the recoverability of cash flows. As outlined earlier, sustained periods of volatile and increasing prices for gas and carbon have resulted in higher SEM market prices for electricity. With increasing electricity prices being passed through to customers via higher tariffs, the Group has applied an incremental allowance for expected credit losses in line with the methodology adopted disclosed in note 18. However, there remains a risk that the actual level of deferral or default on payments by customers is higher than that assumed when estimating the provisions made at the balance sheet date.

Energia and Power NI are not exposed to major concentrations of credit risk in respect of their trade receivables, with exposure spread over a large number of customers, but may be exposed to credit-related loss in the event of non-performance by hedging counterparties. Energia and Power NI hold credit insurance and obtain security deposits, where relevant, under their credit policies in respect of certain trade receivables. Energia and Power NI also receive security from certain suppliers in the form of letters of credit, parent company guarantees or cash collateral.

The Group may be exposed to credit-related loss in the event of non-performance by bank counterparties. The Group manages this credit risk by establishing and monitoring counterparty exposure limits which are adjusted and tightened when necessary. The Group actively manages its banking exposures on a daily basis and cash deposits are placed for periods not exceeding six months to provide maximum flexibility. During the year the Group did not suffer any bank counterparty exposure loss.

Further information is outlined in note 26 to the accounts.

Going concern

The Group's business activities, together with the principal risks and uncertainties likely to affect its future performance are described in the Strategic and Director's Report.

In assessing the appropriateness of the going concern basis of accounting, a detailed monthly analysis of forecast future cashflows has been prepared by management. The forecasts were based on key assumptions of fuel prices (applying forward curves for commodities); and market demand (applying growth factors in line with publicly available forecasts and internal assessment).

Sensitivity analysis was undertaken in relation to the key assumptions to reflect the impact of reduced demand together with potential delays in customers paying their bills and potential scenarios arising from the Group's forthcoming change of control. As detailed in note 17, on 6 October 2025 the Group announced that Ardian, a private equity investment firm based in France, had entered into an agreement to acquire 100% of the Company from I Squared Capital. The transaction is expected to be completed by the end of First Quarter 2027. In all scenarios tested the Group has sufficient financial headroom and was able to operate within the minimum EBITDA covenant contained within its Senior revolving credit facility. This analysis included a reverse stress test, the scenario for which was deemed remote and implausible.

Having considered the matters above, the Director has a reasonable expectation that the Group has adequate resources to continue in operational existence for at least a period of 12 months from the signing of the financial statements to 30 June 2027, and therefore, continues to adopt the going concern basis in preparing the annual report and accounts.

Responsible Business Report – Summary

(Energia Group's full Responsible Business Report is available on www.energiagroup.com)

5.

Introduction

As a leading energy company serving communities across the island of Ireland through our Customer Solutions, Flexible Generation, and Renewable Energy businesses, sustainability underpins Energia Group. We understand our role and are committed to the difference we can make to the decarbonisation of the energy system in Ireland.

Supplying 13% of the island of Ireland's total electricity requirements, today we serve over 885,000 residential and commercial customers via our Power NI and Energia retail companies and are responsible for approximately 21% of wind power capacity installed on the island.

We continue to expand our renewable energy portfolio and have ambitious plans to grow our onshore renewable portfolio significantly using both wind and solar power. We currently own and operate 383 MW of wind assets and purchase electricity from 1110 MW of renewable generation capacity throughout the island of Ireland.

We are responsible for driving renewable energy growth and supporting the current energy needs and ongoing energy security of communities across the island of Ireland. Our Flexible Generation business owns and operates 747 MW of conventional generation assets in RoI serving the Dublin area. A 50 MW battery storage facility in Belfast and a 50 MW emergency gas generation plant at the Huntstown campus in Dublin both further support the grid.

Looking to the future, powered by renewable energy sources, our Flexible Generation business is progressing the development of a highly efficient data centre in partnership with Microsoft at our Huntstown campus. The first wind farms underpinning this data centre have been built, and the development will also provide broader grid support in the North Dublin area via its substation.

Moving beyond our physical assets and developments, we have embedded a culture of sustainability across Energia Group. Aligned to the UN Sustainable Development Goals (SDGs), it is a management priority at the highest levels of the Group, with our Group Chief Finance Officer acting as sponsor for all ESG activity.

Our approach to sustainability and ESG is evident in the way we support our 1,113 employees, focused on their safety and opportunity to thrive in their careers via our People Strategy. Professional development and an inclusive work environment for all are core parts of our strategy, and we hold the Business Working Responsibly Mark, are signatories of Business in the Community's Elevate Pledge and hold the Bronze Diversity Mark.

Aligned to this internal focus, we are also committed to the communities that we serve. The breadth of our support represents the scale of our business, and recognition of our responsibility in understanding and meeting their needs. Our approach is built on collaboration, and we have long standing and meaningful relationships with community groups, non-governmental organisations (NGOs) and education programmes. This has been achieved through a network of partnerships, employee volunteering programmes, charitable initiatives and wind farm community benefit funds.

This community focus takes many forms across areas such as arts, culture, sports and biodiversity to name a selection. For example, we continue to support the Wexford Opera Festival and serve as the Official Energy Partner of the Irish Rugby Football Union (IRFU), and we are proud sponsors of the Energia All Ireland League (Energia AIL), Leinster Rugby and Connacht Rugby. Energia Group is also a Business Supporter of the All-Ireland Pollinator Plan, and we are implementing a range of biodiversity measures at our sites that will evolve and mature.

Responsible Business Highlights

Employs 1,113 people

Ambition to increase onshore wind and solar threefold by 2030

The first green hydrogen production facility on the island of Ireland

B in our fourth CDP disclosure

Employees spent 1,800+ hours volunteering

885,000 + customer sites

Trustpilot ratings of Excellent for PowerNI and Great for Energia

14,000+ customers on EV tariffs

Over €1 million annual community benefit fund

4 organisations awarded Greener Possibilities funds totalling €400,000 over 4 years

Business Supporter of the All-Ireland Pollinator Plan and member of Business for Biodiversity Ireland Platform

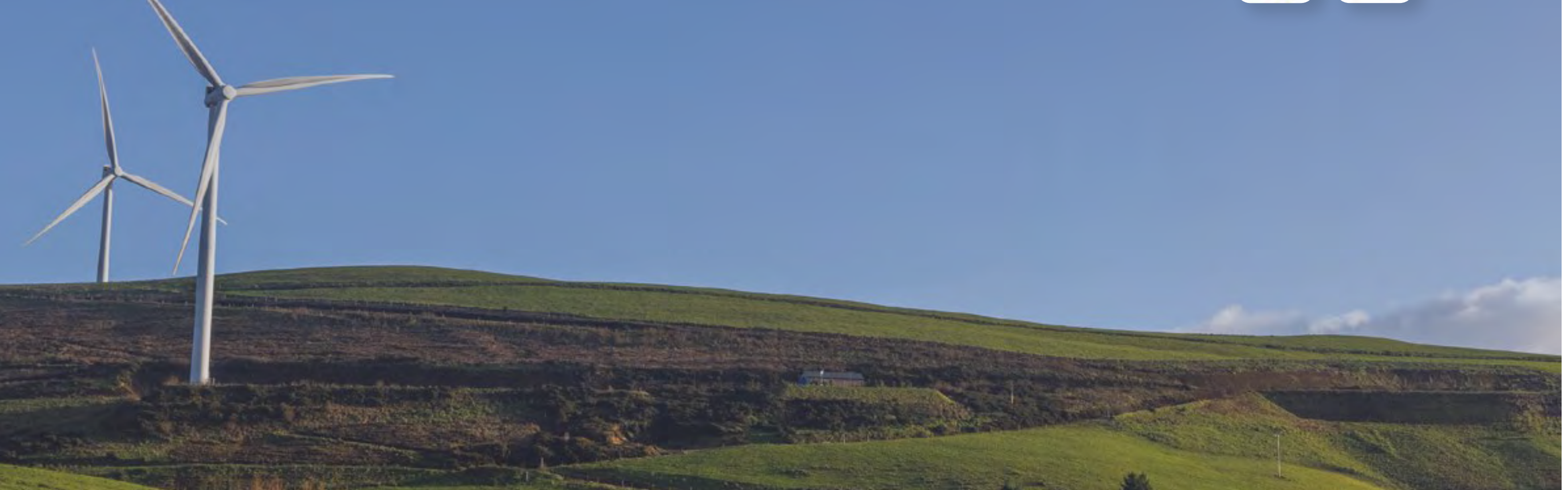
Our Purpose

Our purpose is to be a leader in decarbonising the island of Ireland's energy system through investment in renewable energy projects and supporting the broader societal energy transition, while ensuring security of supply and a high quality service to our residential and commercial customers.

We are committed to making a positive impact in the communities in which we operate and to being an organisation that values diversity, where all staff feel included and respected.

Our Objectives

1.	TO DECARBONISE THE ENERGY SYSTEM	We are committed to making a significant contribution to island-wide decarbonisation targets.
2.	TO INVEST IN RENEWABLE ENERGY INFRASTRUCTURE	We will increase the capacity of onshore renewable electricity threefold by 2030 compared to FY20. We will continue progressing the delivery of our solar farm portfolio.
3.	TO EMPOWER OUR CUSTOMERS	We will support our residential and business customers on their energy transition journey by providing a range of innovative energy efficiency products and services, and through education and awareness campaigns for a smart and just energy transition.
4.	TO EMPOWER OUR PEOPLE	We believe diversity, equity and inclusion are essential to building a successful workplace, where individuality is respected and everyone feels they belong. By fostering an inclusive culture, we continue to create a more innovative, productive, and fulfilling work environment for all.
5.	TO SUPPORT COMMUNITIES	We are fully committed to making a positive impact in the communities in which we operate and serve.



Climate Action and Environment

During the year, we continued to progress our ambition to triple onshore renewable electricity capacity by 2030 compared with 2020. Crossmore windfarm began operation in December 2025, and work commenced on our first large scale solar development.

Across the island of Ireland, it is becoming increasingly clear that 2030 emissions reduction targets are unlikely to be met in this timeframe. This reflects a combination of system wide challenges and rising electricity demand. Energia Group operates within these same system conditions and therefore while we are making strong progress toward our target to treble onshore renewable electricity generation capacity, our latest analysis indicates that the 2030 target to reduce the carbon intensity of our electricity generation by 50% from 2020 levels will extend into the next decade. This reflects a combination of external factors, particularly, not being successful in the first Irish offshore wind auction process while our Huntstown power station continues to be required at consistent levels to support security of supply.

Building on our successful onshore renewables development programme, we have completed an initial phase of work to assess credible decarbonisation options for our wider generation portfolio. This reflects the significant system challenges associated with meeting growing energy needs, maintaining essential security of supply for economic prosperity, and scaling renewable generation capacity to replace fossil fuels. Further assessment of alternative pathways will continue as we shape and implement a robust, evidence based plan for long term emissions reduction that contributes to island wide net zero ambitions and we remain committed to making a significant contribution to decarbonisation.

Emissions report

In FY26, there was a reduction of 8g CO2/kWh in our carbon intensity of electricity generation to 335g CO2/kWh (FY25 – 343g CO2/kWh), reflecting positive performance and increased output from our growing renewable generation portfolio including our new Crossmore Wind Farm, which was partially offset by Huntstown being required to meet customer energy demand.

Robust data collection and analysis are central to Energia Group's climate action programme. The accurate identification, measurement and quantification of greenhouse gas emissions across Scope 1, Scope 2 and Scope 3 is essential for a large, all island, multi functional business to understand its operational footprint and to identify opportunities that can shape future sustainability strategy and delivery.

Energia Group's Scope 1, 2 & 3 Emissions Summary

Scope	Activity	FY24	FY25	FY26
		TCO_2E	TCO_2E	TCO_2E
Scope 1	Huntstown Electricity Generation	1,270,849	1,360,533	1,364,079
	Company Vehicles	160	115	130
	Office Heating***	45	56	57
	F-Gas	112	90	67
Scope 2	Energy Use*	5	5	12
	Total Scope 1 + 2	**1,271,171**	**1,360,799**	**1,364,345**
Scope 3**				
Cat 1	Purchased Goods & Services	13,912	14,225	17,274
Cat 2	Capital Goods		37,570	16,931
Cat 3	Fuel and Energy (well to tank), sold electricity and Scope 2 electricity and gas used in offices)	1,841,334	1,246,609	1,737,845
Cat 4	Upstream Transportation		384	644
Cat 5	Waste (to Landfill pre FY24)	39	11	53
Cat 6	Business Travel	246	247	215
Cat 7	Employee Commute**	622	603	698
Cat 11	Use of Sold Product	389,807	288,893	234,172
Cat 17	Homeworking	373	387	232
	Total	**3,517,504**	**2,949,728**	**3,372,412**
	Key Climate Metrics			
	Carbon Intensity of Generation gCO_2/kWh	346	343	335
	Renewable Generation GWh	646	690	780
	Other			
	NOx Tonnes***	705.81	707.51	797.48

* Market rate used for Scope 2 electricity

** Scope 3 emissions are calculated in line with methodologies set out by the Greenhouse Gas Protocol. The Group's scope 3 reporting is expected to continue to evolve in future years

*** NOX removed from Scope 1 calculation and reported as a key climate metric

Biodiversity

Biodiversity is a key part of our sustainability approach. We recognise our responsibility to protect nature across our own sites, developments, and the wider communities we operate in.

Energia Group has collaborated with the All-Ireland Pollinator Plan since 2023 as official business supporter and has actively taken steps to support pollinators at sites across the Group.

This has included Habitat Management and Enhancement Plans that are in place at our wind farms to protect and enhance the existing habitats, with some actions including rewetting peatland, planting native hedgerows and helping wildlife travel safely through the sites.

Empowering Our Customers

Customers are at the centre of Energia and Power NI, our two energy retail businesses. At the end of FY26, we served more than 885,000 residential and business customer sites across the island of Ireland, supplying 7.7 TWh of electricity and 44 million therms of gas. Customer satisfaction remained strong, with Trustpilot ratings of "Excellent" for Power NI and "Great" for Energia.

Through our Positive Energy Strategy, we continued to empower customers to play an active role in the energy transition. Digital tools such as Energy Insights attracted more than 63,000 registered users, helping customers better understand and manage their energy use. We expanded our smart tariffs, supported over 50,000 microgeneration customers across RoI and NI, and enabled more than 14,000 customers to benefit from dedicated EV tariffs.

We continue to support customers to improve their energy efficiency and offer a range of programmes to both residential and commercial customers.

Supporting vulnerable customers remains a priority. Both Energia and Power NI continued to offer tailored supports, including payment flexibility, priority services registers, benefit entitlement services, enhanced accessibility features and the introduction of sign language customer services. These measures support a fair and inclusive energy transition.

Our People

Our people are critical to achieving our strategy. As of 31 March 2026, Energia Group employed 1,113 people across the island of Ireland, with a continued focus on safety, inclusion, wellbeing and development. Zero lost time incidents were recorded during FY26, reflecting our unwavering commitment to health and safety.

We continued to embed our People Strategy and employee value proposition, Energised for Better, supporting colleagues through reward, opportunity, connection and impact. Key priorities included hybrid working, the rollout of Workday HR and payroll systems, enhanced wellbeing programmes, and expanded learning and development offerings, including leadership development and AI related skills training.

Progress on diversity and inclusion continued, with women representing 46% of the overall workforce and 44% of management roles. In RoI, the median gender pay gap reduced by 3.6 percentage points year on year. Our Women in Energy Network, AllyShip@Work programme, and LGBTQI+ peer support group continued to foster an inclusive culture where all colleagues feel respected and supported.

At 31 March	2026		2025	
	Male Number	Female Number	Male Number	Female Number
Energia Group Limited Board[1]	1	-	1	-
Energia Group NI Holdings Limited Board[2]	11	1	10	1
Senior Management[3]	7	4	7	4
Other Employees	598	504	607	517

Communities

Energia Group remains deeply committed to the communities in which we operate. In FY26, we invested more than €1 million through our wind farm community benefit funds, sponsorships and charitable initiatives, supporting over 125 community groups and reaching an estimated 55,000 beneficiaries.

Our Greener Possibilities Fund continued to support charities delivering climate action, biodiversity and community resilience projects, while our employees contributed more than 1,800 volunteering hours across a wide range of community initiatives. We also maintained longstanding partnerships in arts, culture and sport, including Irish Rugby, the Energia All Ireland League and Wexford Opera, which play an important role in sustaining vibrant communities.

Education and awareness activities remained a focus, with school engagements, wind farm tours, and participation in initiatives such as Engineers Week, Science Week, Global Wind Day and UN SDG Week, helping to build understanding of climate action and future energy careers.

Governance

Strong governance underpins our responsible business approach. ESG oversight is well established and integrated into Group governance structures, with accountability at Board and senior management level. During the year, we worked on refreshing our double materiality assessment and progressing preparations for emerging sustainability reporting requirements, including CSRD.

Energia Group has, for several years, contributed to many of the 17 UN Sustainable Development Goals, focusing on six which closely align with our overall purpose.

We maintained robust systems for risk management (including climate risk), ethical conduct, data protection, responsible procurement and human rights, supported by a Supplier Code of Conduct and continued engagement across our supply chain. Our governance framework ensures accountability, transparency and resilience as we deliver long term sustainable value.

Annual Report 2026

Management Team, Ownership and Directorship

6.

Management Team, Ownership and Directorship

Management Team

The management team comprises:

Ian has held the role of Chief Executive Officer since 2011. He joined the Group in 2001 as Company Secretary and General Counsel and was appointed to the Executive Committee in 2003. Prior to joining the Group, he served as the European Legal Director of OSI International Foods. He is a barrister by profession.

Ian Thom Chief Executive Officer

Louise was appointed Chief Financial Officer in 2024 having been Vice Chief Financial Officer since 2023. She joined the Group in 2005 and qualified as a Chartered Management Accountant in 2007 and has held a number of senior roles within the Group including Energia Finance Director from 2018 to 2022.

Louise Patterson Chief Financial Officer

Tom has held his current role since 2011. He joined the Group in 2000 and has held a number of roles including Chief Operating Officer of Viridian Power and Energy from 2009 to 2011, Managing Director of Energia Supply from 2007 to 2009 and Trading Director from 2000 to 2007. Prior to this, Tom worked at ESB and Northern Electric, where he held various senior positions.

Tom Gillen Chief Operating Officer

Garrett was appointed Chief Development Officer in May 2024 having been Managing Director, Corporate Development since 2012. Prior to this, Garrett held various senior management positions within the Group, including Renewables Finance Director and Generation Finance Director. He qualified as a Chartered Accountant with PricewaterhouseCoopers.

Garrett Donnellan Chief Development Officer

Claire was appointed Chief Legal Officer in February 2026. Prior to this Claire served as General Counsel at Bord Gáis Energy. She was also Chief Legal Officer at Gas Networks Ireland and held a number of senior positions at Ervia. She is a solicitor by profession.

Claire Madden Chief Legal Officer

Gary was appointed Managing Director, Customer Solutions in 2020. He joined the Group in 2000 and has held a number of senior roles within Energia including Managing Director, Sales and Marketing Director and Head of Sales. Prior to joining the Group, Gary held senior finance, marketing and management consultancy roles at Tedcastle Oil Group. He qualified as a Chartered Accountant with PricewaterhouseCoopers.

Gary Ryan Managing Director, Customer Solutions

John was appointed Managing Director, Flexible Generation, Trading and Regulation in 2020. He joined the Group in 2002 and has held a number of senior roles within Energia, most recently Director of Trading and Regulation since 2008. Prior to this, John worked at Northern Electric where he held a number of senior roles.

John Newman Managing Director, Flexible Generation, Trading and Regulation

Peter was appointed Managing Director, Renewables in 2008. Prior to this, Peter was Finance Director for Energia and has also held several other senior management positions within the Group since joining in 1989. He qualified as a Chartered Accountant with PricewaterhouseCoopers.

Peter Baillie Managing Director, Renewables

Catherine was appointed Chief Operating Officer, Customer Solutions & Technology in 2023 assuming operational responsibility for the Power NI and Energia Customer Solutions businesses. Prior to this, Catherine was Chief Information Officer from 2011 with responsibility for technology, data and digital across the Energia Group from a strategy, delivery and run perspective. Catherine has held several other management positions, including Head of Operations for Energia, within the Group since joining in 2000.

Catherine Gardiner Chief Operating Officer, Customer Solutions & Technology

Michele was appointed Group HR Director in 2015. Prior to this, Michele was Organisational Development Manager and HR Business Partner with Translink (NI's public transport provider). She has experience in senior HR roles across various sectors, including FMCG, IT and Construction. She is a member of the Chartered Institute of Personnel and Development.

Michele Hanley Director of Human Resources

Alwyn was appointed Company Secretary of the Group in 2011. Prior to this, Alwyn was Group Corporate Finance Manager and has held several other senior management positions within the Group since joining in 2000. He qualified as a Chartered Accountant with EY.

Alwyn Whitford Company Secretary

Ownership

The Company's parent is Energia Group TopCo Limited. Energia Group TopCo Limited is majority owned by ISQ Viridian Holdings L.P, a limited partnership incorporated in the Cayman Islands. ISQ Viridian Holdings L.P. is owned by the ISQ Global Infrastructure Fund (the Fund) and ISQ Viridian Co-Invest L.P., a co-investment vehicle for the Fund. The Fund is managed by I Squared Capital.

I Squared Capital is a leading independent global infrastructure investor dedicated to the mid-market, managing $55 billion in assets. Founded in 2012, I Squared has evolved into one of the most diverse infrastructure investors in the world, with investments across power & utilities; transportation & logistics; digital infrastructure; environmental infrastructure; and social infrastructure, providing essential services to millions of people globally. Today, the firm's portfolio includes over 100 companies operating in more than 115 countries and employing more than 110,000 people. Headquartered in Miami, I Squared has a global team of over 360 employees across nine offices in Abu Dhabi, London, Munich, New Delhi, São Paulo, Singapore, Sydney, Taipei and Miami.

On 6 October 2025 the Group announced that Ardian, a private investment firm based in France, had entered into an agreement to acquire 100% of the Company from I Squared Capital. The transaction is expected to complete by the end of First Quarter 2027.

Directorship

The Director of the Company who held office during the year was Lou Steadman.

Lou is a representative of I Squared Capital and his background and experience is summarised as follows:

Lou Steadman

Lou Steadman has over ten years' experience in the finance industry. He joined I Squared Capital in July 2019 and prior to this he worked in the tax teams at Blackrock and PwC. He holds a Masters in tax from Fordham University.

The Director considers the Strategic and Director's Report and financial statements comply with all aspects of the Guidelines for Disclosure and Transparency in Private Equity.

The Strategic and Director's Report, as set out on pages 6 to 72 has been approved by the Board and signed on its behalf by:

Lou Steadman

Director

Registered office:
PO Box 309
Ugland House
Grand Cayman
KY1-1104
Cayman Islands

Registered Number: 192375

2 June 2026

Director's Responsibilities Statement

The Director is responsible for preparing the Group financial statements and has elected to prepare those accounts in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and applicable law.

Accordingly, the Director is required to prepare Group financial statements which give a true and fair view of the financial position, the financial performance and cash flows of the Group and in preparing the Group financial statements, to:

- select suitable accounting policies in accordance with IAS 8: Accounting Policies, Changes in Accounting Estimates and Errors and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRS as adopted by the EU is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Group's financial position and financial performance;
- state whether the Group financial statements have been prepared in accordance with IFRS as adopted by the EU subject to any material disclosures as explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is appropriate to presume that the Company and/or the Group will not continue in business.

The Director is responsible for keeping adequate accounting records that are sufficient to show and explain the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Group.

Independent Auditors' Report

To the Director of Energia Group Limited

Opinion

We have audited the financial statements of Energia Group Limited for the year ended 31 March 2026 which comprise the Consolidated Income Statement, the Consolidated Statement of Other Comprehensive Income, the Consolidated Balance Sheet, the Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flows and the related notes 1 to 34, including a summary of material accounting policy information. The financial reporting framework that has been applied in their preparation is International Financial Reporting Standards (IFRSs) as adopted by the European Union.

In our opinion the financial statements:

- give a true and fair view of the company's affairs as at 31 March 2026 and of its profit for the year then ended; and
- have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern to 30 June 2027.

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

Other information

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

Our opinion on the financial statements does not cover the other information and, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 73, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are those that relate to the reporting framework, International Financial Reporting Standards (IFRSs) as adopted by the European Union and the relevant direct and indirect tax compliance regulation in the United Kingdom, Republic of Ireland and Cayman Islands. In addition, the Group has to comply with laws and regulations relating to its operations, including health and safety, employees, data protection, anti-bribery and corruption and Electricity regulations in respect of the Group generation and supply activities.
- We understood how Energia Group Limited is complying with those frameworks by making enquires of management, internal audit and those responsible for legal and compliance procedures. We corroborated our enquires through our review of Board minutes, papers provided to the Audit Committee and correspondence received from regulatory bodies and noted that there was no contradictory evidence.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by utilising internal and external information to perform a fraud risk assessment.
  - > We determined that there was a fraud risk associated with overstatement of revenue arising either by overstatement of unbilled revenue estimates or by manual journal entries. Our testing of revenue in response to the identified fraud risks included: understanding the process for management estimation which included challenge of all key assumptions; testing and sensitivity analysis on assumptions; and performing a retrospective review of prior period estimates to determine management's accuracy within the estimation process. We also considered post year end invoicing and revenue settlement to confirm managements estimation accuracy and performed analytical review procedures to assess movements according to expectations. Furthermore, we performed procedures on a sample of revenue transactions in the financial period to test existence, valuation and cut off.
  - > We also identified impairment of goodwill as a significant risk. Our procedures included: obtaining an understanding of the process undertaken by management; assessment of appropriateness of CGUs considered by management; review of and assessment of the reasonableness of the method used and key assumptions included in respective impairment model, including corroborating to externally available data and by using internal specialists where necessary; sensitisation of assumptions used in managements impairment model; determination of our own point estimate and checking the mathematical accuracy of the impairment model.
  - > In addition, we considered the risk of fraud through management override which included key significant risk areas such as expected credit loss provisions and, in response, we incorporated testing manual journals and designed procedures to provide reasonable assurance that the financial statements were free from fraud or error. Furthermore, we performed the following procedures in response to the general presumed risk of management override: review of board meeting minutes, review of audit committee meeting minutes, review of correspondence from Regulatory bodies, discussion with key management personnel including legal counsel, review of significant and material related party transactions and review of unusual or significant transactions which included acquisitions and disposals as well as new contracts entered into.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved journal entry testing, with a focus on journal meeting our defined risk criteria based on our understanding of the business, enquires of legal counsel, group and component team management and internal audit.

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

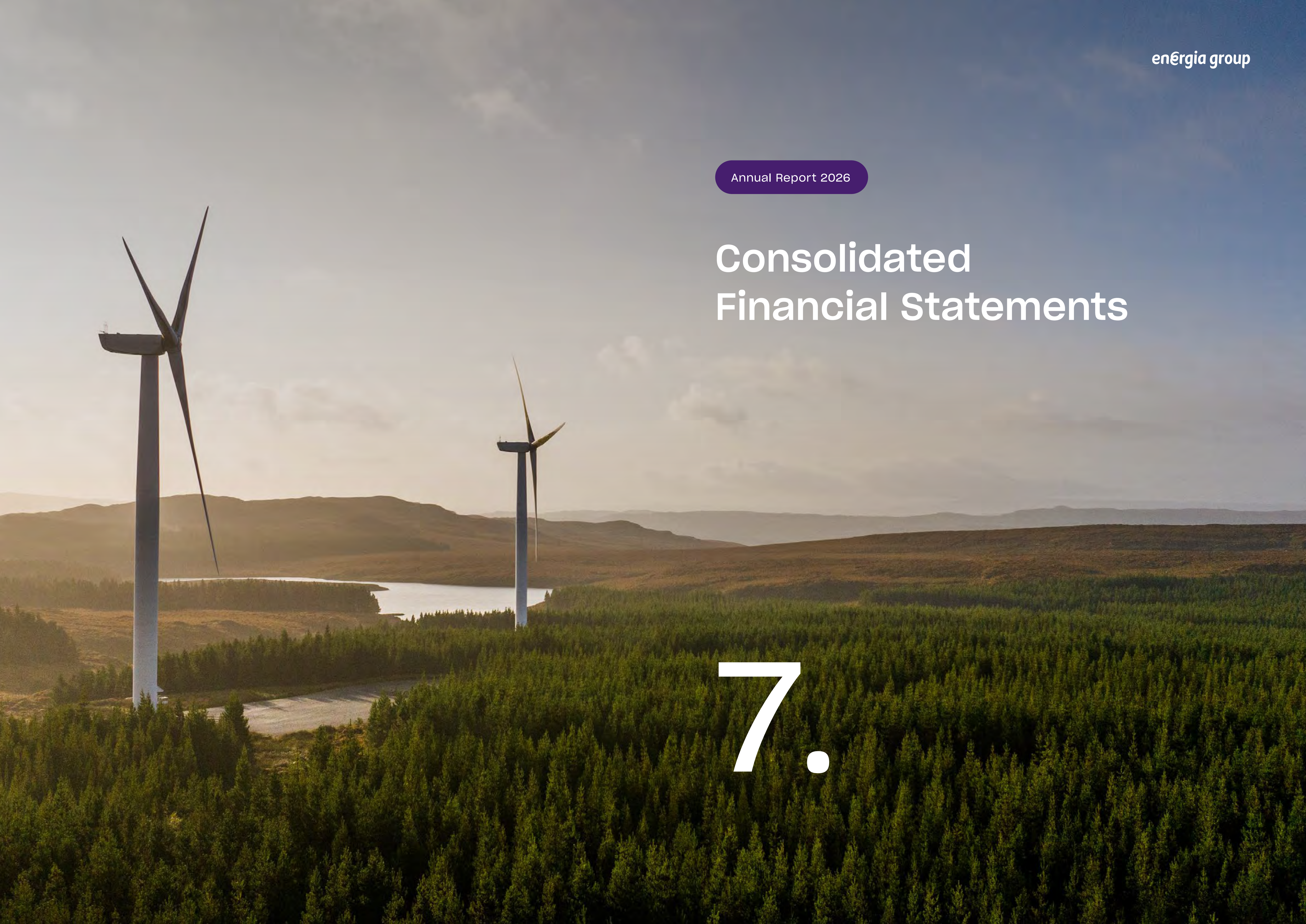
Use of our report

This report is made solely to the company's directors, as a body, in accordance with our engagement letter dated 2nd February 2024. Our audit work has been undertaken so that we might state to the company's directors those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's directors as a body, for our audit work, for this report, or for the opinions we have formed.

Ernst & Young LLP

Belfast

Date: 4 June 2026



energia group

Annual Report 2026

Consolidated Financial Statements

7.

Consolidated Income Statement

Consolidated income statement

for the year ended 31 March 2026

Continuing Operations	Notes	Results before exceptional items and certain remeasure-ments 2026 €m	Exceptional items and certain remeasure-ments (note 7) 2026 €m	Total 2026 €m	Results before exceptional items and certain remeasure-ments 2025 €m	Exceptional items and certain remeasure-ments (note 7) 2025 €m	Total 2025 €m
Revenue	4	3,239.3	-	3,239.3	3,191.2	-	3,191.2
Other costs		-	-	-	(0.5)	-	(0.5)
Operating (costs) / income	6	(3,038.4)	(110.8)	(3,149.2)	(3,060.1)	65.5	(2,994.6)
Operating profit	4	**200.9**	**(110.8)**	**90.1**	**130.6**	**65.5**	**196.1**
Finance costs	10	(76.1)	-	(76.1)	(67.8)	-	(67.8)
Finance income	10	6.4	-	6.4	12.0	-	12.0
Net finance cost		**(69.7)**	**-**	**(69.7)**	**(55.8)**	**-**	**(55.8)**
Share of joint venture loss	16	(10.9)	-	(10.9)	(0.6)	-	(0.6)
Profit before tax		**120.3**	**(110.8)**	**9.5**	**74.2**	**65.5**	**139.7**
Taxation	11	(11.4)	2.5	(8.9)	(10.1)	(9.0)	(19.1)
Profit for the period		**108.9**	**(108.3)**	**0.6**	**64.1**	**56.5**	**120.6**

Consolidated statement of other comprehensive income

for the year ended 31 March 2026

	Notes	2026 €m	2025 €m
Profit for the year		**0.6**	**120.6**
Items that will be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations		(21.0)	13.1
Net gain on cash flow hedges		126.2	116.6
Gain on cash flow hedges transferred from equity to income statement	26	(3.5)	(29.7)
Income tax effect		(21.4)	(16.7)
		101.3	**70.2**
		80.3	**83.3**
Items that will not be reclassified to profit or loss:			
Remeasurement gain / (loss) on defined benefit scheme	24	1.6	(0.1)
Income tax effect		(0.4)	-
		1.2	**(0.1)**
Other comprehensive income for the year, net of taxation		**81.5**	**83.2**
Total comprehensive income for the year		**82.1**	**203.8**

Consolidated balance sheet

as at 31 March 2026

Assets	Notes	31 March 2026 €m	31 March 2025 €m
Non-current assets:			
Property, plant and equipment	12	845.1	768.7
Intangible assets	13	665.3	696.3
Right-of-use assets	30	45.3	53.3
Investment in joint venture	16	2.8	13.7
Derivative financial instruments	26	68.4	49.9
Trade and other receivables	19	1.5	2.9
Net employee defined benefit asset	24	5.3	1.9
Deferred tax assets	11	45.4	38.4
		1,679.1	**1,625.1**
Current assets:			
Intangible assets	13	178.1	182.0
Inventories		9.2	8.9
Trade and other receivables	19	414.3	349.6
Derivative financial instruments	26	126.9	19.3
Other current financial assets	18	15.0	11.7
Cash and cash equivalents	20	319.5	299.8
		1,063.0	**871.3**
Total assets		**2,742.1**	**2,496.4**

Consolidated Balance Sheet

as at 31 March 2026 (contd.)

Liabilities	Notes	31 March 2026 €m	31 March 2025 €m
Current liabilities:			
Trade and other payables	21	(675.6)	(614.1)
Income tax payable		(4.1)	(2.0)
Financial liabilities	22	(48.2)	(44.3)
Deferred income	23	(9.9)	(11.9)
Derivative financial instruments	26	(17.5)	(18.7)
		(755.3)	**(691.0)**
Non-current liabilities:			
Financial liabilities	22	(938.3)	(934.7)
Derivative financial instruments	26	(21.3)	(21.5)
Deferred income	23	(10.4)	(13.4)
Deferred tax liabilities	11	(96.1)	(75.2)
Provisions	25	(54.7)	(28.4)
		(1,120.8)	**(1,073.2)**
Total liabilities		**(1,876.1)**	**(1,764.2)**
Net Assets		**866.0**	**732.2**
Equity			
Share capital	27	-	-
Share premium		510.9	532.6
Retained earnings		262.7	187.5
Hedge reserve		124.8	23.5
Foreign currency translation reserve		(32.4)	(11.4)
Total Equity		**866.0**	**732.2**

The financial statements were approved by the Board and authorised for issue on 2 June 2026. They were signed on its behalf by:
Lou Steadman, Director Date: 2 June 2026

Consolidated statement of changes in equity

for the year ended 31 March 2026

	Notes	Share capital €m	Share premium €m	Retained earnings €m	Hedge reserve €m	Foreign currency translation reserve €m	Total equity €m
At 1 April 2024		**-**	**630.3**	**79.1**	**(46.5)**	**(24.5)**	**638.4**
Exchange adjustment		-	12.3	(12.1)	(0.2)	-	-
Profit for the year		-	-	120.6	-	-	120.6
Other comprehensive (expense) / income	27	-	-	(0.1)	70.2	13.1	83.2
Total comprehensive income		**-**	**12.3**	**108.4**	**70.0**	**13.1**	**203.8**
Dividend paid	32	-	(110.0)	-	-	-	(110.0)
At 31 March 2025		**-**	**532.6**	**187.5**	**23.5**	**(11.4)**	**732.2**
Exchange adjustment		-	(21.7)	21.7	-	-	-
Profit for the year		-	-	0.6	-	-	0.6
Other comprehensive income / (expense)	27	-	-	1.2	101.3	(21.0)	81.5
Total comprehensive (expense) / income		**-**	**(21.7)**	**23.5**	**101.3**	**(21.0)**	**82.1**
Dividend paid	32	-	-	(40.0)	-	-	(40.0)
Conditional share options	33	-	-	91.7	-	-	91.7
At 31 March 2026		**-**	**510.9**	**262.7**	**124.8**	**(32.4)**	**866.0**

Consolidated statement of cash flows

for the year ended 31 March 2026

	Notes	2026 €m	2025 €m
Cash generated from operations before working capital movements	28	**260.4**	**202.6**
Working capital adjustments:			
(Increase) / decrease in inventories		(0.2)	0.5
Increase in trade and other receivables		(69.8)	(42.6)
(Increase) / decrease in security deposits		(3.4)	8.3
Increase in trade and other payables		30.0	56.2
Effects of foreign exchange		4.9	(1.5)
		221.9	**223.5**
Interest received		6.3	12.4
Interest paid		(58.6)	(58.7)
		(52.3)	**(46.3)**
Income tax paid		(14.5)	(26.5)
Net cash flows from operating activities		**155.1**	**150.7**

Consolidated statement of cash flows

for the year ended 31 March 2026 (contd.)

	Notes	2026 €m	2025 €m
Investing activities			
Purchase of property, plant and equipment		(81.1)	(84.9)
Purchase of intangible assets		(325.1)	(283.0)
Proceeds from sale of intangible assets		312.4	183.1
Disposal of subsidiary, net of cash disposed		(0.2)	(0.2)
Return of equity from joint venture		-	2.2
Contingent consideration paid		(0.7)	(2.9)
Receipt of other deferred income	23	6.3	4.6
Net cash flows used in investing activities		**(88.4)**	**(181.1)**
Financing activities			
Proceeds from issue of borrowings	29	45.2	73.7
Repayment of borrowings	29	(28.6)	(26.0)
Dividend paid to parent undertaking	32	(40.0)	(110.0)
Issue costs on new long-term loans	29	(1.6)	(2.5)
Payment of principal portion of lease liabilities	30	(14.0)	(13.9)
Net cash flows used in financing activities		**(39.0)**	**(78.7)**
Net increase / (decrease) in cash and cash equivalents		**27.7**	**(109.1)**
Net foreign exchange difference		(8.0)	4.7
Cash and cash equivalents at 1 April	20	299.8	404.2
Cash and cash equivalents at 31 March	20	**319.5**	**299.8**

Notes to the Consolidated Financial Statements

1. Corporate information

The consolidated financial statements of Energia Group Limited and its subsidiaries (collectively, the Group) for the year ended 31 March 2026 were authorised for issue in accordance with a resolution of the Director on 2 June 2026. Energia Group Limited (the Company or the parent) is a limited company incorporated and domiciled in the Cayman Islands. The registered office is located at PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands. The Group's operations and its principal activities are set out earlier in the Report on page 8.

2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS) as they apply to the financial statements of the Group for the year ended 31 March 2026.

The consolidated financial statements have been prepared on a historical cost basis, except for derivative financial instruments, contingent consideration arising on business combinations and the assets of the Group's pension schemes that have been measured at fair value and the liabilities of the Group's pension schemes that are measured using the projected unit credit valuation method. The consolidated financial statements are presented in Euros with all values rounded to the nearest million (€m) except where otherwise indicated.

Going Concern

The Group's business activities, together with the principal risks and uncertainties likely to affect its future performance are described in the Strategic and Director's Report.

In assessing the appropriateness of the going concern basis of accounting, a detailed monthly analysis of forecast future cashflows has been prepared by management. The forecasts were based on key assumptions of fuel prices (applying forward curves for commodities); and market demand (applying growth factors in line with publicly available forecasts and internal assessment).

Sensitivity analysis was undertaken in relation to the key assumptions to reflect the impact of reduced demand together with potential delays in customers paying their bills and potential scenarios arising from the Group's forthcoming change of control. As detailed in note 17, on 6 October 2025 the Group announced that Ardian, a private equity investment firm based in France, had entered into an agreement to acquire 100% of the Company from I Squared Capital. The transaction is expected to be completed by the end of First Quarter 2027. In all scenarios tested the Group has sufficient financial headroom and was able to operate within the minimum EBITDA covenant contained within its Senior revolving credit facility. This analysis included a reverse stress test, the scenario for which was deemed remote and implausible.

Having considered the matters above, the Director has a reasonable expectation that the Group has adequate resources to continue in operational existence for at least a period of 12 months from the signing of the financial statements to 30 June 2027, and therefore, continues to adopt the going concern basis in preparing the annual report and accounts.

2.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Group and its subsidiaries as at 31 March 2026. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- exposure, or rights, to variable returns from its involvement with the investee; and
- the ability to use its power over the investee to affect its returns.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the statement of comprehensive income from the date the Group gains control until the date the Group ceases to control the subsidiary. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

3. Material accounting policy information

(a) New and amended standards and interpretations

The following amendments to standards came into effect in the financial year and had no material impact for the Group:

Amendments to standard	Details	Effective Date
IAS 21 (Amendments)	Lack of Exchangeability – The Effects of Changes in Foreign Exchange Rates	1 January 2025

3. Material accounting policy information (contd.)

(b) Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of (i) the consideration transferred and measured at acquisition date fair value, and (ii) the amount of any non-controlling interests in the acquiree.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IFRS 9 Financial Instruments, is measured at fair value with changes in fair value recognised in the Income Statement in accordance with IFRS 9. If the contingent consideration is not within the scope of IFRS 9, it is measured in accordance with the appropriate IFRS. Contingent consideration that is classified as equity is not remeasured and subsequent settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the fair value of the net identifiable assets acquired and liabilities assumed.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units (CGU) that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. If a subsidiary is subsequently sold any goodwill arising on acquisition which has not been impaired is taken into account in determining the profit or loss on sale.

(c) Accounting for joint arrangements

Joint venture undertakings (joint ventures) are those undertakings over which the Group exercises contractual control jointly with another party, whereby the Group has rights to net assets of the arrangement rather than rights to its assets and obligations for its liabilities.

Joint ventures are accounted for using the equity method of accounting. Under the equity method, the Group's share of the profits or losses after tax of joint ventures is included in the consolidated income statement after interest and financing charges. The Group's share of items of other comprehensive income is shown in the statement of comprehensive income.

3. Material accounting policy information (contd.)

(c) Accounting for joint arrangements (contd.)

The Group's interests in the net assets are included as investments in joint ventures on the face of the consolidated balance sheet at an amount representing the Group's share of the fair values of the net assets at acquisition plus goodwill, acquisition costs, the Group's share of post-acquisition retained income and expenses less any impairment charge. Net liabilities are only recognised to the extent that it has incurred legal or constructive obligations or made payments on behalf of joint ventures.

(d) Fair value measurement

The Group measures certain financial instruments, such as derivatives, at each balance sheet date at fair value.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability; or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- **level 1** - quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- **level 2** - valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; or
- **level 3** - valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

3. Material accounting policy information (contd.)

(d) Fair value measurement (contd.)

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

(e) Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services provided in the normal course of business, exclusive of value added tax and other sales related taxes. The specific recognition criteria described below must also be met before revenue is recognised.

Renewables

The key revenue streams derived from the Renewables businesses include the generation of electricity through wholly owned wind assets and third party contracted PPAs across the Island of Ireland together with the sale of ROCs generated from the assets in NI. Revenue in relation to electricity generation is recognised over time and is only recognised when the performance obligation is satisfied in line with IFRS 15. Revenue generated from the SEM is settled both weekly and monthly in line with market settlement timelines, while revenue generated from ROCs are recognised at a point in time and settled in line with contractual settlement terms.

Flexible Generation

The key revenue streams received by the Flexible Generation business includes capacity and electricity revenues. Capacity revenue is recognised based upon the capacity (MW) provided to the SEM. Energy revenue is recognised based upon electricity units generated during the period at market price, including an allowance for any anticipated resettlement within the SEM. Units are based on energy volumes recorded by SEMO and these units are reconciled to the units recorded on the plant systems to ensure accuracy. Revenue in relation to electricity generation is recognised over time and is only recognised when the performance obligation is satisfied in line with IFRS 15. Revenue generated from the SEM is settled both weekly and monthly in line with market settlement timelines.

The Group also owns and operates a 50MW emergency gas generation plant at the Huntstown site which was commissioned in February 2024. Revenue in relation to this emergency generation project is recognised in accordance with IFRS 15 with development fees recognised over time and development milestone payments recognised at the point when the milestones are achieved.

Customer Solutions

Revenue is recognised on the basis of electricity and gas supplied during the period. This includes an assessment of electricity and gas supplied to customers between the date of the last meter reading and the balance sheet date, estimated using historical consumption patterns. Revenue for electricity and gas is recognised over time and only recognised when the performance obligation is satisfied in line with IFRS 15.

3. Material accounting policy information (contd.)

(e) Revenue from contracts with customers (contd.)

Revenue recognised includes variable consideration in respect of estimated market resettlement. Electricity and gas revenues are invoiced on a monthly, bi-monthly and quarterly basis with standard credit terms of 14 days for residential customers. Credit terms for business customers vary by contract.

Contract balances

Contract assets (accrued income)

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs its obligation by transferring goods or services to a customer and an invoice has not yet been raised, a contract asset is recognised for the earned consideration.

Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e. only the passage of time is required before payment of the consideration is due). Refer to financial assets accounting policies below.

Contract liabilities (payments on account)

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group has transferred goods or services to the customer, a contract liability is recognised when the payment is received. Contract liabilities are recognised as revenue when the Group performs its performance obligation.

(f) Taxation

The tax charge represents the sum of tax currently payable and deferred tax. Tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the tax is also dealt with in equity.

Tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes both items of income or expense that are taxable or deductible in other years as well as items that are never taxable or deductible.

The Group's liability for current tax is calculated using tax rates (and tax laws) that have been enacted or substantially enacted by the balance sheet date.

Deferred tax is the tax payable or recoverable on differences between the carrying amount of assets and liabilities in the accounts and the corresponding tax basis used in the computation of taxable profit and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Deferred tax is not recognised on temporary differences where they arise from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination that at the time of the transaction affects neither accounting nor taxable profit nor loss.

The Group has applied the temporary exemption issued by the IAS on May 2023 from the accounting requirements for deferred taxes relating to Pillar Two under IAS 12.

Notes to the Consolidated Financial Statements

3. Material accounting policy information (contd.)

(f) Taxation (contd.)

Accordingly, the Group neither recognises nor discloses information about deferred tax assets and liabilities related to Pillar Two income taxes.

Deferred tax is not recognised in respect of taxable temporary differences associated with investments in subsidiaries and interests in joint ventures when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantially enacted by the balance sheet date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Tax benefits acquired as part of a business combination but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. The adjustment is either treated as a reduction in goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or recognised in profit or loss.

(g) Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Freehold land is not depreciated. Other tangible fixed assets are depreciated on a straight-line basis so as to write off the cost, less estimated residual value, over their estimated useful economic lives as follows:

Thermal generation assets	3 to 30 years
Renewable generation assets	20 to 25 years
Fixtures and equipment	3 to 25 years
Vehicles and mobile plant	3 to 5 years

3. Material accounting policy information (contd.)

(h) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred. The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the income statement as the expense category that is consistent with the function of the intangible assets.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the CGU level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the income statement when the asset is derecognised.

Emissions allowances, renewable and energy efficiency obligations

The Group recognises purchased CO_2 emissions allowances, ROCs and energy efficiency credits (EECs) initially at cost (purchase price) within intangible assets and subsequently written down to their recoverable amount at the balance sheet date should this be less than the purchase price. Self-generated ROCs are initially recorded at fair value within intangible assets with a corresponding credit to energy costs in the income statement and subsequently written down to their recoverable amount at the balance sheet date should this be less than the fair value on initial recognition. No amortisation is recorded during the period as the intangible asset is surrendered at the end of the compliance period reflecting the consumption of economic benefit. Emission allowances, energy efficiency obligations and ROCs will be realised within twelve months.

The Group recognises liabilities in respect of its obligations to deliver emissions allowances to the extent that the allowances to be delivered exceed the level of allocation under the EU emissions trading scheme. Any liabilities recognised are measured based on the current estimates of the amounts that will be required to satisfy the obligation.

Notes to the Consolidated Financial Statements

3. Material accounting policy information (contd.)

(h) Intangible assets (contd.)

A liability for the renewables obligation and the climate change levy is recognised based on the level of electricity supplied to customers. A liability for the energy efficiency obligation under the EEOS is recognised if energy saving minimum targets are not achieved by the end of the compliance period. Any such liability is recognised on the compliance date (31 December) and is calculated by reference to the relevant penalty rates for volumes not achieved.

Computer software

The cost of acquiring computer software is capitalised and amortised on a straight-line basis over the Director's estimate of its useful economic life which is between three and five years. The carrying value of computer software is reviewed for impairment where events or changes in circumstances indicate that the carrying value may not be recoverable.

Development assets

Development assets arising from business combinations relate to value arising from the development of renewable projects which the Group believes will generate future economic benefits. Development assets are amortised from the date of commissioning of the renewable asset over its useful economic life which is twenty years. At a point the project is no longer expected to reach construction the carrying amount of the project is impaired.

Customer acquisition costs

The incremental costs of obtaining a customer contract within the Customer Solutions businesses are capitalised and amortised on a basis that reflects the transfer of goods or services to the customer.

(i) Leases

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Leases of land and buildings generally have lease terms between 5 and 25 years, while motor vehicles and other equipment generally have lease terms between 3 and 5 years. Right-of-use assets are subject to impairment.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of

3. Material accounting policy information (contd.)

(i) Leases (contd.)

penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

(j) Financial instruments – initial recognition and subsequent measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through Other Comprehensive Income (OCI), and fair value through the profit or loss.

The classification of financial assets at initial recognition depends on the financial assets' contractual cash flow characteristics and the Group's business model for managing them. Except for trade receivables that do not contain a significant financing component or which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price under IFRS 15.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'Solely Payments of Principal and Interest' (SPPI) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group's business model for management of financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether the cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

3. Material accounting policy information (contd.)

(j) Financial instruments – initial recognition and subsequent measurement (contd.)

Subsequent measurement

For purposes of subsequent measurement financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments);
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments);
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments); and
- Financial assets at fair value through profit or loss.

Financial assets at amortised cost (debt instruments)

This category is the most relevant to the Group. The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the Effective Interest Rate (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified, or impaired.

This category generally applies to trade and other receivables. Trade receivables do not carry any interest and are recognised and carried at the lower of their original invoiced value and recoverable amount.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives are also classified as held for trading unless they are designated as effective hedging instruments as defined by IFRS 9. The Group has not designated any financial assets at fair value through profit or loss. Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value presented as finance costs (negative net changes in fair value) or finance income (positive net changes in fair value) in the income statement.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's consolidated balance sheet) when the rights to receive cash flows from the asset has expired.

Impairment of financial assets

The Group recognises an allowance for ECLs for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows

3. Material accounting policy information (contd.)

(j) Financial instruments – initial recognition and subsequent measurement (contd.)

due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposure for which there has not been a significant increase in the credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Group applied a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk but instead recognised a loss allowance based on the lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward looking factors specific to the debtors and the economic environment.

The Group considers a financial asset in default when contractual payments are 120 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicated that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Interest income

For all financial instruments measured at amortised cost, interest income is recorded using the EIR method. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability. Interest income is included in finance income in the income statement.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings, contingent consideration and derivative financial instruments.

Notes to the Consolidated Financial Statements

3. Material accounting policy information (contd.)

(j) Financial instruments – initial recognition and subsequent measurement (contd.)

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Contingent consideration

After initial recognition, contingent consideration is carried in the balance sheet at fair value with changes in fair value recognised in the income statement.

Loans and borrowings

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the income statement.

This category generally applies to interest bearing loans and borrowings. This category also applies to trade and other payables which are not interest bearing and stated at their nominal amount.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the income statement.

(k) Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement

The Group uses derivative financial instruments, such as forward currency contracts, interest rate swaps, contracts for differences and forward commodity contracts, to hedge its foreign currency risks, interest rate risks, electricity price risk and other commodity price risks, respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The purchase contracts that meet the definition of a derivative under IFRS 9 are recognised in the income statement as operating costs. Commodity contracts that are entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the Group's expected purchase, sale or usage requirements are held at cost.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in other comprehensive income and later reclassified to profit or loss when the hedge item affects profit or loss.

3. Material accounting policy information (contd.)

(k) Derivative financial instruments and hedge accounting (contd.)

For the purpose of hedge accounting, hedges are classified as:

- fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment;
- cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment; or
- hedges of a net investment in a foreign operation.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation includes identification of the hedging instrument, the hedged item or transaction, the nature of the risk being hedged and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedges that meet the strict criteria for cash flow hedge accounting are accounted for, as described below:

Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in other comprehensive income in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the income statement in operating costs. The cash flow hedge reserve is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item.

The Group uses forward currency contracts as hedges of its exposure to foreign currency risk in forecast transactions and firm commitments, as well as forward commodity contracts for its exposure to volatility in the commodity prices. The ineffective portion relating to foreign currency and commodity contracts is recognised in operating costs.

The amounts accumulated in other comprehensive income are accounted for, depending on the nature of the underlying hedged transaction. If the hedged transaction subsequently results in the recognition of a non-financial item, the amount accumulated in equity is removed from the separate component of equity and included in the initial cost or other carrying amount of the hedged asset or liability. This is not a reclassification adjustment and will not be recognised in other comprehensive income for the period.

For any other cash flow hedges, the amount accumulated in other comprehensive income is reclassified to profit or loss as a reclassification

3. Material accounting policy information (contd.)

(k) Derivative financial instruments and hedge accounting (contd.)

adjustment in the same period or periods during which the hedged cash flows affect profit or loss.

If cash flow hedge accounting is discontinued, the amount that has been accumulated in OCI must remain in accumulated OCI if the hedged future cash flows are still expected to occur. Otherwise, the amount will be immediately reclassified to profit or loss as a reclassification adjustment. After discontinuation, once the hedged cash flows occur, any amount remaining in accumulated OCI must be accounted for depending on the nature of the underlying transaction as described above.

(l) Impairment of non-financial assets

The Group assesses at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations are recognised in the income statement in expense categories consistent with the function of the impaired asset.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in

3. Material accounting policy information (contd.)

(l) Impairment of non-financial assets (contd.)

prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

The following assets have specific characteristics for impairment testing:

Goodwill

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

(m) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and short-term bank deposits with a maturity of less than three months.

(n) Provisions

Decommissioning liability

Provision is made for estimated decommissioning costs at the end of the estimated useful lives of generation assets on a discounted basis based on price levels and technology at the balance sheet date. Changes in these estimates and changes to the discount rates are added to or deducted from the capitalised cost of the asset to which they relate. Capitalised decommissioning costs are depreciated over the estimated useful lives of the related assets. The unwinding of the discount is included within finance costs.

(o) Exceptional items and certain remeasurements

As permitted by IAS 1 Presentation of Financial statements, the Group has disclosed additional information in respect of exceptional items on the face of the income statement to aid understanding of the Group's financial performance. An item is treated as exceptional if it is considered unusual by nature and scale and of such significance that separate disclosure is required for the financial statements to be properly understood. "Certain remeasurements" are remeasurements arising on certain commodity, interest rate and currency contracts which are not designated in hedge accounting relationships, and which are accounted for as held for trading in accordance with the Group's policy for such financial instruments. This excludes commodity contracts not treated as financial instruments under IFRS 9 where held for the Group's own use requirements. Certain remeasurements arising from IFRS 9 are disclosed separately to aid understanding of the underlying performance of the Group.

(p) Pensions and other post-employment benefits

The Group has both defined benefit and defined contribution pension arrangements. The amount recognised in the balance sheet in respect of liabilities represents the present value of the obligations offset by the fair value of assets.

The cost of providing benefits under the defined benefit scheme is determined using the projected unit credit method.

3. Material accounting policy information (contd.)

(p) Pensions and other post-employment benefits (contd.)

Pension remeasurements, comprising of actuarial gains and losses (excluding net interest), and the return on plan assets (excluding net interest), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Pension remeasurements are not reclassified to profit or loss in subsequent periods. Past-service costs are recognised in profit or loss on the earlier of:

- the date of the plan amendment or curtailment; and
- the date that the Group recognises restructuring-related costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation under operating costs in the consolidated income statement:

- service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- net interest expense or income.

Pension costs in respect of defined contribution arrangements are charged to the consolidated income statement as they become payable.

However, paragraph 64 of IAS 19 Employee Benefits (2011) limits the measurement of the defined benefit asset to the 'present value of economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.' IFRIC 14 addresses the interaction between a minimum funding requirement and the limit placed by paragraph 64 of IAS 19 on the measurement of the defined benefit asset or liability.

When determining the limit on a defined benefit asset in accordance with IAS 19.64, under IFRIC 14 entities are required to measure any economic benefits available to them in the form of refunds or reductions in future contributions at the maximum amount that is consistent with the terms and conditions of the plan and any statutory requirements in the jurisdiction of the plan. The entity's intentions on how to use a surplus (for instance, whether the entity intends to improve benefits rather than reduce contributions or get a refund) must be disregarded.

Such economic benefits are regarded as available to an entity if the entity has an unconditional right to realise them at some point during the life of the plan or when the plan is settled, even if they are not realisable immediately at the balance sheet date. Such an unconditional right would not exist when the availability of the refund or the reduction in future contribution would be contingent upon factors beyond the entity's control (for example, approval by third parties such as plan trustees). To the extent the right is contingent, no asset would be recognised.

(q) Inventories

Inventories are valued at the lower of average purchase price and net realisable value.

(r) Borrowing costs

Borrowing costs directly attributable to qualifying assets are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they occur.

3. Material accounting policy information (contd.)

(s) Foreign currency translation

The Group's consolidated financial statements are presented in Euro. Energia Group Limited's functional currency is Sterling. For each entity the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of monetary items that are designated as part of the hedge of the Group's net investment of a foreign operation. These are recognised in other comprehensive income until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss. Tax charges and credits attributable to exchange differences on those monetary items are also recorded in other comprehensive income.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

On consolidation, the assets and liabilities of foreign operations are translated into Euro at the rate of exchange prevailing at the reporting date and their income statements are translated at exchange rates prevailing at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in other comprehensive income.

(t) Share-based payments

Employees of the Group can receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model, further details of which are given in note 33.

That cost is recognised in operating costs, together with a corresponding increase in equity (retained earnings), over the period in which the service and, where applicable, the performance conditions are fulfilled (the vesting period). The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the consolidated income statement for a period represents the movement in cumulative expense

3. Material accounting policy information (contd.)

(t) Share-based payments (contd.)

recognised as at the beginning and end of that period.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and / or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and / or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and / or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the grant date fair value of the unmodified award, provided the original vesting terms of the award are met. An additional expense, measured as at the date of modification, is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

(u) Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at nominal amounts and released to profit or loss over the expected useful life of the asset, based on the pattern of consumption of the benefits of the underlying asset by equal annual instalments.

(v) Deferred income

Capital contributions received in respect of property, plant and equipment are deferred and released to revenue in the income statement by instalments over the estimated useful lives of the related assets.

(w) Significant accounting judgements, estimates and assumptions

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities at the balance sheet date and the amounts reported for revenues and operating costs during the year. Uncertainty about these

3. Material accounting policy information (contd.)

(w) Significant accounting judgements, estimates and assumptions (contd.)

assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements:

Exceptional items and certain remeasurements

The Group has disclosed additional information in respect of exceptional items on the face of the income statement to aid understanding of the Group's financial performance. An item is treated as exceptional if it is considered unusual by nature and scale and of such significance that separate disclosure is required for the financial statements to be properly understood. "Certain remeasurements" are remeasurements arising on certain commodity, interest rate and currency contracts which are not designated in hedge accounting relationships, and which are accounted for as held for trading in accordance with the Group's policy for such financial instruments. This excludes commodity contracts not treated as financial instruments under IFRS 9 where held for the Group's own use requirements. Exceptional items and certain remeasurements have been outlined in note 7.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Revenue recognition

Revenue on energy sales includes an estimate of the value of electricity or gas supplied to customers between the date of the last meter reading and the year end. This will have been estimated by using historical consumption patterns. At the balance sheet date, the estimated consumption by customers will either have been billed or accrued (estimated unbilled revenue). Management apply judgement to the measurement of the quantum and valuation of the estimated consumption, including an estimate in respect of the impact of commodity prices, inflation and interest rates that may impact the Group customers' ability to pay. At 31 March 2026 the level of unbilled revenue not recognised was €22.8m (2025 - €25.2m). The judgements applied and the assumptions underpinning these judgements are considered to be appropriate. However, for every 1% change in these assumptions the impact upon the amount of revenue recognised would be €1.9m. Revenue recognised in the period has been outlined in note 5.

Notes to the Consolidated Financial Statements

3. Material accounting policy information (contd.)

(w) Significant accounting judgements, estimates and assumptions (contd.)

Impairment testing

The Group reviews the carrying amounts of its goodwill, other intangible assets and property, plant and equipment to determine whether there is any indication that the value of those assets is impaired or previous impairments have been reversed. This requires an estimation of the value in use of the CGUs to which the assets are allocated which includes the estimation of future cash flows and the application of a suitable discount rate. Subsequent changes to these estimates or judgements may impact the carrying value of the assets within the respective CGUs. Impairment testing has been outlined in notes 12 and 14.

Business combinations

Business combinations require a fair value exercise to be undertaken to allocate the purchase price to the fair value of the identifiable assets acquired and the liabilities assumed. The determination of the fair value of the assets and liabilities is based to a considerable extent on management's judgement. The amount of goodwill initially recognised as a result of a business combination is dependent on the allocation of this purchase price to the identifiable assets and liabilities with any unallocated portion being recorded as goodwill.

Pensions and other post-employment benefits

The Group has both defined benefit and defined contribution arrangements. The cost of providing benefits under the defined benefit scheme is determined using the projected unit method. The key assumptions used in relation to the cost of providing post-retirement benefits are set after consultation with qualified actuaries.

While these assumptions are considered to be appropriate, a change in these assumptions would impact the earnings of the Group. Pensions and other post-employment benefits have been outlined in note 24.

Credit provisions for trade receivables

The Group applies the IFRS 9 simplified approach to calculate ECLs for trade receivables and uses a provision matrix. The matrix approach allows application of different rates to different groups of customers with similar characteristics. The provision matrix is initially based on the Group's historical observed default rates. The Group then calibrate the matrix to adjust the historical credit loss experience with forward-looking information. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. The Group has adjusted the ECL matrix for the forecast impact of the current economic environment including the impact of higher energy costs, higher inflation and interest rate increases impacting the Group's customers both businesses and residential. Information on the ECLs on the Group's trade receivables and contract assets together with further detail relating to the adjustments is disclosed in note 19.

3. Material accounting policy information (contd.)

(x) Standards issued but not yet effective

The following new standards, amendments to standards and interpretations are not yet effective for the Group and have not been applied in preparing these financial statements:

Standards or amendments	Details	Effective Date	Expected effect on the results and financial position of the Group
IFRS 9 and IFRS 7 (Amendments)	Amendments to the Classification and Measurement of Financial Instruments	1 January 2026	Management are currently assessing impact
IFRS 9 and IFRS 7 (Amendments)	Contracts Referencing Nature-dependent Electricity	1 January 2026	Management are currently assessing impact
IFRS 19 (New Standard)	Subsidiaries without Public Accountability: Disclosures	1 January 2027	No material effect
IFRS 18 (New Standard)	Presentation and Disclosure in Financial Statements	1 January 2027	Management are currently assessing impact
IAS 21 (Amendments)	Translation to a Hyperinflationary Presentation Currency	1 January 2027	No material effect

4. Segment analysis

For management purposes, the Group is organised into business units based on its products and services and has three reportable segments, as follows:

(i) Renewables

The Renewables business owns and operates 383MW of wind assets and purchases electricity from 1,110MW of renewable generation capacity throughout Ireland.

(ii) Flexible Generation

Consists of electricity generation from the Group's two Huntstown CCGT plants together with the operation of a 50MW battery storage facility in Belfast and emergency gas generation plant at the Huntstown campus. The Flexible Generation business is also progressing the development of a data centre at its Huntstown site in Dublin.

(iii) Customer Solutions

Consists of the competitive supply of electricity and gas to business and residential customers in the RoI through its brand Energia, together with the supply of electricity to residential and business customers in NI through its brand Power NI.

Notes to the Consolidated Financial Statements

4. Segment analysis (contd.)

The Group's Board monitors the operating results of its business units separately for the purpose of making decisions with regard to resource allocation and performance assessment. The measure of profit used by the Board is pro-forma EBITDA which is before exceptional items and certain remeasurements (arising from certain commodity and currency contracts which are not designated in hedge accounting relationships) and based on regulated entitlement (whereby the adjustment for under-recovery outlined in the segmental analysis below represents the amount by which the regulated business under-recovered against their regulated entitlement). The Board also monitors revenue on a regulated entitlement basis.

(a) Revenue by segment

	2026 €m	2025 €m
Renewables	339.3	362.4
Flexible Generation	546.9	581.4
Customer Solutions	2,395.9	2,365.9
Inter-group eliminations	(10.8)	(10.0)
Group segment revenue	**3,271.3**	**3,299.7**
Adjustment for under-recovery		
Flexible Generation	(45.0)	(81.3)
Customer Solutions	13.0	(27.2)
Total adjustment for under-recovery	**(32.0)**	**(108.5)**
Total revenue	**3,239.3**	**3,191.2**

The adjustment for under-recovery represents the amount by which the regulated businesses under-recovered against their regulated entitlement. PPB ceased operations in September 2023. Financial Year 2026 includes the final settlement of PPB's regulated entitlement of €45.0m (2025 includes the initial settlement of €89.8m).

4. Segment analysis (contd.)

(b) Operating profit

	2026 €m	2025 €m
Segment pro-forma EBITDA		
Renewables	121.4	121.4
Flexible Generation	91.6	93.5
Customer Solutions	116.1	108.6
Group pro-forma EBITDA	**329.1**	**323.5**
Adjustment for under-recovery	(32.0)	(108.5)
Group EBITDA	**297.1**	**215.0**
Depreciation / amortisation		
Renewables	(35.1)	(33.5)
Flexible Generation	(42.9)	(36.8)
Customer Solutions	(18.2)	(14.1)
Group depreciation and amortisation	**(96.2)**	**(84.4)**
Operating profit pre-exceptional items and certain remeasurements		
Renewables	86.3	87.9
Flexible Generation	48.7	56.7
Customer Solutions	97.9	94.5
Group pro-forma operating profit	**232.9**	**239.1**
Adjustment for under-recovery	(32.0)	(108.5)
Segment operating profit	**200.9**	**130.6**
Reconciling items to Profit before tax		
Exceptional items and certain remeasurements	(110.8)	65.5
Finance cost	(76.1)	(67.8)
Finance income	6.4	12.0
Share of joint venture loss, net of tax	(10.9)	(0.6)
Profit before tax	**9.5**	**139.7**

Notes to the Consolidated Financial Statements

4. Segment analysis (contd.)

(c) Capital expenditure

	2026 €m	2025 €m
Capital additions to property, plant and equipment		
Renewables	45.7	71.3
Flexible Generation	76.2	12.7
Customer Solutions	1.3	1.3
Total	**123.2**	**85.3**
Capital additions to intangible assets		
Renewables	192.4	166.4
Flexible Generation	113.7	104.0
Customer Solutions	17.2	19.9
Total	**323.3**	**290.3**
Capital additions to right-of-use assets		
Renewables	1.3	5.7
Flexible Generation	-	-
Customer Solutions	2.2	1.7
Total	**3.5**	**7.4**

4. Segment analysis (contd.)

(d) Geographic information

	2026 €m	2025 €m
Non-current operating assets		
UK	435.2	460.2
RoI	1,123.3	1,071.8
Total	**1,558.5**	**1,532.0**

Non-current assets for this purpose consist of property, plant and equipment, intangible assets, right-of-use assets and investment in joint venture.

5. Revenue from contracts with customers

5.1 Disaggregated revenue information

Set out below is the disaggregation of the Group's revenue from contracts with customers for the year ending 31 March 2026:

2026	Renewables €m	Flexible Generation €m	Customer Solutions €m	Total €m
Type of goods or service:				
Supply of electricity and gas	-	-	2,378.0	2,378.0
Electricity generation	333.9	507.2	0.2	841.3
Other	5.4	39.7	17.7	62.8
Inter-group eliminations	(1.1)	-	(9.7)	(10.8)
Group	**338.2**	**546.9**	**2,386.2**	**3,271.3**
Adjustment for under-recovery	-	(45.0)	13.0	(32.0)
Total revenue from contracts with customers	**338.2**	**501.9**	**2,399.2**	**3,239.3**

The Group primarily offers standard payment terms to customers of 14 days from date of invoice.

Notes to the Consolidated Financial Statements

5. Revenue from contracts with customers (contd.)

5.1 Disaggregated revenue information (contd.)

Set out below is the disaggregation of the Group's revenue from contracts with customers for the year ending 31 March 2025:

2025	Renewables €m	Flexible Generation €m	Customer Solutions €m	Total €m
Type of goods or service:				
Supply of electricity and gas	-	-	2,353.3	2,353.3
Electricity generation	357.0	550.8	-	907.8
Other	5.4	30.6	12.6	48.6
Inter-group eliminations	(0.6)	-	(9.4)	(10.0)
Group	**361.8**	**581.4**	**2,356.5**	**3,299.7**
Adjustment for under-recovery	-	(81.3)	(27.2)	(108.5)
Total revenue from contracts with customers	**361.8**	**500.1**	**2,329.3**	**3,191.2**

	2026 €m	2025 €m
Geographical markets:		
UK	1,134.6	1,084.8
RoI	2,104.7	2,106.4
Total revenue from contracts with customers	**3,239.3**	**3,191.2**
Timing of revenue recognition:		
Transferred over time	3,036.3	2,985.1
Transferred at a point in time	203.0	206.1
Total revenue from contracts with customers	**3,239.3**	**3,191.2**

Trade receivables arising from contracts with customers are disclosed in note 18.

6. Operating costs

	2026 €m	2025 €m
Operating costs are analysed as follows:		
Energy costs	2,738.2	2,767.5
Employee costs	76.3	74.1
Depreciation and amortisation	96.2	84.4
Other operating charges	127.7	134.1
Total pre-exceptional items and certain remeasurements	**3,038.4**	**3,060.1**
Exceptional items and certain remeasurements (see note 7)	110.8	(65.5)
Total exceptional income and certain remeasurements	**110.8**	**(65.5)**
Total operating costs	**3,149.2**	**2,994.6**

6.1 Depreciation, amortisation and impairment

	2026 €m	2025 €m
Depreciation	66.4	57.7
Amortisation of intangible assets	18.0	15.1
Amortisation of right-of-use assets	11.8	11.6
Pre-exceptional items	**96.2**	**84.4**
Net impairment reversal	-	(57.5)
Total depreciation and amortisation	**96.2**	**26.9**

7. Exceptional items and certain remeasurements

	2026 €m	2025 €m
Exceptional items in arriving at profit from continuing operations:		
Release of contingent consideration[1]	0.1	0.5
Acquisition and disposal costs[2]	(23.8)	-
Conditional share options	(91.7)	-
Net (impairment) / impairment reversal of fixed assets[3]	(0.2)	57.5
	(115.6)	**58.0**
Certain remeasurements in arriving at profit		
Net profit on derivatives at fair value through operating costs[4]	4.8	7.5
	4.8	**7.5**
Exceptional items and certain remeasurements before taxation	**(110.8)**	**65.5**
Taxation on exceptional items and certain remeasurements	2.5	(9.0)
Exceptional items and certain remeasurements after taxation	**(108.3)**	**56.5**

The tax charge in the profit and loss account relating to exceptional items and certain remeasurements is:

	2026 €m	2025 €m
Fair valued derivatives through profit and loss	(0.4)	(1.1)
Exceptional acquisition and disposal costs	2.9	-
Net impairment of property, plant and equipment	-	(7.9)
	2.5	**(9.0)**

1 Release of contingent consideration of €0.1m (2025 - €0.5m) relates to a fair value adjustment to contingent consideration for renewable generation development projects.

2 Exceptional acquisition and disposal activity costs of €23.8m (2025 - €nil) relate to costs associated with acquisitions whether successful or unsuccessful and disposals.

3 Net impairment of €0.2m (2025 - €57.5m impairment reversal) relates to the impairment of PPE, and in the prior year includes the reversal of impairment for both Huntstown CCGT plants of €63.3m partly offset by the net impairment of the assets of Dargan Road Biogas Limited of €5.7m.

4 Net profit on derivatives at fair value through operating costs of €4.8m (2025 - €7.5m) relates to fair value movements in commodity swap contracts and foreign exchange forward contracts relating to commodity purchases.

Notes to the Consolidated Financial Statements

8. Auditors' remuneration

The Group paid the following amounts to the Company's auditors or its associates in respect of the audit of the financial statements and for other services provided to the Group.

	2026 €'000	2025 €'000
Audit of these financial statements	62	55
Audit of subsidiaries pursuant to legislation	723	510
	785	**565**
Fees payable to the Company's auditor and its associates for other services:		
Audit related assurance services	15	26
Taxation compliance services	73	41
Taxation advisory services	500	552
Total non-audit services	**588**	**619**

Notes to the Consolidated Financial Statements

9. Employees

	2026 €m	2025 €m
Salaries	71.9	71.3
Social security costs	8.9	7.6
Pension costs		
- defined contribution plans	5.9	5.1
- defined benefit plans	0.2	0.3
	86.9	**84.3**
Less salaries capitalised in property, plant and equipment and intangible assets	(10.6)	(10.2)
Charged to the income statement	**76.3**	**74.1**

	Actual headcount at 31 March		Average during the year	
	Number 2026	Number 2025	Number 2026	Number 2025
Renewables	54	48	50	48
Flexible Generation	75	70	72	70
Customer Solutions	984	1,017	990	1,002
	1,113	**1,135**	**1,112**	**1,120**

Director's emoluments

No amounts were paid to the Director in respect of qualifying services or long-term investment plans during the year (2025 - €nil).

10. Finance costs / income

	2026 €m	2025 €m
Finance costs		
Interest on external bank loans and borrowings	(17.4)	(16.1)
Interest on senior secured notes	(41.3)	(41.3)
Total interest expense	**(58.7)**	**(57.4)**
Amortisation of financing charges	(5.3)	(5.4)
Unwinding of discount on decommissioning provision	(1.0)	(0.9)
Unwinding of discount on contingent consideration	(0.6)	(0.8)
Accretion of lease liability	(3.1)	(3.6)
Other finance credits / (charges)	0.1	(0.4)
Total other finance charges	**(9.9)**	**(11.1)**
Net exchange (loss) / gain on net foreign currency borrowings	(7.5)	0.7
Total finance costs	**(76.1)**	**(67.8)**
Finance income		
Interest income on bank deposits	6.4	12.0
Total finance income	**6.4**	**12.0**
Net finance costs	**(69.7)**	**(55.8)**

Notes to the Consolidated Financial Statements

11. Income tax

The major components of the tax charge for the years ended 31 March 2026 and 2025 are as follows:

	Results before exceptional items and certain remeasure-ments 2026 €m	Exceptional items and certain remeasure-ments (note 7) 2026 €m	Total 2026 €m	Results before exceptional items and certain remeasure-ments 2025 €m	Exceptional items and certain remeasure-ments (note 7) 2025 €m	Total 2025 €m
Current tax:						
Current tax (charge) / credit	(18.9)	2.5	(16.4)	(14.6)	(1.1)	(15.7)
Adjustments in respect of prior years	(0.1)	-	(0.1)	0.4	-	0.4
Total current tax (charge) / credit	**(19.0)**	**2.5**	**(16.5)**	**(14.2)**	**(1.1)**	**(15.3)**
Deferred tax:						
Origination and reversal of temporary differences	7.6	-	7.6	4.9	(7.9)	(3.0)
Adjustments in respect of prior years	-	-	-	(0.8)	-	(0.8)
Total deferred tax	**7.6**	**-**	**7.6**	**4.1**	**(7.9)**	**(3.8)**
Total taxation (charge) / credit	**(11.4)**	**2.5**	**(8.9)**	**(10.1)**	**(9.0)**	**(19.1)**

Consolidated Statement of Other Comprehensive Income

	2026 €m	2025 €m
Deferred tax related to items recognised in Other Comprehensive Income during the year:		
Net gain on revaluation of cash flow hedges	(21.4)	(16.7)
Net gain on remeasurement of defined benefit scheme	(0.4)	-
Taxation charged to Other Comprehensive Income	**(21.8)**	**(16.7)**

Notes to the Consolidated Financial Statements

11. Income tax (contd.)

The tax charge for the year can be reconciled to the profit per the Income Statement as follows:

	2026 €m	2025 €m
Accounting profit before income tax	9.5	139.7
At the statutory income tax rate of 25% (2025 - 25%)	(2.4)	(34.9)
Non-taxable foreign exchange on debt	0.1	(0.1)
Utilisation of tax losses on which no deferred tax asset was recognised	14.9	1.5
Impairment of property, plant and equipment	-	(1.1)
Other	(28.3)	(4.4)
Effect of lower tax rates on overseas earnings	6.9	20.3
Adjustments in respect of previous years	(0.1)	(0.4)
Tax charge	**(8.9)**	**(19.1)**

The Group is within the scope of the Organisation for Economic Co-operation and Development (OECD) 15% minimum effective tax rate Model Rules (Pillar Two) which have been enacted into legislation as part of the UK Finance (No.2) Act 2024 in July 2024, and the Irish Finance (No.2) Act 2023 and Luxembourg Bill of Law No. 8292 in December 2024. The Pillar Two rules became effective for the Group for the financial year ended 31 March 2025. The objective of these rules is to achieve minimum effective tax rates of 15% globally.

The Group has assessed the impact of these new rules and determined it has a liability of €nil (2025 - €2.2m) in relation to the implementation of the Pillar Two legislation which has been included in the total income tax expense.

The Group has applied the amendment to IAS 12 Income Taxes on the mandatory temporary exception to recognising and disclosing information about deferred tax assets and liabilities that are related to tax law enacted or substantively enacted to implement the Pillar Two model rules published by the OECD. The Group will continue to monitor changes in law and guidance as they apply to the Group.

Notes to the Consolidated Financial Statements

11. Income tax (contd.)

The deferred tax included in the balance sheet at 31 March 2026 and 2025 is as follows:

	Accelerated capital allowances €m	Losses available for offset against future taxable income €m	Loan interest €m	Pension obligation €m	Revaluation on cash flow hedges €m	Other €m	Total €m
As at 1 April 2024	**(47.5)**	**18.7**	**1.0**	**(0.1)**	**11.3**	**(0.1)**	**(16.7)**
(Charge) / credit to income statement	(10.6)	7.9	(0.8)	(0.4)	-	0.1	(3.8)
Charge to equity	-	-	-	-	(16.7)	-	(16.7)
Foreign exchange	(0.7)	0.6	-	-	0.2	-	0.1
Other	-	-	-	-	-	0.3	0.3
As at 31 March 2025	**(58.8)**	**27.2**	**0.2**	**(0.5)**	**(5.2)**	**0.3**	**(36.8)**
Credit / (charge) to income statement	2.3	5.9	-	(0.5)	-	(0.1)	7.6
Charge to equity	-	-	-	(0.4)	(21.4)	-	(21.8)
Foreign exchange	1.3	(0.9)	-	0.1	(0.1)	(0.1)	0.3
As at 31 March 2026	**(55.2)**	**32.2**	**0.2**	**(1.3)**	**(26.7)**	**0.1**	**(50.7)**

11. Income tax (contd.)

Certain deferred tax assets and liabilities have been offset. The following is an analysis of the deferred tax balances (after offset) for financial reporting purposes:

	2026 €m	2025 €m
Deferred tax assets	45.4	38.4
Deferred tax liabilities	(96.1)	(75.2)
Net deferred tax liabilities	**(50.7)**	**(36.8)**

Current and deferred tax have been calculated using standard rates of corporation tax in the UK being the prevalent rates of corporation tax of the Group.

UK deferred tax has been calculated at 25% as at 31 March 2026 (2025 – 25%).

RoI deferred tax has been calculated at 12.5% as at 31 March 2026 (2025 – 12.5%).

A deferred tax asset of €15.5m (2025 - €32.1m) has not been recognised in relation to €59.9m (2025 - €124.9m) of tax losses carried forward and €2.9m (2025 - €3.2m) of other items, due to uncertainty regarding the quantum of future taxable profits in the companies concerned.

12. Property, plant and equipment

	Thermal generation assets €m	Renewable generation assets[1] €m	Freehold operational land €m	Fixtures and equipment €m	Total €m
Cost or valuation:					
At 1 April 2024	**562.8**	**629.2**	**46.2**	**31.1**	**1,269.3**
Exchange adjustment	0.9	6.2	-	0.7	7.8
Additions	11.8	69.4	2.0	2.1	85.3
Decommissioning provision for the new plant commissioned	-	0.5	-	-	0.5
Disposal	(0.1)	-	-	(0.2)	(0.3)
Decrease in decommissioning provision	(0.5)	(1.0)	-	-	(1.5)
At 31 March 2025	**574.9**	**704.3**	**48.2**	**33.7**	**1,361.1**
Exchange adjustment	(1.3)	(13.0)	-	(1.1)	(15.4)
Additions	75.2	44.6	1.2	2.2	123.2
Decommissioning provision for the new plant commissioned	-	0.6	-	-	0.6
Reclassification	-	-	-	3.5	3.5
Disposal	-	-	-	(0.6)	(0.6)
Increase in decommissioning provision	3.7	21.2	-	-	24.9
At 31 March 2026	**652.5**	**757.7**	**49.4**	**37.7**	**1,497.3**

12. Property, plant and equipment (contd.)

	Thermal generation assets €m	Renewable generation assets[i] €m	Freehold operational land €m	Fixtures and equipment €m	Total €m
Depreciation and impairment:					
At 1 April 2024	**397.1**	**171.3**	**-**	**22.9**	**591.3**
Exchange adjustment	0.2	1.9	-	0.6	2.7
Impairment (reversal) / write-off [ii]	(63.3)	4.2	-	-	(59.1)
Disposal	-	-	-	(0.2)	(0.2)
Depreciation charge for the year	27.4	28.7	-	1.6	57.7
At 31 March 2025	**361.4**	**206.1**	**-**	**24.9**	**592.4**
Exchange adjustment	(0.4)	(5.1)	-	(0.8)	(6.3)
Impairment charge	-	0.3	-	-	0.3
Disposal	-	-	-	(0.6)	(0.6)
Depreciation charge for the year	30.3	29.9	-	6.2	66.4
At 31 March 2026	**391.3**	**231.2**	**-**	**29.7**	**652.2**
Net book value:					
At 1 April 2024	165.7	457.9	46.2	8.2	678.0
At 31 March 2025	213.5	498.2	48.2	8.8	768.7
At 31 March 2026	**261.2**	**526.5**	**49.4**	**8.0**	**845.1**

(i) Included in renewable generation assets are amounts in respect of assets under construction amounting to €86.6m (2025 - €103.8m). Included in thermal generation assets are amounts in respect of assets under construction amounting to €68.9m (2025 - €44.9m).

The renewable generation assets of the specific project finance companies are given as security against the project finance facilities.

(ii) An impairment was recognised in a prior year for the Huntstown plants (Flexible Generation) following the introduction of the SEM market and resultant uncertainty on the plants' future. As part of the T-4 capacity year 2028/2029 auction held in December 2024, a new Intermediate Length Contract (ILC) was awarded to both Huntstown plants, providing contracted income until 2033. An impairment review was carried out in the prior year to determine whether further impairment should be recognised or previous impairments could be reversed. This review determined the plants' recoverable amount (based on value in use) to be €255.4m. This value was above the plants' carrying value and determined that the previous impairment of €63.3m could be reversed.

Notes to the Consolidated Financial Statements

13. Intangible assets

	Software costs €m	Customer acquisition costs €m	Renewable development assets €m	Emission Allowances, Energy Efficiency Credits & ROCs[i] €m	Goodwill	Total €m
Cost:						
At 1 April 2024	**125.4**	**20.3**	**120.3**	**95.2**	**542.8**	**904.0**
Exchange adjustment	1.8	-	1.0	1.9	11.1	15.8
Additions	9.4	3.6	1.5	275.8	-	290.3
Disposal	-	-	-	(183.1)	-	(183.1)
Revaluation	-	-	-	(7.8)	-	(7.8)
At 31 March 2025	**136.6**	**23.9**	**122.8**	**182.0**	**553.9**	**1,019.2**
Exchange adjustment	(4.0)	-	(2.1)	(3.5)	(22.4)	(32.0)
Additions	4.4	5.8	4.9	308.2	-	323.3
Disposal	-	-	-	(312.4)	-	(312.4)
Reclassification	(3.5)	-	-	-	-	(3.5)
Revaluation	-	-	-	3.8	-	3.8
At 31 March 2026	**133.5**	**29.7**	**125.6**	**178.1**	**531.5**	**998.4**

13. Intangible assets (contd.)

	Software costs €m	Customer acquisition costs €m	Renewable development assets €m	Emission Allowances, Energy Efficiency Credits & ROCs[i] €m	Goodwill	Total €m
Amortisation:						
At 1 April 2024	**86.5**	**17.2**	**14.8**	**-**	**1.6**	120.1
Exchange adjustment	1.5	-	0.2	-	-	1.7
Impairment charge [ii]	-	-	4.0	-	-	4.0
Amortisation	9.4	2.4	3.3	-	-	15.1
At 31 March 2025	**97.4**	**19.6**	**22.3**	**-**	**1.6**	140.9
Exchange adjustment	(3.1)	-	(0.8)	-	-	(3.9)
Amortisation	11.3	3.2	3.5	-	-	18.0
At 31 March 2026	**105.6**	**22.8**	**25.0**	**-**	**1.6**	155.0
Net book value:						
At 1 April 2024	38.9	3.1	105.5	95.2	541.2	783.9
At 31 March 2025	39.2	4.3	100.5	182.0	552.3	878.3
At 31 March 2026	**27.9**	**6.9**	**100.6**	**178.1**	**529.9**	843.4

(i) Included in Emission Allowances, Energy Efficiency Credits and ROCs at 31 March 2026 is an amount of €12.5m (2025 - €10.7m) relating to self-generating ROCs which were initially recognised at fair value of €12.5m (2025 - €10.7m). ROCs are a current asset.

(ii) Impairment of renewable development assets of €4.0m in the prior year is in relation to the reduction in carrying value of a renewable development project to bring it to its net realisable value.

13. Intangible assets (contd.)

Intangible assets have been analysed as current and non-current as follows:

	2026 €m	2025 €m
Current	178.1	182.0
Non-current	665.3	696.3
	843.4	**878.3**

14. Impairment testing of goodwill and intangible assets with indefinite lives

The carrying amount of the Group's goodwill has been allocated to the following CGUs:

CGU	2026 €m	2025 €m
Customer Solutions – Energia	385.0	401.9
Customer Solutions – Power NI	144.9	150.4
Total goodwill	**529.9**	**552.3**

14. Impairment testing of goodwill and intangible assets with indefinite lives (contd.)

The recoverable amount of the Energia and Power NI Customer Solutions CGUs has been determined based on a value-in-use calculation using five-year cash flow projections together with a long-term growth rate of 2% applied thereafter. The Group's projections are based on past experience and reflect the Group's forward view of market prices, risks and its strategic objectives. The recoverable amount is compared to the carrying amount of the CGU to determine whether the CGU is impaired.

Key assumptions used in value-in-use calculations

Discount rates

The pre-tax discount rate used in the calculation of the value-in-use for the CGUs was between 8.7% and 9.1% (2025 – 8.7% and 9.1%) reflecting management's estimate of the Weighted Average Cost of Capital (WACC) pre-tax rate required to assess operating performance and to evaluate future capital investment proposals. These rates reflect market projections of the risk-free rate in the jurisdictions in which the Group operates, equity risk premiums and the cost of debt appropriate to the industry.

Energia Customer Solutions CGU

The key assumptions on which the cash flow projections of this CGU are based are as follows:

(i) Retail supply revenues for electricity and gas are based on the expected market share derived from the market share at the time of the approval of the business model adjusted for forecasted growth. Growth in business customer numbers is modest and growth in respect of residential supply is modest with cash flows associated with increased customer service and customer acquisition incorporated accordingly; and

(ii) Retail supply margins are based on historic and projected gross margin percentages.

Power NI Customer Solutions CGU

The key assumptions on which the cash flow projections of this CGU are based are as follows:

(i) Regulated revenues and margins are underpinned by the regulatory price control in place to 31 March 2026;

(ii) Customer attrition is assumed, however the nature of the price control with regulated EBIT allowance heavily linked to energy prices (and an energy price floor) reduces the impact of customer losses; and

(iii) Unregulated retail supply margins for business customers are based on historic and projected gross margin percentages.

Outcome of Tests

The recoverable amount of both the Energia and Power NI Customer Solutions CGUs, which include Customer Solutions retail supply and renewable PPA operations of those respective statutory entities, exceeded the respective carrying values at the time of the impairment test. While cash flows are subject to inherent uncertainty, reasonably possible changes in the key assumptions applied in assessing the value-in-use would not cause a change to the conclusion reached.

15. Acquisition of Green Elk Limited

On 11 August 2025, the Group completed the asset purchase of Green Elk Limited which comprises several wind farm development sites across the island of Ireland.

Assets acquired and liabilities assumed

The fair value of the identifiable assets and liabilities acquired were as follows:

	Fair value recognised on acquisition €m
Net assets acquired / (liabilities assumed)	-
Intangible development assets arising on acquisition	3.3
Purchase consideration transferred	**3.3**
Purchase consideration is made up of:	
Cash	1.2
Contingent consideration (discounted)	2.1
	3.3
Analysis of cash flows on acquisition:	
Cash	1.2
Discharge of liabilities	0.6
Net cash flows on acquisition	**1.8**

16. Investment in joint venture

The following table summarises the consolidated financial information of the joint venture entities and also reconciles the summarised financial information to the carrying amount of the Group's interest in the joint venture.

During the year it was announced that the NCS joint venture had not been awarded a CfD ORESS contract under the recent Tonn Nua auction process when results were published on 10 December 2025. The Government also published a process for a National Designated Marine Area Map (DMAP) policy which is not expected to complete until late 2027 with no guarantee that this will include the SIS joint venture identified site.

Following these announcements the joint venture entities have impaired their remaining assets to their recoverable amounts. The impairment recognised in the year was €19.9m.

The loss of the joint venture entities during the year (including this impairment) was €21.8m (2025 - €1.2m), with the Group's share of the loss being €10.9m (2025 - €0.6m).

16. Investment in joint venture (contd.)

Summarised statement of loss of North Celtic Sea and South Irish Sea Offshore companies:

	2026 €m
Revenue	-
Cost of sales	-
Administrative expenses	(1.6)
Finance costs, including interest expenses	(0.3)
Impairment loss	(19.9)
Loss before tax	**(21.8)**
Income tax	-
Loss for the year	**(21.8)**
Total comprehensive expense for the year	(21.8)
Group's share of loss for the year	**(10.9)**

	At 31 March 2026 €m
Assets	
Non-current assets	-
Current assets (including cash and cash equivalents)	7.2
	7.2
Liabilities	
Current liabilities	(1.6)
Non-current liabilities	-
	(1.6)
Net assets (100%)	**5.6**
Group's share of net assets (50%)	2.8
Group's carrying amount of interest in joint venture	**2.8**

Notes to the Consolidated Financial Statements

17. Group information

Principal investments in which the Group held 100% of ordinary shares at 31 March 2026 are listed below:

Name	Principal activities	Country of incorporation
Regulated businesses		
Power NI Energy Limited *	Supply of electricity	Northern Ireland
Renewables		
Energia Renewables Company 1 Limited *	Holding company	Northern Ireland
Energia Renewables Company 2 Limited *	Holding company	Northern Ireland
Energia Renewables Company 3 Limited *	Holding company	Northern Ireland
Energia Renewables Company 4 Limited *	Holding company	Northern Ireland
Altamuskin Windfarm Limited *2	Renewable generation	Northern Ireland
Clondermot Wind Limited *2	Renewable generation	Northern Ireland
Eshmore Ltd *2	Renewable generation	Northern Ireland
Gortfinbar Windfarm Limited *2	Renewable generation	Northern Ireland
Long Mountain Wind Farm Limited *2	Renewable generation	Northern Ireland
Mosslee Limited *2	Renewable generation	Northern Ireland
Thornog Windfarm Ltd *2	Renewable generation	Northern Ireland
Wheelhouse Energy (NI) Limited *2	Renewable generation	Northern Ireland
Cornavarrow Windfarm Limited *2	Renewable generation	Northern Ireland
Slieveglass Wind Farm Limited *2	Renewable generation	Northern Ireland
Teiges Mountain Wind Farm Limited *2	Renewable generation	Northern Ireland
Lisglass Wind Ltd *	Dormant company	Northern Ireland
Dargan Road Biogas Limited *1	Renewable development	Northern Ireland
Pigeon Top Wind Farm Limited *	Renewable development	Northern Ireland
Energia Hydrogen Limited *	Renewable development	Northern Ireland
Energia Renewables Development Limited *	Holding company	Republic of Ireland
Energia Renewables RoI Limited *	Holding company	Republic of Ireland
Energia Bioenergy Limited *	Holding company	Republic of Ireland

17. Group information (contd.)

Name	Principal activities	Country of incorporation
Holyford Windfarm Limited *[2]	Renewable generation	Republic of Ireland
Windgeneration Ireland Limited *[2]	Renewable generation	Republic of Ireland
Derrysallagh Wind Farm Limited *[2]	Renewable generation	Republic of Ireland
Whaplode Limited *	Renewable development	Republic of Ireland
Coolberrin Wind Limited *	Renewable development	Republic of Ireland
XMR Energy Limited *	Renewable generation	Republic of Ireland
Derrysallagh Supply Limited *	Renewable supply	Republic of Ireland
Seven Hills Wind Limited *	Renewable development	Republic of Ireland
Energia Solar Holdings Limited *	Holding Company	Republic of Ireland
Solar Farmers Limited *	Renewable development	Republic of Ireland
Energia Offshore Wind Limited *	Renewable development	Republic of Ireland
Drumlins Park Limited *[2]	Renewable generation	Republic of Ireland
Green Elk Limited *	Renewable development	Republic of Ireland
Fieldstown Solar Limited *	Renewable development	Republic of Ireland
Gaofar Limited *	Renewable development	Republic of Ireland
Bracklyn Wind Farm Limited *	Renewable development	Republic of Ireland
North Celtic Sea Offshore Renewables Limited *	Holding Company	Republic of Ireland
South Irish Sea Offshore Renewables Limited *	Holding Company	Republic of Ireland
Energia Renewables Company 5 Limited *	Holding Company	Republic of Ireland
Flexible Generation		
Power and Energy Holdings (RoI) Limited *	Holding company	Republic of Ireland
Huntstown Power Company Limited *	Electricity generation	Republic of Ireland
Energia Power Generation Limited *	Electricity generation	Republic of Ireland
GenSys Power Limited (trading as GenSys) *	Operating & maintenance services	Republic of Ireland
Energia Data Centre Limited *	Data centre development	Republic of Ireland
Energia NI Storage Limited *	Holding company	Northern Ireland
Belfast Energy Storage Company Limited *	Battery storage	Northern Ireland

17. Group information (contd.)

Name	Principal activities	Country of incorporation
Customer Solutions		
Energia Customer Solutions NI Limited *	Service Company	Northern Ireland
Energia Customer Solutions Limited *	Energy Supply	Republic of Ireland
Other		
Energia Group RoI Holdings DAC *	Holding company	Republic of Ireland
Energia Group NI Holdings Limited *	Holding company	Northern Ireland
Energia NI Holdco Limited *	Holding company	Northern Ireland
Energia Group NI FinanceCo plc *	Financing company	Northern Ireland
Energia Group RoI FinanceCo DAC *	Financing company	Republic of Ireland
Energia Group Fundco I Limited *	Holding company	Cayman Islands
Energia Group Fundco II Limited *	Holding company	Cayman Islands
Energia Group Fundco III Limited *	Holding company	Cayman Islands
EI Ventures Limited *	Holding company	Great Britain
ElectricInvest Acquisitions Limited *	Holding company	Great Britain
ElectricInvest Holding Company Limited *	Holding company	Great Britain
ElectricInvest (Lux) RoI S.à.r.l. *	Holding company	Grand Duchy of Luxembourg
Energia Capital Limited *	Holding company	Northern Ireland
Energia Properties Limited *	Property	Northern Ireland
Energia Power Resources Limited *	Dormant company	Great Britain

17. Group information (contd.)

The following companies have been included in the Group's corporate structure as part of a joint venture:

Equity Accounted Joint Venture	Principal activities	Country of incorporation
North Celtic Sea Offshore Windfarm Holdings Limited [3]	Holding company	Republic of Ireland
North Celtic Sea Offshore Windfarm Limited [3]	Offshore Wind Renewable development	Republic of Ireland
South Irish Sea Offshore Windfarm Holdings Limited [3]	Holding company	Republic of Ireland
South Irish Sea Offshore Windfarm Limited [3]	Offshore Wind Renewable development	Republic of Ireland

* held by a subsidiary undertaking

[1] entity was disposed on 3 April 2025

[2] entities with project finance facilities with restricted cash which are subject to bi-annual distribution debt service requirements

[3] entities which the Group has 50% beneficial ownership and are equity accounted joint ventures companies.

The parent undertaking of the Company is Energia Group TopCo Limited, a company incorporated in the Cayman Islands. Energia Group TopCo Limited is majority owned by ISQ Viridian Holdings L.P., a limited partnership incorporated in the Cayman Islands. ISQ Viridian Holdings L.P. is owned by the ISQ Global Infrastructure Fund (the Fund) and ISQ Viridian Co-Invest L.P., a co-investment vehicle for the Fund. The Fund is managed by I Squared Capital.

On 6 October 2025 the Group announced that Ardian, a private investment firm based in France, had entered into an agreement to acquire 100% of the Company from I Squared Capital. The transaction is expected to complete by the end of First Quarter 2027.

Notes to the Consolidated Financial Statements

18. Other financial assets

Other financial assets	2026 €m	2025 €m
Financial assets at amortised cost:		
Security deposits	14.9	11.6
External interest receivable	0.1	0.1
Total other financial assets	**15.0**	**11.7**
Total non-current	-	-
Total current	15.0	11.7

Financial assets held at amortised costs are held to maturity and generate a fixed or variable interest income for the Group. The carrying value may be affected by changes in the credit risk of the counterparties. Security deposits relate primarily to collateral posted in the SEM market which are of a short-term nature and therefore no ECL provision has been recognised.

19. Trade and other receivables

	2026 €m	2025 €m
Current receivables:		
Trade receivables (including unbilled consumption)	354.4	339.4
Contract assets (accrued income)	58.2	29.4
Prepayments	8.5	7.8
Other receivables	32.4	12.4
	453.5	**389.0**
Allowance for expected credit losses	(39.2)	(39.4)
Total current receivables	**414.3**	**349.6**
Non-current receivables:		
Prepayments	1.5	2.9
Total non-current receivables	**1.5**	**2.9**

Non-current receivables (prepayments) pertain to capitalised RCF fees.

	2026 €m	2025 €m
Non-current	1.5	2.9
Current	414.3	349.6
	415.8	**352.5**

19. Trade and other receivables (contd.)

Trade receivables are non-interest bearing and are generally on terms of 14 to 90 days.

As at 31 March 2026, the Group has contract assets (accrued income) of €58.2m (2025 - €29.4m) which are expected to be settled in the next financial year. Contract assets (accrued income) settled in the current year amounted to €29.4m (2025 - €27.3m). Contract assets primarily relate to hedge debtors and SEM market revenues which are settled in accordance with market timelines and therefore the allowance for expected credit losses on these are €nil (2025 - €nil).

See below for the movements in the provision for impairment of receivables.

	2026 €m
At 1 April 2024	**36.4**
Foreign exchange adjustment	0.4
Provision for expected credit losses	7.2
Write off	(4.6)
At 31 March 2025	**39.4**
Foreign exchange adjustment	(0.9)
Provision for expected credit losses	6.5
Write off	(5.8)
At 31 March 2026	**39.2**

19. Trade and other receivables (contd.)

	2026				2025			
	Gross amount receivable €m	Allowance for expected credit losses €m	Net amount receivable €m	ECL %	Gross amount receivable €m	Allowance for expected credit losses €m	Net amount receivable €m	ECL %
Current	241.8	(6.6)	235.2	2.7	225.0	(6.4)	218.6	2.8
<30 days	56.4	(8.1)	48.3	14.4	61.5	(8.6)	52.9	14.0
31-60 days	16.9	(3.5)	13.4	20.7	17.7	(4.1)	13.6	23.2
61-90 days	11.0	(2.8)	8.2	25.5	9.8	(2.7)	7.1	27.6
>90 days	28.3	(18.2)	10.1	64.3	25.4	(17.6)	7.8	69.3
Total	**354.4**	**(39.2)**	**315.2**	**11.1**	**339.4**	**(39.4)**	**300.0**	**11.6**

The credit quality of trade receivables that are current is assessed by reference to external credit ratings where available otherwise historical information relating to counterparty default rates combined with current knowledge of the counterparty is used.

The Group's allowance for expected credit losses has been applied reflecting market conditions including wholesale commodity prices, the macroeconomic environment and geopolitical risks. The resulting impact that these factors could have on the Group trade receivables is described below.

Commercial customers

A detailed assessment of the Group's commercial customer base in both jurisdictions of NI and RoI has been carried out. In the first instance those customers with delayed payment terms have been provided for specifically in line with standard practice. Following this, initial assessment risk ratings of high, medium and low are assigned to customer balances reflecting their specific sectoral risk. Sectors which have been considered high risk include, non-essential retail, hospitality, leisure and construction. A matrix has been applied consistent with last year in relation to medium and low risk customer sectors. Using this analysis in conjunction with a risk weighting applied to each risk level combined with current billing, provisions have decreased by €2.9m compared to 2025 levels.

Residential customers

As with commercial customers in the first instance those customers outside specific payment terms and certain collection characteristics are provided for specifically in line with standard practice. Further to this an analysis of the Group's residential customers receivables has been carried out, with customer insight profiling being used to establish the mix of customer groups that are represented in the Group's portfolio of residential customers. Using this analysis in conjunction with a risk weighting applied to each risk level, high, medium and low reflecting the specific probability of non-payment, combined with the impact of higher energy bills compared to average historic levels as a result of higher average commodity prices have resulted in an increase in provisions by €2.7m above 2025 levels applied on both billed and unbilled (consumption of up to three months in NI which have not yet billed in line with normal billing cycles) receivable amounts.

This results in the total ECL at 31 March 2026 of 11.1% of gross receivables of €39.2m (2025 – 11.6%, €39.4m). For commercial customers the ECL provision is 5% - 100% depending on the low / medium / high classification and for residential customers 24% - 100%. A sensitivity analysis in relation to the ECL rate for commercial shows an increase or decrease in the assumed provision by 5% would result in an increase or decrease in the ECL of €2.6m and for residential for every 1% increase or decrease in the assumed provision would result in an increase or decrease in the ECL of €0.5m.

20. Cash and cash equivalents

	2026 €m	2025 €m
Cash at bank and on hand	75.8	59.0
Short-term bank deposits	243.7	240.8
	319.5	**299.8**

Cash at bank earns interest at floating rates based on daily bank deposit rates.

At 31 March 2026, the Group had available €189.3m (2025 - €193.2m) of undrawn committed borrowing facilities relating to the Senior revolving credit facility and no undrawn committed borrowing facilities relating to the project finance facilities (2025 - €nil). There were no cash drawings under the Senior revolving credit facility at 31 March 2026 (2025 - €nil). €41.6m (2025 - €32.0m) of cash was restricted in the project financed wind farms and is subject to bi-annual distribution debt service requirements.

21. Trade and other payables

	2026 €m	2025 €m
Trade creditors	75.5	81.6
Other creditors	235.0	213.9
Contract liabilities (payments on account)	67.0	77.9
Tax and social security	11.7	11.3
Accruals	286.4	229.4
	675.6	**614.1**

Trade creditors are non-interest bearing and are normally settled within 45-day terms.

Contract liabilities relate to payments on account from customers for the supply of electricity. The amounts included in contract liabilities are current in nature and are recognised in revenue within 12 months.

22. Financial liabilities

	2026 €m	2025 €m
Current financial liabilities:		
Project financed bank facilities (NI)	14.7	14.4
Project financed bank facilities (RoI)	14.1	13.0
Project finance interest accruals	0.1	-
Senior secured notes interest payable	1.7	1.5
Other interest payable	0.8	1.0
Contingent consideration	5.0	3.3
Lease liability	11.8	11.1
Total current financial liabilities	**48.2**	**44.3**
Non-current financial liabilities		
Senior secured notes €600m (2028)	594.3	592.1
Project financed bank facilities (NI)	119.8	139.9
Project financed bank facilities (RoI)	173.0	143.7
Contingent consideration	6.3	6.2
Lease liability	44.9	52.8
Total non-current financial liabilities	**938.3**	**934.7**
Total current and non-current financial liabilities	**986.5**	**979.0**

22. Financial liabilities (contd.)

The Senior secured notes (2028) are denominated in Euro. Interest, which is payable semi-annually, is charged at a fixed rate of 6.875%. The Senior secured notes are due in July 2028. The notes are listed on The International Stock Exchange.

The carrying value of the Senior secured notes (2028) includes unamortised costs of €5.7m (2025 - €7.9m).

At 31 March 2026, the Group had letters of credit issued out of the Senior revolving credit facility of €260.7m (31 March 2025 - €256.8m) resulting in undrawn committed facilities of €189.3m (31 March 2025 - €193.2m). There were no cash drawings under the Senior revolving credit facility at 31 March 2026 (31 March 2025 - €nil). Interest is charged under the Senior revolving credit facility at floating interest rates based on Sonia and Euribor.

Project financed bank facilities

The project financed bank loan facilities are repayable in semi-annual instalments to 2046 and are secured on a non-recourse basis over the assets and shares of the specific project finance companies. Interest on the project finance bank loan facilities has been predominantly fixed through interest rate swaps resulting in an effective rate of interest of 4.21% (2025 – 4.42%) on project financed bank facilities NI and 3.11% (2025 – 2.72%) on the project financed bank facilities RoI.

Contingent consideration

Contingent consideration of €11.3m (31 March 2025 - €9.5m) relates to the acquisition of various renewable development projects and represents the present value of the maximum amount payable with the minimum amount payable being €nil. Payment is contingent on various project milestones being met, primarily the construction and commissioning of the plant, with €5.0m expected to be paid in 2026/27 and the remaining €6.3m paid by 2031.

Notes to the Consolidated Financial Statements

23. Deferred income

	Capital Grants €m	Other Deferred Income €m	Total €m
Current	0.7	9.6	10.3
Non-current	2.6	18.1	20.7
Total as at 1 April 2024	**3.3**	**27.7**	**31.0**
Recognised in the year	-	4.6	4.6
Released to income statement	(0.3)	(9.8)	(10.1)
Exchange adjustment	(0.1)	0.1	-
Other deferred income	-	(0.2)	(0.2)
Current	0.3	11.6	11.9
Non-current	2.6	10.8	13.4
Total as at 31 March 2025	**2.9**	**22.4**	**25.3**
Recognised in the year	-	6.3	6.3
Released to income statement	(0.5)	(10.7)	(11.2)
Exchange adjustment	(0.1)	-	(0.1)
Current	0.2	9.7	9.9
Non-current	2.1	8.3	10.4
Total as at 31 March 2026	**2.3**	**18.0**	**20.3**

€2.3m of the deferred income relates to grants provided by the Office for Low Emission Vehicles (OLEV) and Interreg Europe in respect of certain property, plant and equipment assets (2025 - €2.9m) and €18.0m relates to the reimbursement of capital costs associated with Huntstown's emergency generation and data centre projects (2025 - €22.4m).

Notes to the Consolidated Financial Statements

24. Pensions and other post-employment benefit plans

	2026 €m	2025 €m
Net employee defined benefit asset (before deferred tax)	5.3	1.9

The EGNIPS has two sections: a money purchase section (known as 'Options') and a defined benefit section (known as 'Focus'). The defined benefit section is closed to new entrants. There is also a money purchase arrangement for employees in the RoI known as 'Choices'. Most employees of the Group are members of the EGNIPS Options or Choices.

The assets of the Focus section are held under trust and invested by the trustees on the advice of professional investment managers.

The regulatory framework in the UK requires the Trustees and the Group to agree upon the assumptions underlying the funding target, and then to agree upon the necessary contributions required to recover any deficit at the valuation date. There is a risk to the Group that adverse experience could lead to a requirement for the Group to make further contributions to recover any deficit.

The Trustees regularly review the investment strategy of EGNIPS and the target mix of investments was between 30% on-risk and 70% off-risk at 31 March 2026.

The last actuarial valuation of the EGNIPS was as at 31 March 2024, the outcome of which was agreed with the Trustees in June 2025. Under the terms of the recovery plan agreed with the Trustees, the Group will make good the €0.9m funding shortfall by 31 July 2026 through payment of the Power Procurement Business (PPB) deficit allowance of €1.8m in year ended 31 March 2026 and a deficit repair contribution of €0.2m on or before 31 July 2026. The first deficit repair contribution (€1.8m PPB deficit allowance) made under the recovery plan was paid in the year ended 31 March 2026.

Governance of EGNIPS and Choices is the responsibility of the trustees of each of the schemes.

The following tables summarise the components of net benefit expense recognised in the income statement and the funded status and amounts recognised in the balance sheet for the EGNIPS.

Notes to the Consolidated Financial Statements

24. Pensions and other post-employment benefit plans (contd.)

EGNIPS focus section

Changes in the defined benefit obligation, fair value of Focus assets and unrecognised past service costs are as follows:

	2026 €m	2025 €m
Market value of assets at 1 April	**48.1**	**49.6**
Interest income	2.6	2.4
Contributions from employer	1.9	2.0
Benefits paid	(2.7)	(2.5)
Gain / (loss) on plan assets (excluding amounts in the net interest expense)	1.1	(4.4)
Foreign exchange	(1.8)	1.0
Market value of assets at 31 March	**49.2**	**48.1**
Actuarial value of liabilities at 1 April	**46.2**	**49.3**
Interest cost	2.5	2.4
Current service cost	0.2	0.3
Benefits paid	(2.7)	(2.5)
Actuarial gain arising from changes in financial assumptions	(0.9)	(4.7)
Actuarial loss from experience	0.3	0.6
Actuarial loss / (gain) from demographic assumptions	0.1	(0.2)
Foreign exchange	(1.8)	1.0
Actuarial value of liabilities at 31 March	**43.9**	**46.2**
Net pension asset	**5.3**	**1.9**
Analysis of amounts recognised in employee costs:		
Current service cost	(0.2)	(0.3)
	(0.2)	**(0.3)**

24. Pensions and other post-employment benefit plans (contd.)

Analysis of amounts recognised in other comprehensive income:	2026 €m	2025 €m
Gain / (loss) on plan assets (excluding amounts in the net interest expense)	1.1	(4.4)
Actuarial gain arising from changes in assumptions	0.6	4.1
Actuarial (loss) / gain from the change in demographic assumptions	(0.1)	0.2
	1.6	**(0.1)**

The actual return in Focus assets for 2026 amounted to a gain of €3.7m (2025 – €2.0m loss).

The major categories of Focus assets of the fair value of the total plan assets are as follows:

	2026 €m	2025 €m
Unquoted investments:		
- Equity investments	9.7	10.3
- Bonds	28.4	26.2
- Other	11.1	11.6
Total assets	**49.2**	**48.1**

Notes to the Consolidated Financial Statements

24. Pensions and other post-employment benefit plans (contd.)

The principal assumptions used in determining pension and post-employment medical benefit obligations for the EGNIPS Focus are shown below:

	2026	2025
Rate of increase in pensionable salaries	4.3% p.a.	3.9% p.a.
Rate of increase in pensions in payment	3.3% p.a.	3.1% p.a.
Discount rate	6.0% p.a.	5.6% p.a.
Inflation assumption (based on CPI)	3.3% p.a.	3.1% p.a.
Life expectancy:		
- current pensioners (at age 60) – males	26.8 years	26.6 years
- current pensioners (at age 60) – females	29.4 years	29.6 years
- future pensioners (at age 60) – males	28.3 years	28.2 years
- future pensioners (at age 60) – females	30.5 years	31.0 years

The life expectancy assumptions are based on standard actuarial mortality tables and include an allowance for future changes in life expectancy.

A quantitative sensitivity analysis for significant assumptions as at 31 March is as shown below:

Assumptions	**Sensitivity level**	2026 €m	2025 €m
Pensionable salaries	1% increase	0.1	0.3
	1% decrease	(0.1)	(0.3)
Pension payments	0.5% increase	2.4	2.8
	0.5% decrease	(2.2)	(2.5)
Discount rate	0.5% increase	(2.4)	(2.6)
	0.5% decrease	2.7	2.9

Notes to the Consolidated Financial Statements

24. Pensions and other post-employment benefit plans (contd.)

Assumptions	Sensitivity level	2026 €m	2025 €m
Inflation	1% increase	4.7	5.4
	1% decrease	(4.0)	(4.3)
Life expectancy of male pensioners	Increase by 1 year	0.7	0.7
	Decrease by 1 year	(0.7)	(0.7)
Life expectancy of female pensioners	Increase by 1 year	0.4	0.4
	Decrease by 1 year	(0.4)	(0.4)

The sensitivity analysis above has been determined based on a method that extrapolates the impact on net defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The following payments are expected contributions to be made in the future years towards the defined benefit plan obligation:

	2026 €m	2025 €m
Within the next 12 months (next annual reporting period)	0.2	1.7
Between two and five years	0.4	1.2
Between five and ten years	0.1	0.3
Total expected payments	**0.7**	**3.2**

The average duration of the defined benefit plan obligation at the end of the reporting period is 12 years (2025 - 12 years).

Notes to the Consolidated Financial Statements

25. Provisions

	Decommissioning Total €m
At 1 April 2024	**28.4**
Exchange adjustment	0.1
New plant commissioned	0.5
Unwinding of discount	0.9
Changes in the discount rate	(1.5)
At 31 March 2025	**28.4**
Exchange adjustment	(0.2)
New plant commissioned	0.6
Changes in estimates	25.2
Unwinding of discount	1.0
Changes in discount rate	(0.3)
At 31 March 2026	**54.7**
Non-current	**54.7**

Decommissioning

Provision has been made for decommissioning generation assets. The provision represents the present value of the current estimated costs of closure of the plants at the end of their useful economic lives. The provisions have been discounted using a weighted average rate of 3.6% (2025 – 2.9%) and are expected to be utilised within a period of one to twenty-five years.

The decommissioning provision increased year-on-year, driven by updated cost estimates and enhanced underlying assumptions.

Notes to the Consolidated Financial Statements

26. Financial assets and financial liabilities

Derivative financial instruments

Derivative financial assets	2026 €m	2025 €m
Derivatives at fair value through other comprehensive income		
Cash flow hedges:		
Foreign exchange forward contracts	0.6	2.2
Commodity swap contracts	161.1	40.3
Interest rate swap contracts	23.7	22.6
Total derivatives at fair value through other comprehensive income	**185.4**	**65.1**
Derivatives at fair value through profit and loss		
Derivatives not designated as hedges:		
Foreign exchange forward contracts	0.1	0.1
Commodity swap contracts	9.8	4.0
Total derivatives at fair value through profit and loss	**9.9**	**4.1**
Total derivative financial assets	**195.3**	**69.2**
Total current	126.9	19.3
Total non-current	68.4	49.9

Notes to the Consolidated Financial Statements

26. Financial assets and financial liabilities (contd.)

Derivative financial liabilities

	2026 €m	2025 €m
Derivatives at fair value through other comprehensive income		
Cash flow hedges:		
Foreign exchange forward contracts	(1.2)	(1.3)
Commodity swap contracts	(32.0)	(34.8)
Interest rate swap contracts	(0.7)	(0.3)
Total derivatives at fair value through other comprehensive income	**(33.9)**	**(36.4)**
Derivatives at fair value through profit and loss		
Derivatives not designated as hedges:		
Foreign exchange forward contracts	(0.1)	(0.1)
Commodity swap contracts	(4.8)	(3.7)
Total derivatives at fair value through profit and loss	**(4.9)**	**(3.8)**
Total derivative financial liabilities	**(38.8)**	**(40.2)**
Total current	(17.5)	(18.7)
Total non-current	(21.3)	(21.5)

26. Financial assets and financial liabilities (contd.)

The impact of the hedging instruments on the statement of financial position is, as follows:

Derivative financial assets

	Notional amount €m	Carrying amount €m	Line item in the statement of financial position
As at 31 March 2026			
Foreign exchange forward contracts	122.1	0.7	Derivative asset
Commodity swap contracts	172.8	170.9	Derivative asset
Interest rate swap contracts	308.1	23.7	Derivative asset
As at 31 March 2025			
Foreign exchange forward contracts	150.0	2.3	Derivative asset
Commodity swap contracts	147.1	44.3	Derivative asset
Interest rate swap contracts	303.7	22.6	Derivative asset

Derivative financial liabilities

	Notional amount €m	Carrying amount €m	Line item in the statement of financial position
As at 31 March 2026			
Foreign exchange forward contracts	186.1	(1.3)	Derivative liabilities
Commodity swap contracts	40.7	(36.8)	Derivative liabilities
Interest rate swap contracts	-	(0.7)	Derivative liabilities
As at 31 March 2025			
Foreign exchange forward contracts	135.6	(1.4)	Derivative liabilities
Commodity swap contracts	(107.4)	(38.5)	Derivative liabilities
Interest rate swap contracts	-	(0.3)	Derivative liabilities

Notes to the Consolidated Financial Statements

26. Financial assets and financial liabilities (contd.)

Hedging activities and derivatives

Cash flow hedges

Cash flow hedges are derivative contracts entered into to hedge a forecast transaction or cash flow risk generally arising from a change in interest rates, commodity prices or foreign currency exchange rates and which meets the effectiveness criteria prescribed by IFRS 9 Financial Instruments. The Group's accounting policy for cash flow hedges is set out in note 3.

Net derivative financial liabilities	2026 €m	2025 €m
Accumulated gain included in equity	151.5	28.7

The table below summarises the maturity of cash flow hedges:

	2026 €m	2025 €m
Derivative financial assets		
In one year or less	117.8	15.6
In more than one year but less than five years	24.6	12.9
In more than five years	43.0	36.6
Gains through other comprehensive income	**185.4**	**65.1**
Derivative financial liabilities		
In one year or less	(13.5)	(15.2)
In more than one year but less than five years	(12.9)	(18.2)
In more than five years	(7.5)	(3.0)
Losses through other comprehensive income	**(33.9)**	**(36.4)**
	151.5	**28.7**

26. Financial assets and financial liabilities (contd.)

The table below summarises the gains and losses recognised during the year:

	2026 €m	2025 €m
Net gain due to remeasurements	126.7	116.6
Gain transferred from equity to the income statement in respect of:		
Completed hedges	3.5	29.7
Recognised within:		
Operating costs	(6.0)	22.1
Finance costs	9.5	7.6
	3.5	**29.7**

Fair value through profit and loss

The Group has derivative contracts that are not accounted for as hedges under IFRS 9. The table below summarises the gains and losses recognised on these contracts in the income statement during the year.

	2026 €m	2025 €m
Net gain due to remeasurements	4.8	7.5

26. Financial assets and financial liabilities (contd.)

Fair values

As indicated in note 3(d) the Group uses the hierarchy as set out in IFRS 13 Fair Value Measurement for categorising financial instruments. A summary of the fair values of the financial assets and liabilities of the Group together with their carrying values shown in the balance sheet and their fair value hierarchy is as follows:

	2026 Carrying value €m	2026 Fair value €m	2025 Carrying value €m	2025 Fair value €m
Level 1				
Non-current liabilities				
Senior secured notes (2028)	(594.3)	(611.2)	(592.1)	(624.6)
Level 2				
Non-current liabilities				
Project financed bank facilities (NI)	(119.8)	(119.8)	(139.9)	(139.9)
Project financed bank facilities (RoI)	(173.0)	(173.0)	(143.7)	(143.7)
Current liabilities				
Project financed bank facilities (NI)	(14.7)	(14.7)	(14.4)	(14.4)
Project financed bank facilities (RoI)	(14.1)	(14.1)	(13.0)	(13.0)
Level 3				
Non-current liabilities				
Financial liabilities (contingent consideration)	(6.3)	(6.3)	(6.2)	(6.2)
Financial liabilities (lease liability)	(44.9)	(44.9)	(52.8)	(52.8)
Current liabilities				
Financial liabilities (contingent consideration)	(5.0)	(5.0)	(3.3)	(3.3)
Financial liabilities (lease liability)	(11.8)	(11.8)	(11.1)	(11.1)

26. Financial assets and financial liabilities (contd.)

The carrying value of cash, trade receivables, trade payables and other current assets and liabilities is equivalent to fair value due to the short-term maturities of these items. Contingent consideration is estimated as the present value of future cash flows disclosed at the market rate of interest at the reporting date. Derivatives are measured at fair value. There have been no transfers between hierarchy.

The fair value of the Group's project financed bank facilities (NI) and project financed bank facilities (RoI) are determined by using discounted cash flows based on the Group's borrowing rate. The fair value of the Group's Senior secured notes are based on the quoted market price. The fair value of interest rate swaps, foreign exchange forward contracts and commodity contracts have been valued by calculating the present value of future cash flows, estimated using forward rates from third party market price quotations.

The fair value of the Group's project financed bank facilities (RoI) and project financed bank facilities (NI) are a close approximation to their carrying value given that they bear interest at floating rates based on Euribor and Sonia respectively.

The fair value of contingent consideration is considered to fall within the level 3 fair value hierarchy and is measured using the present value of the pay-out associated with earnouts set out in the relevant purchase agreement. The carrying value of €11.3m is estimated to approximate to its fair value determined by using discounted cash flows based on the Company's borrowing rate.

The fair value of the lease liability is considered to fall within the level 3 fair value hierarchy and is measured using the present value of the future lease payments over the lease term. The carrying value of €56.7m is estimated to approximate to its fair value determined by using discounted cash flows based on the Company's borrowing rate.

Notes to the Consolidated Financial Statements

26. Financial assets and financial liabilities (contd.)

Financial risk management objectives and policies

A summary of the Group's financial management objectives and policies is set out in the financial control section of the Risk Management and Principal Risks and Uncertainties report. The following table summarises the maturity profile of the Group's trade and other payables, financial liabilities and derivatives based on contractual undiscounted payments:

	Within one year €m	1 to 5 years €m	>5 years €m	Total €m	Carrying Value Total €m
Year ended 31 March 2026					
Trade and other payables (excluding tax and social security)	(663.9)	-	-	(663.9)	(663.9)
Financial liabilities (excluding leases)	(91.6)	(834.6)	(223.0)	(1,149.2)	(929.8)
Financial liabilities - leases	(13.7)	(15.6)	(53.9)	(83.2)	(56.7)
Derivatives at fair value through other comprehensive income	(13.6)	(15.3)	(7.5)	(36.4)	(33.9)
Derivatives at fair value through profit and loss	(4.0)	(0.9)	-	(4.9)	(4.9)
	(786.8)	**(866.4)**	**(284.4)**	**(1,937.6)**	**(1,689.2)**
Year ended 31 March 2025					
Trade and other payables (excluding tax and social security)	(602.8)	-	-	(602.8)	(602.8)
Financial liabilities (excluding leases)	(87.9)	(869.5)	(200.2)	(1,157.6)	(915.1)
Financial liabilities - leases	(13.7)	(25.3)	(54.5)	(93.5)	(63.9)
Derivatives at fair value through other comprehensive income	(15.3)	(20.0)	(3.0)	(38.3)	(36.4)
Derivatives at fair value through profit and loss	(3.4)	(0.4)	-	(3.8)	(3.8)
	(723.1)	**(915.2)**	**(257.7)**	**(1,896.0)**	**(1,622.0)**

The disclosed financial derivative instruments in the above table are the gross undiscounted cash flows. However, those amounts may be settled gross or net.

26. Financial assets and financial liabilities (contd.)

Financial risk management objectives and policies (contd.)

At 31 March 2026, the Group is exposed to future changes in the fair value of unsettled derivative financial instruments and certain other financial liabilities. The sensitivity analysis for the market risks showing the impact on profit before tax and equity is set out below. These sensitivities are based on an assessment of market rate movements during the year and each is considered to be a reasonably possible range.

			Impact on profit		Impact on equity	
	Sensitivity	Change	Increase €m	Decrease €m	Increase €m	Decrease €m
At 31 March 2026						
Foreign exchange forward contracts	Euro exchange rate	+/-10%	-	-	10.0	(7.0)
Gas swaps	Price per therm	+/-10p	28.7	(28.7)	28.7	(28.7)
GB power swaps	Price per MWh	+/- £10	5.3	(5.3)	5.3	(5.3)
Carbon swaps	Price per Tonne	+/- €10	5.0	(5.0)	5.0	(5.0)
Interest rate swaps	SONIA / Euribor	+/- 0.25%	-	-	4.0	(4.0)
Project financed bank facilities (interest)	SONIA / Euribor	+/- 0.25%	(0.8)	0.8	(0.8)	0.8
Project financed bank facilities denominated in sterling	Euro exchange rate	+/-10%	(13.9)	13.9	(13.9)	13.9
Project financed bank facilities (fees)	Euro exchange rate	+/-10%	0.5	(0.5)	0.5	(0.5)

26. Financial assets and financial liabilities (contd.)

			Impact on profit		Impact on equity	
	Sensitivity	Change	Increase €m	Decrease €m	Increase €m	Decrease €m
At 31 March 2025						
Foreign exchange forward contracts	Euro exchange rate	+/-10%	-	-	8.9	(6.9)
Gas swaps	Price per therm	+/-10p	8.5	(8.5)	8.5	(8.5)
GB power swaps	Price per MWh	+/- £10	10.1	(10.1)	10.1	(10.1)
Carbon swaps	Price per Tonne	+/- €10	3.0	(3.0)	3.0	(3.0)
Interest rate swaps	SONIA / Euribor	+/- 0.25%	-	-	2.7	(2.7)
Project financed bank facilities (interest)	SONIA / Euribor	+/- 0.25%	(0.7)	0.7	(0.7)	0.7
Project financed bank facilities denominated in sterling	Euro exchange rate	+/-10%	(16.0)	16.0	(16.0)	16.0
Project financed bank facilities (fees)	Euro exchange rate	+/-10%	0.6	(0.6)	0.6	(0.6)

27. Share capital and reserves

	Number	£
Authorised shares		
A Ordinary shares of £1 each	46,678	46,678
B Ordinary shares of £2 each	905	1,810
C Ordinary shares of £1 each	1,512	1,512
D Ordinary shares of £0.01 each	4,000	40
At 31 March 2026	**53,095**	**50,040**
A Ordinary shares of £1 each	46,678	46,678
B Ordinary shares of £2 each	905	1,810
C Ordinary shares of £1 each	1,512	1,512
At 31 March 2025	**49,095**	**50,000**

	Number	£
Ordinary shares issued and fully paid		
A Ordinary shares of £1 each	4,020	4,020
B Ordinary shares of £2 each	905	1,810
C Ordinary shares of £1 each	1,088	1,088
D Ordinary shares of £0.01 each	-	-
At 31 March 2026	**6,013**	**6,918**
A Ordinary shares of £1 each	4,020	4,020
B Ordinary shares of £2 each	905	1,810
C Ordinary shares of £1 each	1,088	1,088
At 31 March 2025	**6,013**	**6,918**

27. Share capital and reserves (contd.)

Nature and purpose of reserves

Share capital and share premium

The balances classified as share capital and share premium represents the proceeds (both nominal value and share premium) on issue of the Company's equity share capital, comprising £1 A ordinary shares, £2 B ordinary shares, £1 C ordinary shares and £0.01 D ordinary shares.

Hedge reserve

The hedge reserve is used to record the unrealised gains and losses incurred on derivatives designated as cash flow hedges.

Foreign currency translation reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries.

Reserves

Analysis by item recognised in other comprehensive income for each component of equity.

	Foreign currency translation reserve €m	Cash flow hedge reserve €m	Retained earnings €m	Total Equity €m
2026				
Actuarial gain on defined benefit pension schemes (net of tax)	-	-	1.2	1.2
Exchange loss on translation of foreign operations	(21.0)	-	-	(21.0)
Net gain on cash flow hedges (net of tax)	-	101.3	-	101.3
Other comprehensive (loss) / income for the year	**(21.0)**	**101.3**	**1.2**	**81.5**

	Foreign currency translation reserve €m	Cash flow hedge reserve €m	Retained earnings €m	Total Equity €m
2025				
Actuarial loss on defined benefit pension schemes (net of tax)	-	-	(0.1)	(0.1)
Exchange gain on translation of foreign operations	13.1	-	-	13.1
Net gain on cash flow hedges (net of tax)	-	70.2	-	70.2
Other comprehensive income / (loss) for the year	**13.1**	**70.2**	**(0.1)**	**83.2**

28. Notes to group cash flow statement

28a. Operating activities

	2026 €m	2025 €m
Operating activities		
Profit before tax from continuing operations	9.5	139.7
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation of property, plant and equipment	66.4	57.7
Amortisation of intangible assets	18.0	15.1
Amortisation of right-of-use assets	11.8	11.6
Net impairment / (impairment reversal)	0.3	(57.5)
Other exceptional non-cash costs	91.7	-
Derivatives at fair value through income statement	(4.8)	(7.5)
Net finance costs	69.7	55.8
Defined benefit charge less contributions paid	(1.8)	(1.7)
Share of joint venture loss	10.9	0.6
Release of contingent consideration and other provisions	(0.1)	(1.1)
Release of government grants and other deferred income	(11.2)	(10.1)
Cash generated from operations before working capital movements	**260.4**	**202.6**

28b. Financing activities

Changes in liabilities arising from financing activities are shown in Note 29 'Analysis of Net Debt' and Note 30 'Leases'.

Notes to the Consolidated Financial Statements

29. Analysis of net debt

	Cash and cash equivalents €m	Debt due within one year €m	Debt due after more than one year €m	Total €m
At 1 April 2024	**404.2**	**(26.4)**	**(827.4)**	**(449.6)**
Net decrease in cash and cash equivalents	(109.1)	-	-	(109.1)
Proceeds from issue of borrowings	-	-	(73.7)	(73.7)
Repayment of borrowings	-	26.0	-	26.0
Issue costs on new long-term loans	-	0.4	2.1	2.5
Increase in interest accruals	-	0.8	-	0.8
Amortisation	-	(1.8)	(2.1)	(3.9)
Reclassifications	-	(28.6)	28.6	-
Translation difference	4.7	(0.3)	(3.2)	1.2
At 31 March 2025	**299.8**	**(29.9)**	**(875.7)**	**(605.8)**
Net increase in cash and cash equivalents	27.7	-	-	27.7
Proceeds from issue of borrowings	-	-	(45.2)	(45.2)
Repayment of borrowings	-	28.6	-	28.6
Issue costs on new long-term loans	-	1.6	-	1.6
Increase in interest accruals	-	-	-	-
Amortisation	-	(2.2)	(2.0)	(4.2)
Reclassifications	-	(30.1)	30.1	-
Translation difference	(8.0)	0.6	5.7	(1.7)
At 31 March 2026	**319.5**	**(31.4)**	**(887.1)**	**(599.0)**

29. Analysis of net debt (contd.)

Reconciliation of liabilities arising from debt financing activities:

	At 1 April 2024 €m	Cash flows €m	Effects of foreign exchange €m	Other €m	At 31 March 2025 €m
Senior secured notes (2028)	(590.0)	-	-	(2.1)	(592.1)
Project finance facilities	(260.4)	(45.2)	(3.6)	(1.8)	(311.0)
Interest	(3.4)	-	-	0.9	(2.5)
Total	**(853.8)**	**(45.2)**	**(3.6)**	**(3.0)**	**(905.6)**

	At 1 April 2025 €m	Cash flows €m	Effects of foreign exchange €m	Other €m	At 31 March 2026 €m
Senior secured notes (2028)	(592.1)	-	-	(2.2)	(594.3)
Project finance facilities	(311.0)	(15.0)	6.3	(1.9)	(321.6)
Interest	(2.5)	-	-	(0.1)	(2.6)
Total	**(905.6)**	**(15.0)**	**6.3**	**(4.2)**	**(918.5)**

Notes to the Consolidated Financial Statements

30. Leases

The Group has lease contracts for various items of land, buildings and motor vehicles used in its operations. Leases of land and buildings generally have lease terms between 5 and 25 years, while motor vehicles and other equipment generally have lease terms between 3 and 5 years.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

	Land and buildings €m	Motor vehicles €m	Total €m
As at 1 April 2024	**56.2**	**0.1**	**56.3**
Exchange adjustment	0.3	-	0.3
Remeasurement of right-of-use assets	0.9	-	0.9
Additions	7.4	-	7.4
Amortisation	(11.6)	-	(11.6)
As at 31 March 2025	**53.2**	**0.1**	**53.3**
Exchange adjustment	(0.6)	-	(0.6)
Reclassification	(0.2)	0.2	-
Remeasurement of right-of-use assets	0.9	-	0.9
Additions	3.4	0.1	3.5
Amortisation	(11.7)	(0.1)	(11.8)
As at 31 March 2026	**45.0**	**0.3**	**45.3**

30. Leases (contd.)

Set out below are the carrying amounts of lease liabilities included within financial liabilities (as disclosed in note 22) and the changes during the period:

	2026 €m	2025 €m
As at 1 April	**(63.9)**	**(65.5)**
Exchange adjustment	0.6	(0.4)
Remeasurement of lease liability	(0.8)	(0.9)
Additions	(3.5)	(7.4)
Accretion of interest	(3.1)	(3.6)
Payments	14.0	13.9
As at 31 March	**(56.7)**	**(63.9)**
Current	(11.8)	(11.1)
Non-current	(44.9)	(52.8)

The maturity analysis of lease liabilities is disclosed in note 26.

Other amounts recognised in the income statement:

	2026 €m	2025 €m
Variable lease payments	1.1	0.7
Total	**1.1**	**0.7**

Notes to the Consolidated Financial Statements

30. Leases (contd.)

There were no expenses during the year ended 31 March 2026 relating to leases of low-value assets. The Group had total cash outflows for leases of €14.0m for the year ended 31 March 2026 (2025 - €13.9m).

The Group is exposed to future cash outflows that have not been reflected in the measurement of lease liabilities, namely in relation to variable lease payments and extension options.

The Group has several lease contracts that are subject to an annual variable lease charge which is calculated as a percentage of gross revenues. The charges incurred in relation to variable lease payments for the year ended 31 March 2026 were €1.1m (2025 - €0.7m).

In the event the Group wishes to extend a lease contract beyond the current agreed term, then it shall have the option to extend on terms yet to be negotiated.

The Group shall also have the option to terminate lease contracts upon provision of sufficient notice. Upon the expiration of such notice, the lease shall cease without penalty.

31. Commitments and contingent liabilities

(i) Capital commitments

At 31 March 2026 the Group had contracted future capital expenditure in respect of tangible fixed assets of €12.0m (2025 - €30.3m) and intangible fixed assets of €0.3m (2025 - €2.0m).

(ii) Contingent liabilities

Protected persons

The Group has contingent liabilities in respect of obligations under the Electricity (Protected Persons) Pensions Regulations (NI) 1992 to protect the pension rights in respect of certain of its employees who were employees of NI Electricity plc at privatisation. Those Group employees who remain protected by the regulations have their pension rights provided through the Group's occupational pension scheme.

Liability and damage claims

In the normal course of business, the Group may have contingent liabilities arising from claims made by third parties and employees. Provision for a liability is made when the Director believes that it is probable that an outflow of funds will be required to settle the obligation where it arises from an event prior to the year end. The Group does not anticipate that any material liabilities will arise other than those recognised in the accounts.

32. Distributions made and proposed

On 28 April 2025 the Board approved the payment of a €40.0m dividend, at €9,950.25 per share, to the parent undertaking which was subsequently paid on 30 April 2025 (2025 - €110.0m).

This dividend was paid out of retained earnings, with the 'Solvency Test' being passed.

33. Share-based payments

Management Investment Plan (MIP)

Under the MIP, growth shares of the parent are granted to certain key management personnel of the Group. The fair value of the share options is equal to the intrinsic market price of the underlying shares on the date of grant. The shares vest over time and are subject to certain conditions including that the key management personnel continue to be employed by the Group at the vesting date.

The Group accounts for the growth shares as an equity-settled plan.

The expense recognised during the year is shown as follows:

	2026 €m	2025 €m
Expense arising from equity-settled share-based payment transactions	91.7	-
	91.7	**-**

Movements during the year

	C shares	D shares
Outstanding at 1 April 2024	-	-
Granted during the year	-	-
Forfeited during the year	-	-
Exercised during the year	-	-
Expired during the year	-	-
Outstanding at 31 March 2025	**-**	**-**
Granted during the year	363	4,000
Forfeited during the year	-	-
Exercised during the year	-	-
Expired during the year	-	-
Outstanding at 31 March 2026	**363**	**4,000**
Exercisable at 31 March 2026	**363**	**4,000**

The weighted average exercise price of the shares at issue date was €1 for C shares and €0.01 for D shares and the options have a remaining contractual life of 7 years.

34. Related party transactions

Equity accounted investees

The following table summarises the related party transactions of the joint venture entities as discussed in note 16.

	2026 €m	2025 €m
Sale of goods / services[1]	1.7	2.2
Purchase of goods / services	-	-
Amounts owed from equity accounted investees	0.3	1.4
Equity returned during the year	-	(2.1)

[1] Energia Group provided management and other professional services during the year to equity accounted investees as set out in the table above.

Transactions with key management personnel

Compensation of key management personnel of the Group was €7.0m (2025 - €7.4m) for short term employee benefits and €91.7m (2025 - €nil) relating to the fair value of conditional share options granted during the year totalling €98.9m (2025 - €7.4m).

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Appendix

8.

Appendix

The consolidated financial statements comprise the financial performance and position of the Group's Senior secured notes Restricted Group and its renewable asset portfolio which are separately project financed. The following tables set out the unaudited reconciliations for pro-forma EBITDA and net debt for the Senior secured notes Restricted Group.

Pro-forma EBITDA for the Senior secured notes Restricted Group

The following table shows the reconciliation of pro-forma EBITDA (pre-exceptional items and certain remeasurements) for the Senior secured notes Restricted Group:

Year to 31 March	2026 €m	2025 €m
Group pro-forma EBITDA	**329.1**	**323.5**
Less EBITDA from unrestricted assets	(74.6)	(63.0)
Pro-forma EBITDA for the Senior secured notes Restricted Group	**254.5**	**260.5**

All of the above amounts are pre-exceptional items and certain remeasurements

Pro-forma EBITDA for the Senior secured notes Restricted Group (pre-exceptional items and certain remeasurements) decreased to €254.5m (2025 – €260.5m) with stable underlying performance despite lower power prices across the year impacting Renewable PPAs. The Group's integrated energy margin remained stable, reflecting the continued effectiveness of the hedge between generation and supply activities.

Pro-forma net debt for the Senior secured notes Restricted Group

The following table shows the pro-forma net debt for the Senior secured notes Restricted Group:

As at 31 March	2026 €m	2025 €m
Cash and cash equivalents	277.9	267.8
Senior secured notes €600m (2028)	(594.3)	(592.1)
Interest accruals – Senior secured notes	(1.8)	(1.5)
Other interest accruals	(0.7)	(1.0)
Pro-forma net debt for the Senior secured notes Restricted Group	**(318.9)**	**(326.8)**

Glossary of terms

AI	Artificial Intelligence
BT	British Telecom
Capita	Capita Managed IT Solutions Limited
CCAC	Climate Change Advisory Council in the RoI
CCC	Climate Change Committee in the UK
CCGT	Combined-Cycle Gas Turbine
CCNI	Consumer Council for Northern Ireland
CfD	Contract for Differences
CFO	Chief Financial Officer
CGU	Cash Generating Unit
Choices	Money purchase pension arrangement for employees in the RoI
CO_2	Carbon dioxide
Company	Energia Group Limited
CPI	Consumer Price Index
CRM	Capacity Remuneration Mechanism
CRU	Commission for Regulation of Utilities
CSDDD	Corporate Sustainability Due Dilligence Directive
CSR	Corporate Social Responsibility
CSRD	Corporate Sustainability Reporting Directive
CU Greener Homes	Credit Union Greener Homes
DCEE	Department of Climate, Energy and the Environment
DfE	Department for the Economy
DHPLG	Department of Housing, Planning and Local Government
DMA	Double Materiality Assessment
DMAP	Designated Maritime Area Map
EBSS	Energy Bills Support Scheme
EAI	Electricity Association of Ireland
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortisation
ECL	Expected Credit Loss
EECs	Energy Efficiency Credits
EEOS	Energy Efficiency Obligation Scheme
EGNIPS	Energia Group NI Pension Scheme
EIR	Effective Interest Rate
Energia AIL	Energia All-Ireland League
EOM	Original Equipment Manufacturers
EPC	Engineering Procurement Construction
EPG	Energy Price Guarantee
ESB	Electricity Supply Board
ESG	Environmental, Social and Governance
ESI	Energy Storage Ireland
ESRI	Economic and Social Research Institute
EU	European Union
EU-UK TCA	EU-UK Trade and Cooperation Agreement
EV	Electric Vehicle
EY	Ernst & Young
Focus	Defined benefit section of EGNIPS
FRC	Financial Reporting Council
GB	Great Britain
GDPR	General Data Protection Regulation
Group	Energia Group Limited and its subsidiary undertakings
GW	Gigawatt
GWh	Gigawatt Hours
GIY	Grow It Yourself
HEC	Home Energy Check
HMRC	HM Revenue & Customs
HR	Human Resources
IASB	International Accounting Standards Board
IAS	International Accounting Standard
IBEC	Irish Business and Employers' Confederation
IESA	Irish Energy Storage Association
IFRIC	International Financial Reporting Interpretations Committee
IFRS	International Financial Reporting Standards
ICT	Information and Communication Technologies
ILC	Intermediate Length Contract

IRFU	Irish Rugby Football Union
ISAs (UK)	International Standards in Auditing (UK)
ISO	International Organisation for Standardisation
IWEA	Irish Wind Energy Association
KPI	Key Performance Indicators
kV	Kilovolt
LEU	Large Energy User
LRSA	Local Reserve Services Agreement
LTIR	Lost Time Incident Rate
MIP	Management Investment Plan
MTR	Minimum Tax Rate
MW	Megawatt
MWh	Megawatt hour
NCS	North Celtic Sea
NCSC	National Cyber Security Centre
NGO	Non-Governmental Organisation
NI	Northern Ireland
NIEN	Northern Ireland Electricity Networks Limited
NIHE	Northern Ireland Housing Executive
NIRO	Northern Ireland Renewable Obligation
NIS	National Information Security
NISEP	Northern Ireland Sustainable Energy Programme
NSAI	National Standards Authority of Ireland
OCI	Other Comprehensive Income
OECD	Organisation for Economic Co-operation and Development
OEM	Original Equipment Manufacturers
OFGEM	Office of Gas and Electricity Markets
OLEV	Office for Low Emission Vehicles
Options	Money purchase section of EGNIPS
ORESS	Offshore Renewable Electricity Support Scheme
p.a.	Per Annum
PEE	Primary Electrical Energy
PPA	Power Purchase Agreement
PPB	Power Procurement Business

PDR	Performance and Development Review
PSO	Public Service Obligation
PwC	PricewaterhouseCoopers
RA	Regulatory Authority
REFIT	Renewable Energy Feed-In Tariff scheme
REMIT	Regulated Energy Margin Integrity and Transparency
REPG	Renewable Electricity Price Guarantee
RESS	Renewable Electricity Support Scheme
RMC	Risk Management Committee
RNI	RenewableNI
RO	UK Renewable Obligation
ROC	Renewable Obligation Certificate
RoI	Republic of Ireland
RPI	Retail Price Index
RULET	Rural-Led Energy Transition
SDG	Sustainable Development Goal
SEAI	Sustainable Energy Authority of Ireland
SECR	Streamlined Energy and Carbon Reporting
SEE	Social, Environmental and Ethical
SEMC	SEM Committee
SEM	Single Electricity Market
SEMO	Single Electricity Market Operator
SIS	South Irish Sea
SME	Small or Medium-sized Enterprise
SMP	System Marginal Price
SOEF	Shaping Our Electricity Future
SPPI	Solely Payments of Principal & Interest
TSO	Transmission System Operator
TWh	TeraWatt Hours
UK	United Kingdom
UR	Utility Regulator
USA	United States of America
WACC	Weighted Average Cost of Capital
WEI	Wind Energy Ireland

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