Gresham House
Specialist investment

Powering the renewable energy transition

Gresham House Energy Storage Fund plc (GRID)

Interim Report for the six months ended 30 June 2026

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Highlights

NAV / NAV per Share

Jun 26	**£747.2mn / 131.30p**
Dec 25	**£645.0mn / 113.34p**
Jun 25	**£612.9mn / 107.71p**

Why is this important?

- Net Asset Value (NAV) reflects the fundamental value of the Company's assets
- It is the clearest single measure of the economic value of the Fund
- NAV per share expresses the Company's asset value on a per share basis, providing investors with a benchmark when considering an investment in the Company's shares

What we achieved in the period

- Growth in the NAV and NAV per share of 15.8%
- Driven by the revaluation of Cockenzie, Monets Garden and Elland 2 now that these projects are in construction

Operational MW / MWh

Jun 26	**1,072MW / 1,853MWh 1.73 hours**
Dec 25	**1,072MW / 1,701MWh 1.59 hours**
Jun 25	**945MW / 1,447MWh 1.53 hours**

Why is this important?

- Measures the size of the asset base currently capable of producing revenue, with a growing capacity reflecting a growing business
- Successfully taking projects through construction into commercial operations demonstrates the Manager's execution capabilities. The portfolio has grown from 70MW since the Company's IPO in 2018
- A larger operational base provides the scale and geographic coverage required for stronger market positioning

What we achieved in the period

- Growth of 8.9% in MWh
- Augmentations of two operational projects, adding 152MWh of capacity

Net debt / Net debt to NAV

Jun 26	**£171.4mn / 23%**
Dec 25	**£159.3mn / 25%**
Jun 25	**£111.8mn / 18%**

Why is this important?

- A prudent level of debt allows the Fund to create additional value for shareholders, by investing in a larger portfolio of assets and augmenting existing assets
- Net debt shows how much leverage the Fund is carrying after subtracting available cash
- Net debt to NAV indicates how large the debt arrangements are relative to the Fund's asset value
- The Fund's investment policy limits its leverage to a maximum of 50% of NAV

What we achieved in the period

- Secured senior project-level financing and an export credit agency facility of £141mn and £30mn respectively to finance the construction of the three new projects

Highlights

Revenue / revenue per MW[1]

Jun 26	**£34.7mn / £63,200 per MW**
Dec 25	**£28.6mn / £62,600 per MW**
Jun 25	**£31.7mn / £75,100 per MW**

Why is this important?

- Revenue demonstrates how effectively operational capacity is being monetised
- Revenue per MW reveals the revenue rate of the portfolio per unit of capacity

What we achieved in the period

- Revenue growth of 9.5% driven by an increase in operational capacity (MW)
- The Manager signed an agreement with a route-to-market provider for a scaled roll out in H2 2026 of its Alternative Revenue strategy (see page 17) to drive further revenue upside relative to the market

Contracted revenues / per MW[2] / as a percentage of total revenues

Jun 26	**£20.6mn / £38,800 per MW / 61%**
Dec 25	**£12.7mn / £27,900 per MW / 45%**
Jun 25	**£11.1mn / £26,200 per MW / 35%**

Why is this important?

- Contracted revenues are the sum of tolling, floor and Capacity Market revenues and demonstrate the security of the revenue base and therefore the cash flows of the Fund
- Higher contracted revenues give greater certainty over minimum cash generation levels in the portfolio in the future

What we achieved in the period

- 528MW operating under existing tolling agreements
- Within the operational portfolio, long-term floor-revenue agreements covering 175MW have now commenced

EBITDA / EBITDA margin[3]

Jun 26	**£23.5mn / 68%**
Dec 25	**£18.3mn / 64%**
Jun 25	**£20.5mn / 65%**

Why is this important?

- Reflects the portfolio's profitability and cash generation from core operations to invest in future projects or distribute to shareholders
- Underpins operating cash flow, debt covenants and dividend cover levels achievable
- Improving EBITDA supports access to debt capital, improves credit metrics and provides extra cash for distributions

What we achieved in the period

- EBITDA growth of 14.5% compared to H1 2025 from a combination of revenue rate, cost-base efficiencies and operational capacity increases
- Decreased insurance costs drove greater cost-base efficiency of the portfolio
- Increased average duration of the portfolio projects lowered cost per MWh

1. Total revenues of GRID attributable portfolio
2. Contracted revenues include Capacity Market, tolling and floor-revenue contracts
3. EBITDA of GRID attributable portfolio

Operational highlights

- **NAV per share rose to 131.30p** as at 30 June 2026 (31 December 2025: 113.34p). The biggest driver of the increase was the revaluation of the 397MW of projects under construction on a discounted cash flow (DCF) basis, having been previously held at cost.
- **397MW of new projects acquired and under construction.** The first three pipeline projects, Cockenzie, Monets Garden and Elland 2, reached financial close in May 2026 having raised £141mn of senior project finance across all three projects and agreed a further £30mn in export credit agency-backed facilities for Cockenzie and Monets Garden. Construction is now under way, with target energisation in H2 2027 for Monets Garden and Elland 2, and H1 2028 for Cockenzie.
- **Additional 777MW of new projects conditionally acquired.** In May 2026, the Company signed conditional agreements to acquire Ocker Hill (240MW), Lister Drive (57MW) and Rayleigh (480MW).
- The **1,174MW of new projects** described above will more than double the size of the Company's operational portfolio, once built and energised.
- **Underlying financial performance up year on year.** GRID's portfolio generated revenues of £34.7mn and EBITDA of £23.5mn in H1 2026, up 9.5% and 14.5% respectively from H1 2025, despite certain assets being offline some of the time for maintenance and scheduled augmentation works.
- **Augmentation programme progressing well**. 350MWh of augmentations are being installed across eight assets, which will take the portfolio's average duration to c.2.0 hours. By 30 June 2026 the augmentations of Glassenbury and Stairfoot had been completed, adding 152MWh to operational capacity.
- **Strategic Joint Venture endorses GRID's valuations.** In May 2026, the Company announced a strategic partnership with Summit Transition Partners (STP), which is a joint venture between Sumitomo Corporation and TPK Holdings. STP has taken 25% stakes in Cockenzie, Monets Garden and Elland 2, at a premium to the carrying value, has exclusivity to take a 25% interest in Lister Drive and Ocker Hill, subject to contract, and has a right of first offer over the Rayleigh project. The terms of these transactions support GRID's valuation methodology.
- **Ofgem's provisional list of Long Duration Energy Storage (LDES) 25-year contract awards included a 145MW contract for Ocker Hill.** On 26 June 2026, Ofgem provisionally included Ocker Hill in its list of projects set to receive 25-year cap and floor contracts under the UK Government's LDES scheme, for a 145MW / 1,160MWh eight-hour configuration. The award would bring long-term, Government-backed, index-linked revenues into the portfolio. Final awards are expected in autumn 2026.
- **Alternative Revenues trial exceeded expectations.** Launched in December 2025, the trial delivered £23 per MWh, well ahead of the £5-10 expected at scale. In May 2026, the Company finalised a contract with a route-to-market provider in order to scale up capacity targeting 20MW by the end of 2026 and we aim to step up capacity significantly in 2027. We expect to adapt the strategy from time to time, to reflect opportunities as they arise, and still anticipate an additional EBITDA contribution of £25mn from this revenue stream in time. We see this opportunity as one of the highest returning uses of capital available to the Company. At the expected end-2026 level of at least 20MW capacity, the impact of Alternative Revenues is not expected to be material to the Company and, as such, there is currently no inclusion of Alternative Revenues in the Company's NAV.

Market highlights

- **Structural demand for BESS continues to grow.** Global storage additions hit a record 112GW / 307GWh in 2025, up 48% on 2024[4], as batteries displace retiring thermal plant as the primary source of system flexibility. In Great Britain, network constraint costs of £1.9bn in 2024/2025 (71% of total balancing costs)[5] evidence the scale of the requirement. The GB operational BESS fleet reached c.7.6GW (GRID: 1.1GW) at the end of H1 2026, well short of the 22GW of BESS targeted by 2030 under the Government's Clean Power 2030 Action Plan and NESO's Future Energy Scenarios, supporting a sustained growth opportunity for established operators.
- **BESS secures a place in the LDES cap and floor regime.** On 26 June 2026, Ofgem published its "minded to" decision for Window 1 of the LDES cap and floor scheme.

  The regime establishes a long-term, Government-backed, index-linked revenue framework and is a significant step in the maturing of the sector's contracted revenue landscape. The outcome is encouraging for BESS technology as most of the 16 projects selected, and about half the 7.65GW capacity, were Lithium-ion BESS.
- **NESO reforms continue.** NESO has continued its staged launch of its Open Balancing Platform (OBP). Specifically, Dynamic Containment, Dynamic Moderation and Dynamic Regulation (the suite of Frequency Response services) have been dispatched directly within OBP since January 2026, and from April 2026 NESO began introducing optimised dispatch within constraints in the control room. Further improvements to NESO's capabilities to dispatch batteries are expected in November 2026 when GC0166 goes live, removing the 30-minute rule restriction for batteries which is expected to improve Balancing Mechanism (BM) revenues.

  The Company continues to engage with NESO, directly and through industry bodies, with advocacy for the full utilisation of BESS in the BM, as well as on other topics. We are pushing NESO hard to finally create the level playing field promised under the Electricity Act, allowing BESS and all technologies to compete head-to-head at the same time.
- **Connections reform delivering certainty for the progressed projects.** NESO's Gate 2 process has continued, with the reissuance of connection offers through H1 2026. All of GRID's pipeline projects hold Gate 2 protected status (defined as being guaranteed connection dates before 2035), with confirmed connection dates of 2027 for Cockenzie, Monets Garden and Elland 2, and 2029 for Ocker Hill and Lister Drive. Rayleigh is due to receive confirmation of its connection date in the next few months and is expected to have a 2029-2030 connection.
- **Merchant revenues variable; contracted revenues demonstrating their value.** Merchant revenue conditions were mixed over the period, with the operational fleet achieving an average revenue rate of £63,200 per MW in H1 2026, ahead of the Modo Energy GB BESS Index performance of £59,000 per MW[6], but below the H1 2025 GRID portfolio performance of £75,100/MW. This outperformance on the Modo Energy Index of c.7% reflects the Manager's asset optimisation and the growing contribution of contracted income providing revenue stability during a period of lower BESS market revenues. The Company's tolling, floor and Capacity Market contracts continued to provide downside protection and revenue visibility, underpinning the portfolio's debt service and cash generation irrespective of short-term merchant conditions.

4. BloombergNEF, "Energy Storage Enters the 100-Gigawatt Era: Three Things to Know", May 7, 2026
5. NESO, 2025 Annual Balancing Costs Report, 12 June 2025
6. Modo Energy, ME BESS GB Index H1 2026 Performance, 30 June 2026

Chair's statement

On behalf of the Board, I am pleased to present the Interim Report and Accounts of Gresham House Energy Storage Fund plc ("GRID", the "Fund" or the "Company") for the six months ended 30 June 2026.

Execution of Growth Plan

The first half of 2026 marked the transition of our Growth Plan from preparation to delivery. In the space of six months, the Company acquired or conditionally acquired over one gigawatt of new capacity, fully funded the first three projects totalling 397MW and put them into construction.

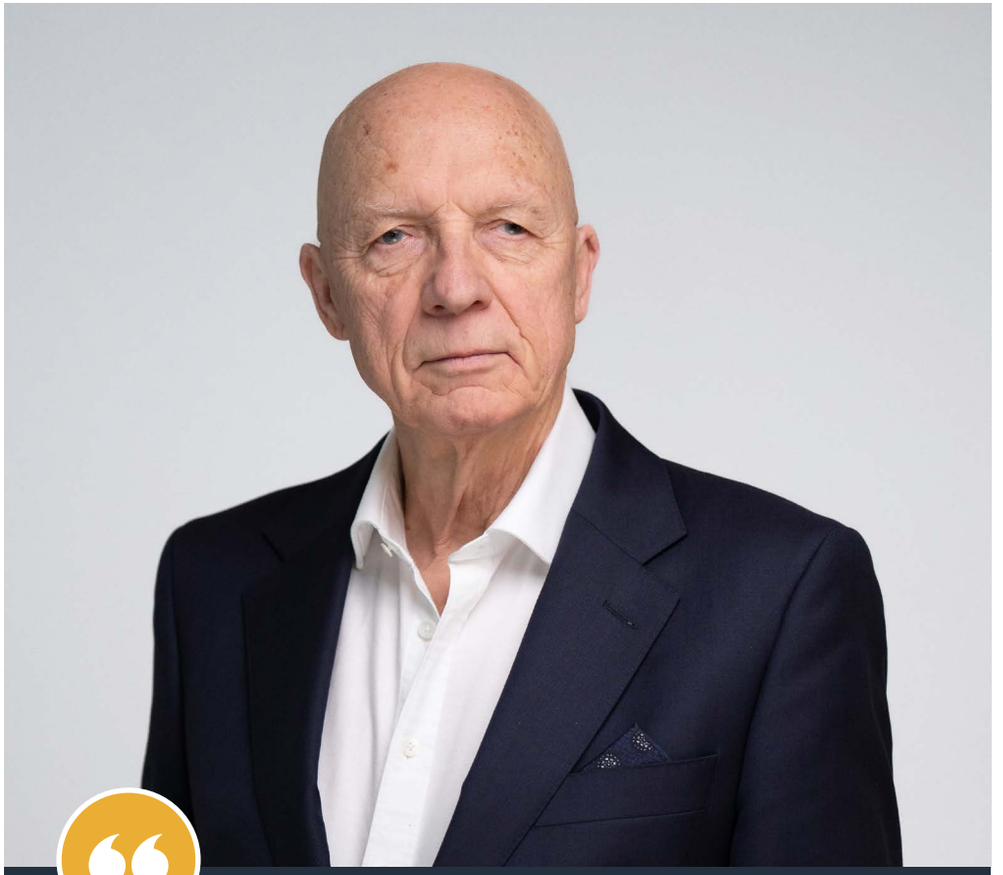
We also made solid progress with augmentations of the existing portfolio and successfully completed a trial of the Alternative Revenues strategy.

We took each of these steps with one objective: to grow the Company's earnings and NAV and deliver tangible value for shareholders. Our progress in the period is reflected by the increase in the Company's NAV of 15.8% to 131.30p per share at 30 June 2026, up from 113.34p at 31 December 2025, an early sign of the value that begins to crystallise as projects move into construction.

Revising our Growth Plan to maximise capital efficiency

At our Capital Markets Webinar in May, the Manager presented a revised set of targets for the Company's Growth Plan. New projects can source capital more efficiently than augmentations, particularly debt capital. As a result, our Growth Plan is now more ambitious on the new project front, with the addition of the Rayleigh project (480MW) largely offsetting a reduction in planned augmentations on the existing portfolio. The updated plan also takes account of the delays in getting connection offers back, in the context of NESO's Queue Reform.

The revised plan requires only c.£25mn of equity, against the c.£300mn envisaged under the previous plan. The trade-off is a modestly lower EBITDA annualised target of £141mn, compared with £150mn previously, which is targeted to be realised in late 2029.



"Battery storage is strategically vital infrastructure for the UK's energy security and its transition to clean power, and GRID remains the sector's largest and most-established listed owner-operator."

Chair's statement

Fundraising for new projects

We are proud to have unlocked growth by raising equity and debt at the project level, rather than through the issue of new shares to raise equity capital at the plc level.

Specifically, the first three pipeline projects secured £141mn of senior project finance, covering up to 70% of project costs. We also agreed export credit agency-backed facilities, the first of their kind in the UK BESS market. This will fund half of the BESS cost for Cockenzie and Monets Garden.

Finally, we formed a new strategic partnership with Summit Transition Partners (STP), which acquired 25% stakes in Cockenzie, Monets Garden and Elland 2 in June 2026. This transaction minimises the equity capital required from GRID and improves the return on capital for our shareholders.

Beyond the capital provided, this deal is pivotal to the Company's growth for two reasons. First, STP acquired its stakes at a premium to the development rights, an independent valuation of the inherent worth of these assets. Second, it creates a platform with a long-term strategic partner with which GRID can continue to pursue its growth agenda. We look forward to working with STP for many years to come.

BESS are moving to longer duration

We have been tracking several market innovations which point to a "long-duration future", meaning BESS systems with at least an 8-hour duration.

Shortly before the period end, Ofgem provisionally awarded Ocker Hill a 25-year cap and floor contract under the Long Duration Energy Storage scheme, for a 145MW / 1,160MWh 8-hour configuration. Ofgem's cap and floor acknowledges the country's need for systems of an 8-hour-plus duration to address longer periods of weak or excess renewable generation.

Simultaneously, we are seeing manufacturers evolve BESS designs to a longer duration which, due to their gentler charge and discharge cycling, can be simpler and last longer. This reduces the upfront costs of these systems, on a cost per MWh basis.

The combination of the market's need for LDES, the emerging availability of low-cost systems and visible revenues for such designs is pointing us in this direction and we look forward to reporting on this further.

Portfolio financial performance and NAV growth

Underlying portfolio revenues and EBITDA in H1 2026 of £34.7mn and £23.5mn respectively were 9.5% and 14.5% higher than H1 2025, despite certain assets being intentionally offline for augmentation as well as maintenance works. Revenue growth was primarily driven by the increase in operational MW capacity, with revenue generated per operational MW[7] decreasing to £63,200 / MW versus £75,100 / MW in H1 2025. With 152MWh of augmentations completed in H1 2026, 54MWh completed in Q3 2026, and a further 144MWh in augmentations across four assets ongoing, the portfolio's average duration will be lifted to around two hours, increasing the revenue-earning capability, all else being equal.

Meanwhile, the trial of our Alternative Revenues strategy exceeded expectations, more than doubling revenues on a pilot trial capacity without displacing existing income. We look forward to scaling this and generating a more meaningful contribution in future periods.

NAV per share rose 15.8% in the first half of the year to 131.30p, driven principally by the revaluation of the three new projects, following the completion of financing and beginning of construction. This revaluation reflects value crystallising as the projects de-risk; the earnings from these assets will follow once they are completed and begin to generate.

7. Revenue generated per operational MW excludes income earnt from liquidated damages and is based on the full 1,072MW of operational assets.

Chair's statement

Capital allocation and dividend

The Board's capital allocation priorities are unchanged. During this growth phase, we are directing free cash flow towards new construction, including augmentations, which we believe will generate substantially greater long-term value for shareholders than distributions would do today.

In line with the policy set out in 2025, the Company intends to pay a dividend of at least 0.25p per share in 2026 in respect of FY2025 earnings. The Board will review the capital allocation policy at the end of 2026.

Outlook

The Company enters the second half of 2026 with construction under way on 397MW of fully funded new capacity, a progressing augmentation programme, a strategic partner providing equity for further growth, and a proven process for funding additional projects. The priorities for the remainder of the year are clear: to drive value from our operational asset base, to deliver the construction and augmentation programmes on time and on budget, to conclude the financing and acquisition of the remaining pipeline, advance the LDES award at Ocker Hill towards delivery, and to progress the Alternative Revenues strategy towards scale. Each of these will translate directly into earnings and NAV per share.

Battery storage is strategically vital infrastructure for the UK's energy security and operationally necessary in its transition to clean power, and GRID remains the sector's largest and most established listed owner-operator. The first half of 2026 has also continued to show the Manager's ability to innovate and to reshape the plan as opportunities evolve, whether through a financing template new to the market, an early move into long-duration storage, or growing the Alternative Revenues stream. That adaptability continues to position the Company to keep capturing the most attractive opportunities as the sector continues to develop. The Board remains confident that the delivery of our plan will translate into tangible, sustainable, and attractive total returns for shareholders.

John Leggate, CBE, FREng
Chair

22 September 2026

Business model

The role we play in the energy transition and energy security

Demand for electricity is growing but supply is becoming much more dynamic

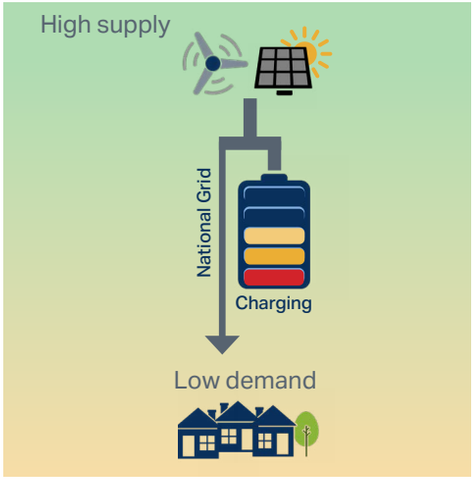
Electricity flows need balancing in real time; what flows onto the network must be allowed to flow out. However, the transition from fossil fuel-based electricity generation to renewable generation makes this balancing more challenging. Renewable generation is dependent on fluctuating wind and solar generation, and its output can vary from 0% to 200% of its average. With renewable generation becoming a larger part of the mix – we are currently at 36.2% solar and wind[8], heading to 75% by 2030[9] – Great Britain's electricity supply is becoming increasingly intermittent and variable.

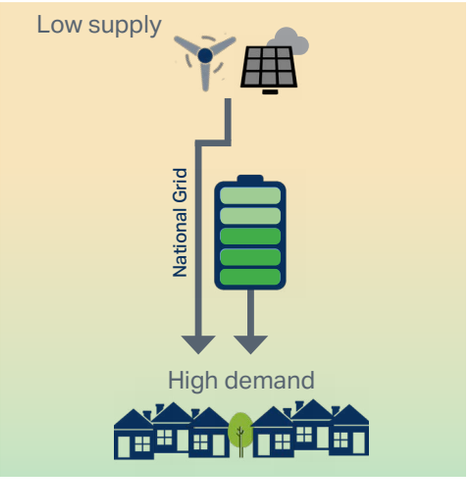
This unpredictable supply must be matched exactly with demand that varies significantly by time of day and season. Demand is increasing after years of stagnation as electrification takes hold with electric vehicles, heat pumps and other technologies being adopted. Indeed, there are also new sources of significant demand, in particular data centres.

8. https://neso.energy/news/britains-energy-explained-2025-review

9. NESO report: Future Energy Scenarios, Holistic Transition

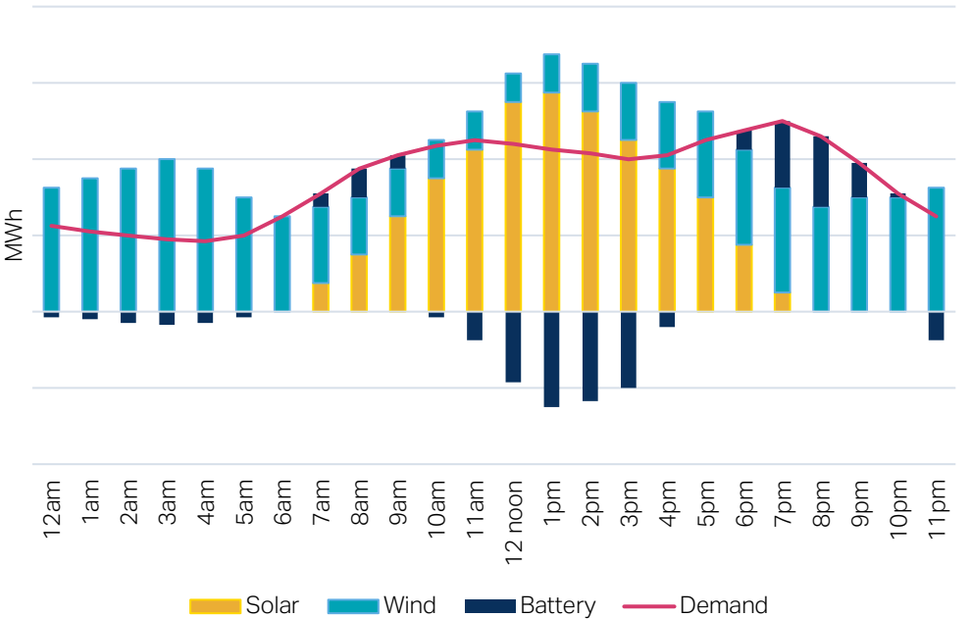
The simple diagram below demonstrates how BESS can be used to support the energy system in this way:





Balancing can also be used to manage network constraints which arise when more energy is generated at a site than the connection can transmit to where it is needed. Constraints may occur at the local distribution network level or the national level. For example, the B6 Boundary constraint negatively affects the transmission of energy from Scotland to England. Whilst Scotland has abundant wind resource, GB energy demand is primarily in population centres in England. By having BESS capacity on either side of a constraint, BESS can charge up on the constraint side with the excess power that would otherwise be lost and then transfer the power through once the constraint is lifted. The battery on the other side of the constraint can then charge up, if required, to use that power later. This arrangement can save costs to end consumers by avoiding construction of expensive transmission capacity.

The example below demonstrates how a BESS asset may be used to balance renewable power on a given day to ensure more of the generation is utilised in the system.



Business model

BESS capacity is now large enough to provide significant flexibility

To date, the small scale of legacy BESS has meant that gas-fired generation has provided much of the flexibility in the system. There has been insufficient BESS capacity to meaningfully replace gas when renewable generation is low, while excess generation has resulted in curtailment, with renewable generation being turned down or off.

However, BESS capacity today has reached c.7.6GW. With power demand varying between a low in the year of 13GW and a peak of 46GW[10], this means BESS is now capable of providing significant flexible capacity, albeit currently for relatively short periods. Once Government-backed plans for energy storage of c.30GW have been achieved (c. two-hour BESS and longer-duration storage[11]), the ability to replace gas-fired generation's role with storage will be all but complete.

BESS's role will only become more important, as:

- the gas fleet is ageing, and it will not be possible to fully rely on it into the 2030s;
- the legacy nuclear fleet is in decline and new installations are delayed further;
- while renewables continue to grow, less gas-fired generation will be required – it is likely to be periodically offline, increasingly expensive to ramp up from a cold state, and vulnerable to international prices; and
- gas only provides half the answer, as it does not store excess renewable generation and only steps in when renewables generate too little power.

10. https://www.neso.energy/news/britains-energy-explained-2025-review

11. CP30 Action plan targets for LDES and Batteries

BESS are the cheapest, most efficient and most effective technology at using otherwise wasted wind and solar power, making them the preferred practical solution to the balancing, and "firming up" in industry parlance, of renewable generation.

The Fund has sought to lead the way in energy storage's role in the energy transition. Currently, the Company has a leading market share, which it intends to exploit as it continues to grow, reaping the benefits of scale that this influential position brings – from procurement advantages to full-scale operational teams.

In summary:

- Renewable generation is inherently more volatile than the dispatchable generation mix of the past.
- BESS enables more of the excess generation that would otherwise be lost, to be stored and then used when demand is higher than supply.
- As we transition to a clean energy system, balancing the grid is becoming increasingly complex for the NESO control room. Recent automations of its platform, the addition of trading algorithms and increased real-time data from sites are all aiding long-term implementation solutions.
- A system built on renewables and BESS will avoid carbon costs and significantly reduce reliance on mainly imported fossil fuels.
- BESS has a critical role to play in UK national energy security and resilience as we move towards energy and reduce our dependence on imported natural gas and hydrocarbon fuels.

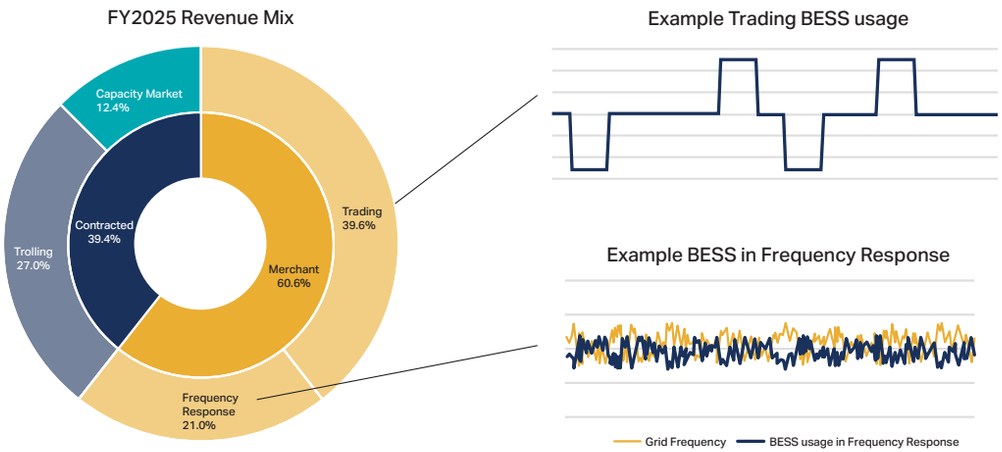
Business model

How storage assets generate revenue

BESS assets earn revenues from three main sources:

1. Capacity Market (CM) – the Government created the Capacity Market to ensure the country always has enough supply to meet demand. Capacity providers, such as BESS operators, are awarded contracts of up to 15 years to make capacity available when the system is short of power. These contracts are fixed price, CPI-linked and based on the capacity and duration of a BESS site. The delivery requirement is to provide the contracted capacity when called upon.
2. Trading – in its simplest form, this is buying and selling power. This is typically seen as larger blocks of imports and exports, often at full connection capacity. Trading can come in numerous forms, some of which are summarised below:
   a. Wholesale trading – buying and selling large amounts of energy ahead of time, typically day-ahead or within-day.
   b. Balancing Mechanism (BM) – NESO uses the BM to balance electricity supply and demand. The BM is a real-time market where participants state a price to bid (import or reduce export power) or offer (export or reduce import power). The NESO control room decides which actions to take and sends instructions to run. This can offer wider pricing opportunities for BESS owners but is hindered by the current inefficiency of asset selection in the control room.
   c. Reserve services – in these services, site capacity is reserved by NESO ahead of time for a fee. If required, sites must run at the agreed power output. In addition to the availability fee, assets are paid for the power they deliver and must also pay for the power they use, as with typical trades. Reserve services are sometimes grouped with Frequency Response, due to the availability fee received for being reserved ahead of time. However, we include this in trading, as it is a route to accessing additional trading volumes with the control room and hence is often considered alongside the BM.
3. Frequency Response (FR) – a range of Frequency Response products run by NESO, specifically Dynamic Containment (DC), Dynamic Moderation (DM) and Dynamic Regulation (DR). Each of these services aims to manage the deviation of the frequency on the electricity grid, which is only allowed to deviate by small margins from 50Hz. BESS assets respond to the live changes in frequency of the grid and add extra power when the frequency falls or charge / import when frequency goes too high. For providing this service, BESS assets receive an availability fee for the contract period. The net cost of the imports and exports typically reduces the amount of revenue achieved but, in some instances, can be profitable in itself.

These services are characterised by an inverse output from the site compared to the frequency on the system (see below):



Note: Other ancillary services are available and new ones will no doubt arise in future. They typically follow a similar approach with a service or availability fee for delivering the services required on the grid. Today, we mostly operate in Frequency Response services.

Asset optimisers are counterparties who deal with the day-to-day operations of a site and how it makes money. They decide between trading and Frequency Response and perform the trades and enter relevant services, with the aim of optimising revenue generation. They are typically paid through a revenue share and hence incentivised to achieve the best results for an asset. We use a variety of traders in our portfolio, all of which are unaffiliated third parties, to ensure broad coverage and expertise in the market. This enables us to diversify, benchmark and rotate providers to ensure we are getting the most out of our portfolio.

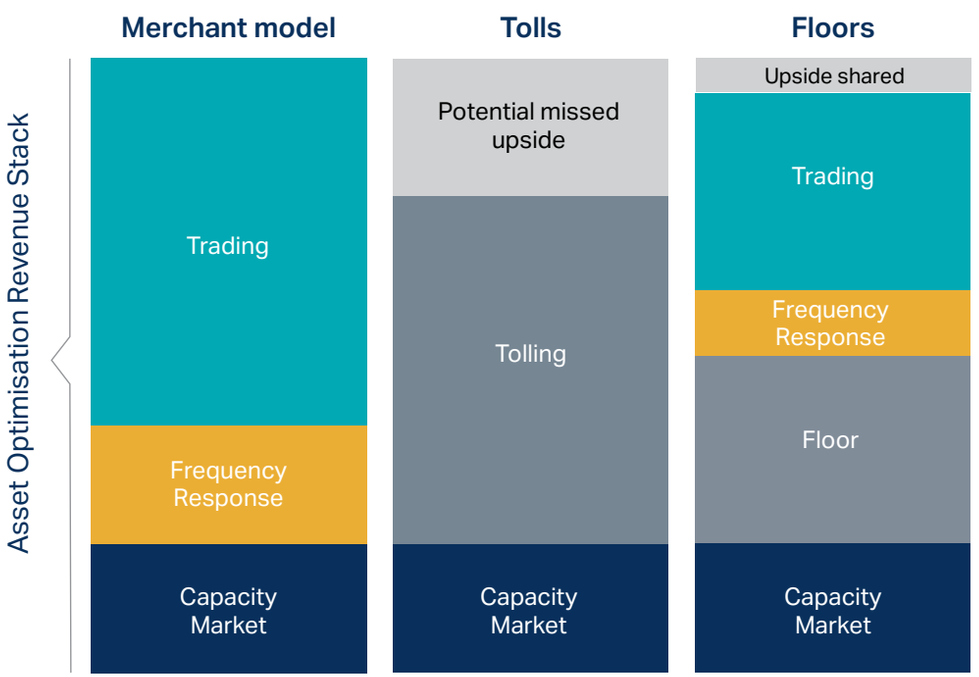
GRID enters assets into long-term contracts such as Capacity Market, tolling and floor agreements (see below). The Manager reviews all these options to ensure the right blend of risk and reward from the portfolio.

Business model

Contracting merchant cash flows

GRID has led the industry in pioneering the biggest developments in the last two years: contracting away merchant exposure – reducing or replacing the variable revenue from trading and Frequency Response with de-risked revenue streams. The two main options for converting merchant revenues to contracted revenues are tolls and floors:

1. **Tolls** – these replace the entire merchant revenue potential of a site for an agreed fee. This removes risk around merchant revenue levels but can give away some upside in a well-performing merchant environment. These contracts often have performance requirements for ensuring the site is available. GRID announced a landmark tolling arrangement in 2024 with Octopus Energy, to contract 568MW of the operational portfolio for two years (subsequently reduced to 528MW). These contracts guarantee revenue levels and are therefore preferable in a low-revenue environment, such as in 2024, or where pricing is attractive relative to the merchant revenue rates expected.



2. **Floors** – these contracts guarantee a minimum revenue level for an asset, with upside above that level shared between the asset owner and the optimiser / contract counterparty. The fee share on our contracts is a small increase on the typical profit share with optimisers. In such contracts, we are protected on the downside whilst maintaining exposure to the upside. The revenue guaranteed in a floor is typically lower than for tolls, as revenues are then shared above the floor level. GRID has entered into multi-year floor contracts on many of the operational portfolio assets and new project pipeline projects.

In each case, the assets are still optimised in the same way and have the same operational parameters for the optimiser of the asset. The increased certainty of revenues means that adding these contracts enables the Fund to secure more cost-effective and longer-term debt funding for building new assets, whilst in the case of floors, giving away only a small amount of upside.

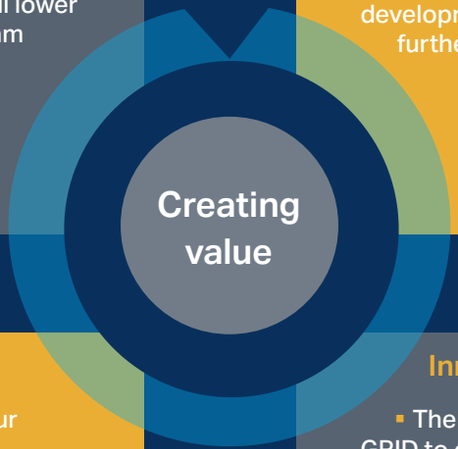
Business model

Develop and acquire

- Gresham House has a dedicated early-stage development team, carrying out most of the initial project work (planning, land, grid connections and initial design). This is beneficial to GRID, as it can specify exactly what is needed for the optimal investment and has transparency early in the process on what it is acquiring.
- GRID benefits from projects developed by Gresham House on beneficial terms, whilst Gresham House benefits from having an agreed offtake route for projects. This ensures consistent pricing for project rights and enables the Fund to avoid costly market transactions, leading to an overall lower cost to acquire and build projects. Projects acquired from Gresham House are subject to benchmarking and an external valuation opinion.
- Gresham House's in-house development of projects gives our Board long-term visibility over an attractive, exclusively held pipeline.

Procure, design and build

- Gresham House's construction expertise and connections mean projects are carefully designed based on our cumulative knowledge, avoiding costly delays, overruns, and ensuring a best-in-class asset.
- Our operational portfolio provides a vast amount of data, enabling insights from the operations team to feed into the design of new sites, helping drive improvements.
- GRID's scale enables us to secure competitive pricing on equipment and construction contracts. The scope of the pipeline through in-house development provides increased clarity on long-term opportunities, further incentivising contractors and suppliers to support our aims.



Operate and enhance

- Commercial and technical asset management teams maximise our assets' operational performance.
- Data from the large portfolio of operational assets informs day-to-day optimal performance.
- Significant operational scale allows us to extract better pricing on optimisation agreements, ensuring we take a larger proportion of revenues generated.
- Financial expertise and commercial acumen of the Manager have enabled the Fund to implement novel routes to market such as tolls and floors, providing an improved balance of risk and reward for shareholders during more turbulent periods in the market.
- GRID is a leader in industry groups such as the Energy Storage Network and the Battery Storage Coalition and is a vocal advocate for BESS in the wider market.

Innovate and Lead

- The Manager's market insight and commercial expertise have enabled GRID to create new routes to market. We have secured tolls and long-term floor agreements, introducing contracted revenues to a market that had been almost entirely merchant. Our Alternative Revenues strategy builds an entirely new revenue stream that is additive to conventional trading.
- Gresham House's financing experience has enabled GRID to access forms of capital not previously available to the sector. Contracting a majority of portfolio revenues unlocked cheaper debt capital in the recent refinancing, while the export credit facility signed in 2026 was the first of its kind for UK BESS.
- GRID is a leading voice in industry bodies and engages directly with NESO, Ofgem and, Government on the issues that most affect returns. Sustained advocacy on BESS skip rates has contributed to a revised skip rate methodology, improved dispatch algorithms, and greater transparency, benefitting the whole sector.

Ben Guest

Investment Manager's review

In November 2024, GRID announced its Three-year Plan to grow the portfolio and identify new revenue streams. The first half of 2026 saw us carry out that work and evolve the Three-year Plan into the Growth Plan presented at the 2026 Capital Markets Webinar in May. The changes we have made share a single rationale: to direct the Company's capital towards the strategies that generate the highest returns for shareholders per pound invested.

From the Three-year Plan to the Growth Plan

The Manager's objective of maximising returns for shareholders has not changed since November 2024. What has evolved is how we achieve it. When GRID announced the Three-year Plan, augmenting the existing portfolio to two-hour duration offered the highest return on the Company's capital, followed by building new two-hour projects, with further augmentation beyond two hours ranked third. The plan identified up to 1.5GWh of augmentations targeting c.£33mn of additional EBITDA, alongside a 680MW new-build pipeline. While the two-hour augmentation programme could be funded through upsized senior facilities, the new pipeline and augmentation beyond two hours would call substantially on the Company's own capital.

Since the 2024 Capital Markets Day, the Manager was able to pursue the shareholder return objective through pioneering financing innovations: project-level senior debt, export credit agency-backed equipment financing and the strategic joint venture with Summit Transition Partners (STP) — genuine gamechangers. Together, these industry-leading innovations will fund the substantial majority of each new project, without the need to issue equity at the Company level.

A megawatt of new capacity now requires only a fraction of the GRID capital it would otherwise have absorbed and, as such, new projects have become the better route for investing the Company's capital. The Growth Plan has therefore reallocated capital towards an enlarged new project pipeline, which reduces the total capital required from the Company by more than 90% and will transform returns on the equity GRID shareholders have invested.

Investment Manager's review

The new project funding model

The Company completed three transactions in the period, which together form a new project funding model. These were:

- The strategic joint venture with STP, which acquired 25% stakes in the holding companies of Cockenzie, Monets Garden and Elland 2 at a premium to the carrying value. This crystallised part of the value the Company had already created in acquiring and de-risking the projects. STP's investment covers most of the equity contribution required for these projects, substantially reducing the Company's equity commitment for the pipeline. STP holds exclusivity over similar interests in Lister Drive and Ocker Hill, with a right of first offer on Rayleigh.
- Securing export credit agency-backed facilities, which defer 50% of the battery equipment payments (approximately a quarter of each project's total cost) over ten years at a fixed rate priced off SONIA + 160bps, plus an upfront agency premium. This is cheaper than typical senior debt for UK BESS because the facilities are insurance-backed. This is the first time such facilities have funded BESS projects in the UK, making it a landmark transaction.
- Arranging senior project finance across the first three projects, to cover up to 70% of total project costs, with amortisation profiles of 15 years or more and a flat margin of 250bps over SONIA for the life of the facilities. A variable repayment structure allows the amortisation profile to flex in weaker revenue environments, protecting debt service coverage.

The combination fully funds the first three projects, involves no cross-collateralisation between projects or with the operational portfolio, and provides a repeatable template we can apply to the remainder of the pipeline. The benefits for shareholders are direct. The Company has raised project-level equity at a premium, retains 75% of the economics of each project for a small fraction of the capital it would otherwise have committed, and the pipeline converts into NAV. In a central case, the Manager estimates an uplift of c.56p per share from the full 1,174MW pipeline at 75% ownership.[12] Part of this value has already come through this quarter with Cockenzie, Monets Garden and Elland 2 now recognised on a DCF basis from Q2 2026, as they are fully funded and in construction.

Reallocating capital: augmentations scaled back in favour of new projects

With the increased focus on new pipeline, it follows that the Growth Plan scales back the augmentation programme from the 1.5GWh originally identified to the 350MWh being delivered across eight assets. The Growth Plan retained the 2026 programme because it is funded, well progressed, and has attractive returns, taking the portfolio's average duration to c.2.0 hours. Beyond this, the pause on further augmentation removes c.£180mn of capital expenditure that would have been substantially equity-funded, reducing the need to raise additional equity.

The portfolio still has further augmentation potential and, whilst the revised plan reflects the 2-hour optimum duration today, this could change in the near future, with long-duration projects becoming more appealing. As discussed in the Market highlights section, viable long-duration routes to market are emerging through the LDES cap and floor regime or floor plus Capacity Market structures. The next step in duration is therefore likely to be a longer one, from two hours to eight, increasingly by new projects that start at eight hours rather than by adding one-hour augmentations to existing sites. Ocker Hill and Rayleigh, represent 61% of the pipeline MWs, have the land, grid connections and commissioning timelines to be built to an 8-hour duration, which together would take the portfolio's average duration to c.4 hours. Ocker Hill's provisional 25-year LDES cap and floor award draws on this optionality. The Growth Plan factors in no benefit from 8-hour designs, and therefore any additional value generated would represent further upside potential.

12. As per the Capital Markets Webinar, estimated NAV uplift from an operational net present value of £850k/MW against a cost of £487k/MW on 1,174MW of new pipeline adjusted for 75% ownership

Investment Manager's review

Alternative Revenues: proven, capital-light growth

The Alternative Revenues strategy has moved from concept to delivery and its target under the Growth Plan is unchanged, at £25mn of incremental annualised EBITDA. The revenues are additive, sitting on top of the existing revenue stack rather than displacing it, and are naturally inversely correlated with the existing trading strategy, performing best in flat, low-volatility markets where the existing strategy earns least. We have extensively validated the strategy through back-testing across many years of volatile market conditions and through live revenue trials, which delivered £23 per MWh after fees, ahead of the £5-10 per MWh we expect at scale.

With an agreement now signed with a route-to-market provider, a measured, staged scale-up is under way through 2026 and 2027, ultimately building to cover around half of the portfolio. Because the strategy is delivered across assets the Company already owns, it requires only incremental regulatory and working capital, making it one of the highest-returning uses of capital available to the Company.

Delivering by the end of 2026

The priorities for the second half of the year are clearly defined, and each translates directly into earnings and NAV per share growth:

- **Progress the 2026 augmentation programme.** Glassenbury and Stairfoot completed in April 2026, Tynemouth and Rufford completed in September 2026, and Roundponds, Red Scar and York being targeted for Q4, with Thurcroft to follow. Completion will take the portfolio's average duration to c.2.0 hours, with the full revenue benefit flowing from 2027.
- **Kick off the financing processes for Ocker Hill, Lister Drive and Rayleigh**. With the first three projects fully funded and in construction, the financing processes for the next phase of the pipeline will begin shortly. For Ocker Hill, conversion of Ofgem's provisional cap and floor award into a final award, expected in late autumn 2026, will inform both the financing structure and the decision on an 8-hour design.
- **Scale Alternative Revenues to a meaningful level.** Subject to the continued success of staged reviews, the strategy is targeted to reach c.20MW by the end of 2026, at which point its contribution to portfolio revenues and EBITDA becomes meaningful and provides the evidence base for the wider roll-out across the fleet.

Delivery of these milestones will leave the Company entering 2027 with an augmented operational fleet of c.1GW / 2GWh, 397MW of new capacity well progressed through construction, the next phase of the pipeline in financing, and a proven capital-light revenue strategy scaling across the portfolio. The objective of maximising shareholder returns remains the same as we set out in November 2024. The means of achieving it have only strengthened in the period. We remain confident in the earnings growth and NAV progression the Company is positioned to deliver for shareholders.

Ben Guest
Investment Manager

22 September 2026

Investment Portfolio

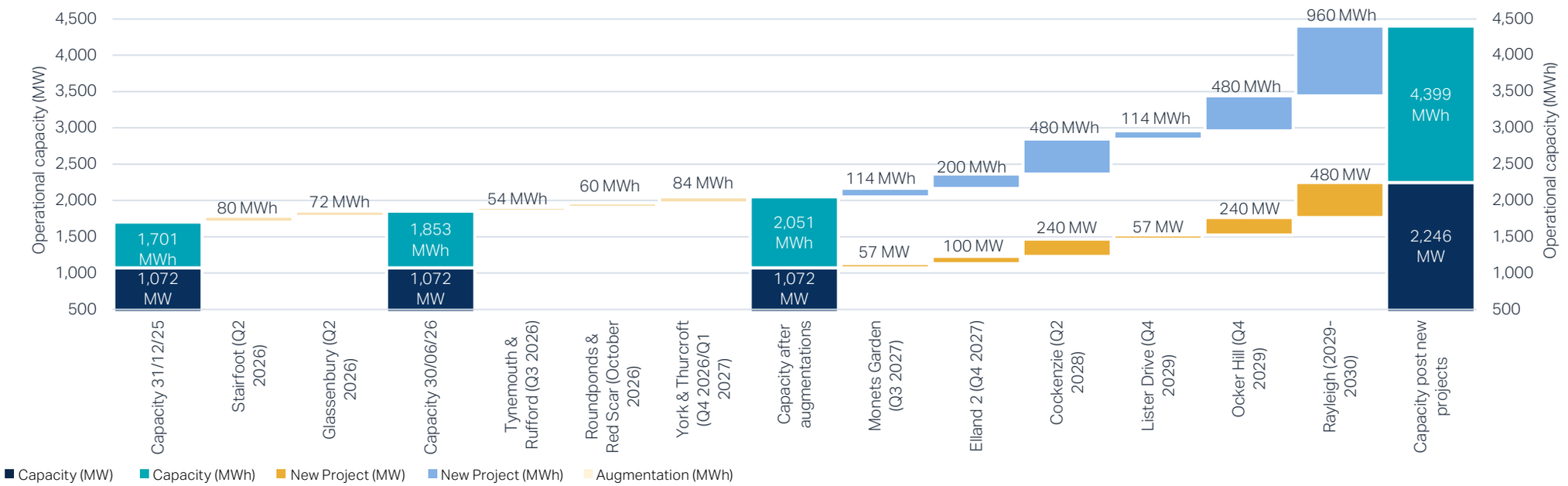
Portfolio

The investment portfolio and pipeline consist of 35 BESS projects across Great Britain, of which 28 are operational. The operational capacity of the portfolio has now reached 1,072MW / 1,853MWh as at 30 June 2026, with the augmentations of Glassenbury and Stairfoot concluded during the period. Operational capacity at 31 December 2025 was 1,072MW / 1,701MWh.

During the period, the Company successfully completed the financing of the next three projects and put them into construction. The objectives for the remainder of 2026 are to make significant headway on these projects and to progress the 2026 augmentation programme.

The chart below summarises the increases in capacity from the start of 2026 in both MW and MWh, as well as a projection that is subject to building out the current phase of augmentations and new pipeline projects. The duration of a BESS is the ratio of MWh to MW.

GRID portfolio growth since December 2025



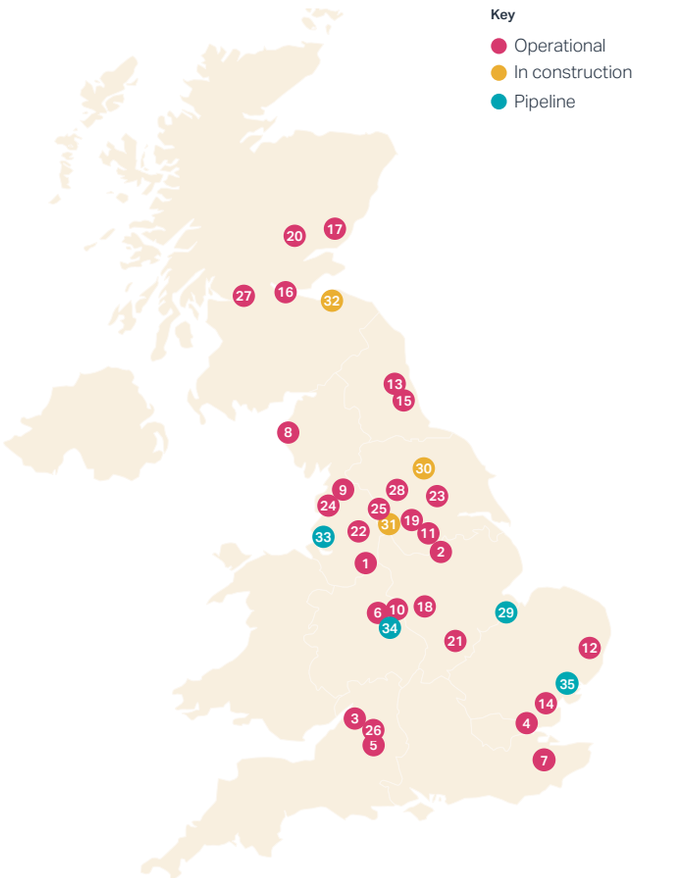
Investment Portfolio

Existing assets	Capacity (MW)	Current battery size (MWh)	Augmented battery size (MWh)	Augmentation expected completion date
1. Staunch	20	3	3	n/a
2. Rufford	7	9	20	Completed — September 2026
3. Lockleaze	15	22	22	n/a
4. Littlebrook	8	6	6	n/a
5. Roundponds	20	26	50	October 2026
6. Wolves	5	8	8	n/a
7. Glassenbury	50	110	110	Completed — April 2026
8. Cleator	10	7	7	n/a
9. Red Scar	49	74	110	October 2026
10. Bloxwich	41	47	47	n/a
11. Thurcroft	50	75	110	March 2027
12. Wickham	50	74	74	n/a
13. Tynemouth	25	17	60	Completed — September 2026
14. Nevendon	15	33	33	n/a
15. South Shields	35	28	28	n/a
16. Byers Brae	30	30	30	n/a
17. Arbroath	35	52	52	n/a
18. Enderby	50	100	100	n/a
19. Stairfoot	40	120	120	Completed — April 2026
20. Coupar Angus	40	80	80	n/a
21. Grendon	50	100	100	n/a
22. West Didsbury	50	100	100	n/a
23. York	50	76	125	November 2026
24. Penwortham	50	100	100	n/a
25. Elland 1	50	100	100	n/a
26. Melksham	100	200	200	n/a
27. Shilton Lane	40	80	80	n/a
28. West Bradford	87	174	174	n/a
Total operational portfolio	**1,072**	**1,853**	**2,049**	
29. Walpole*	100	200	200	TBC
Total portfolio owned by the Company	**1,172**	**2,053**	**2,249**	

*Project held at cost

Pipeline projects	Capacity (MW)	Battery size (MWh)	Expected completion date
30. Monets Garden	57	114	September 2027
31. Elland 2	100	200	December 2027
32. Cockenzie	240	480	May 2028
33. Lister Drive*^	57	114	December 2029
34. Ocker Hill*^	240	480	December 2029
35. Rayleigh*^	480	960	2029-2030
Total pipeline	**1,174**	**2,348**	
Total portfolio and pipeline	**2,346**	**4,599**	

*Project held at cost
^Project conditionally acquired



Financial review and risk

Financial review

Company metrics

Company metrics	30 June 2026	31 December 2025	30 June 2025
NAV	£747.2mn	£645.0mn	£612.9mn
NAV per share	131.30p	113.34p	107.71p
Underlying portfolio asset valuation	£943.7mn	£819.3mn	£761.6mn
Consolidated cash in the Company and subsidiaries	£60.3mn	£44.4mn	£48.2mn
Total external debt drawn at Company and subsidiaries	£231.7mn	£203.7mn	£160.0mn
Resulting net debt	£171.4mn	£159.3mn	£111.8mn

	30 June 2026	31 December 2025	30 June 2025
Revenues	£34.7mn	£28.6mn	£31.7mn
EBITDA	£23.5mn	£18.3mn	£20.5mn
EBITDA margin	67.7%	63.9%	64.7%
MW (period end)	1,072	1,072	945
MW weighted average	1,072	916	845
MWh (period end)	1,853	1,701	1,447
MWh weighted average	1,726	1,389	1,227
Annualised revenue per weighted average MW	£63,200	£62,600	£75,100
Annualised revenue per weighted average MWh	£39,200	£41,200	£51,800

Financial review

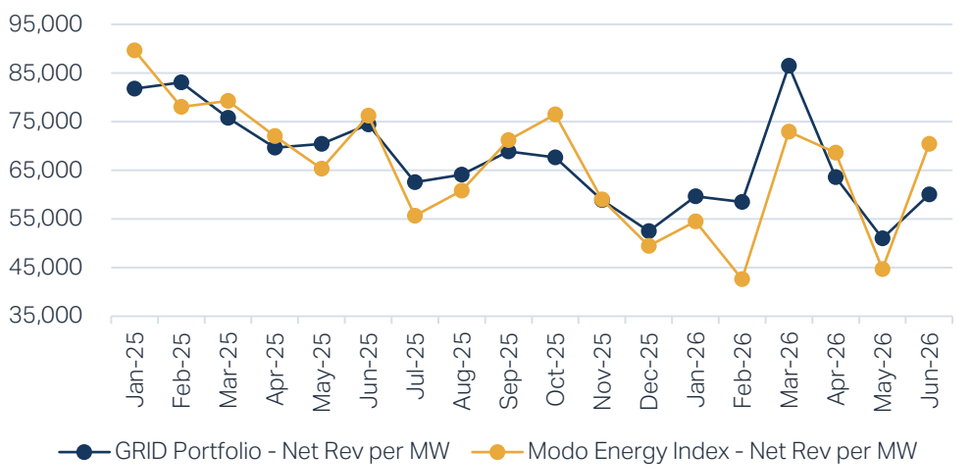
Portfolio earnings

The GRID attributable portfolio increased revenues and EBITDA compared to H1 2025, up 9.5% and 14.5% respectively including £1.1mn in revenue earned from liquidated damages due to the late commissioning of the West Bradford project.

The revenue growth was primarily driven by the increase in operational MWs, with the revenue generated per operational MW decreasing to £63,200 / MW versus £75,100 / MW in H1 2025 due to a weaker merchant revenue environment than the previous year. The merchant BESS market experienced a sharp drop in February 2026 due to softer wholesale spreads before recovering from March 2026 as rising gas prices drove wholesale price volatility and widened spreads, supporting stronger Balancing Mechanism earnings. A similar softening occurred in May 2026, when a fall in wind supply led to weaker spreads and reduced merchant revenues, followed by a strong recovery in June 2026 as an oversupply from a late month heatwave saw the return of volatility.

The chart below shows the comparison between the monthly Modo Energy GB BESS Index and the GRID portfolio performance. This graph illustrates that the growing proportion of contracted revenues is protecting the Company from the full exposure to the merchant environment, and as such, in the months where the general market performs very poorly, GRID's contracted revenue base protects the Company from the full impact of the market downturn.

GRID Portfolio vs Modo Energy Index Monthly Performance



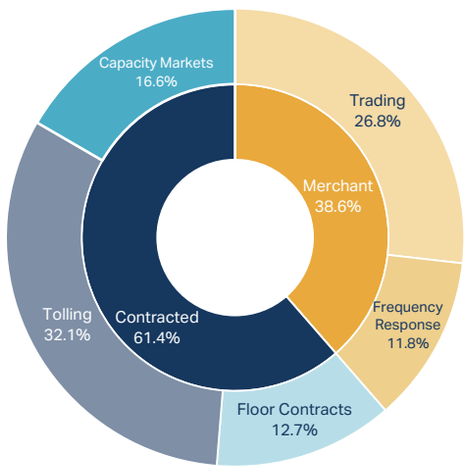
GRID's portfolio revenues were also impacted by some projects spending time offline whilst augmentation and maintenance works were completed. The first two augmentations of Glassenbury and Stairfoot were completed in H1 2026, with Tynemouth and Rufford completing in Q3 2026, and the Manager is working to ensure the remaining sites are on track for their targeted commissioning in Q4 2026, with Thurcroft to follow, to support increased revenue growth.

While revenue growth has slowed, the proportion of underlying portfolio revenues coming from contracted revenues increased to 61% (H1 2025: 35%), de-risking the portfolio's revenue profile. Contracted revenues are predominantly from tolling, accounting for nearly a third of all revenue. Tolling will see its share decline as the portfolio begins to move onto floor contracts. Meanwhile, Capacity Market revenues increased from 11% to 17% as the operational portfolio has seen new contracts starting over the last year.

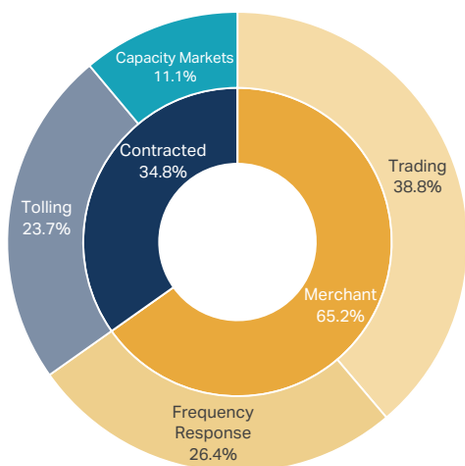
The share of merchant revenues from trading as a proportion of uncontracted revenues has continued to rise to 69% of uncontracted revenues (27% of total revenues), as expected, as Frequency Response falls to c.31% of uncontracted revenues (12% of total revenues) as this area continues to commoditise.

The portfolio's EBITDA margin increased from 65% to 68% through more efficient management of the cost base as the operating portfolio has grown, primarily through lower Operations and Maintenance (O&M), business rates and insurance costs in the period versus H1 2025. The Manager continues to review all opportunities to minimise costs.

FY26 H1 Revenue Mix



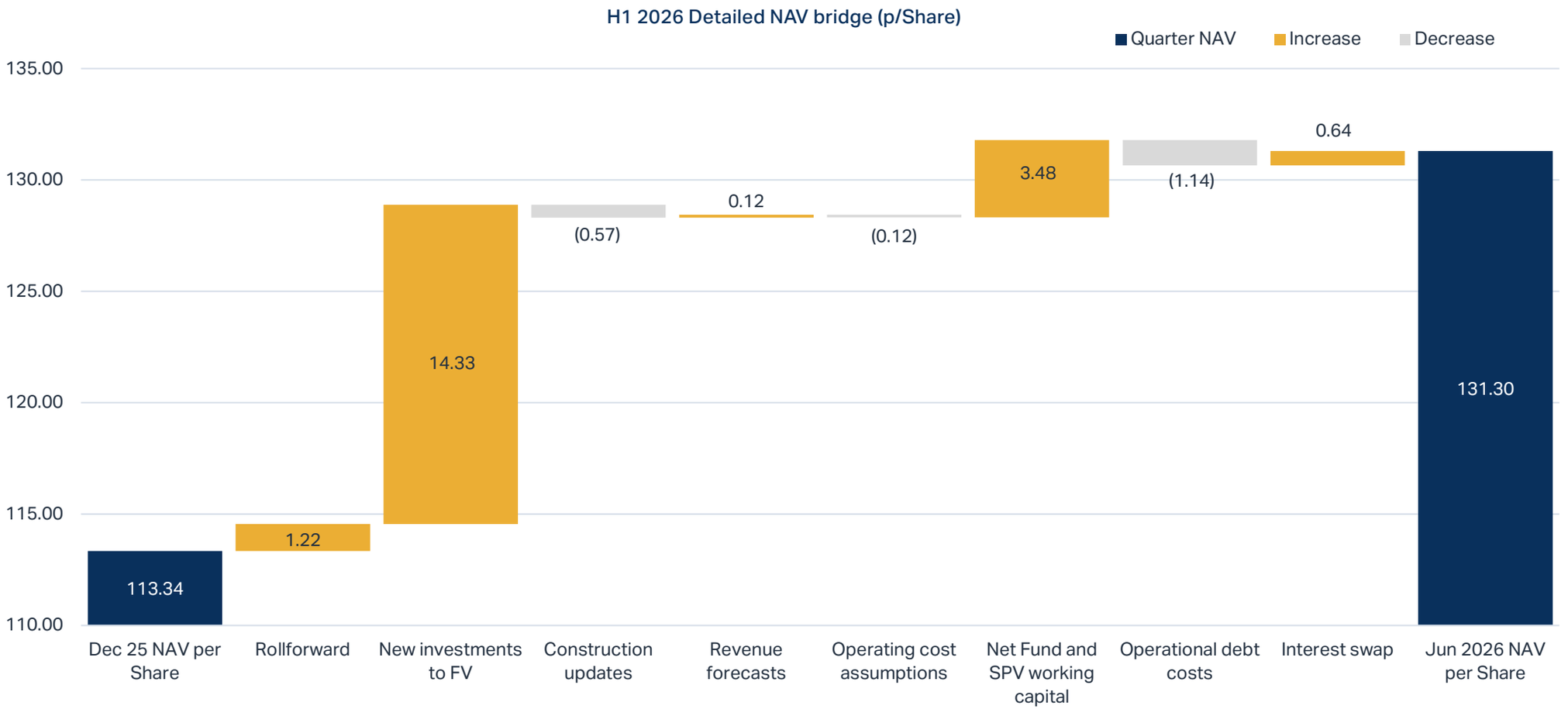
FY25 H1 Revenue Mix



Financial review

Portfolio asset valuations

NAV per share increased by 17.96p (15.8%) during the period to 131.30p, up from 113.34p at 31 December 2025. The primary driver was the revaluation in Q2 2026 of the first three new projects, totalling 397MW, after completing their financing and beginning construction. This added 14.33p per share to NAV, illustrating the significant value created by continuing to grow the portfolio. The remaining pipeline projects, totalling 777MW, are currently held at cost on the balance sheet and represent further value creation potential not currently recognised in the NAV.



Financial review

Third-party revenue curves

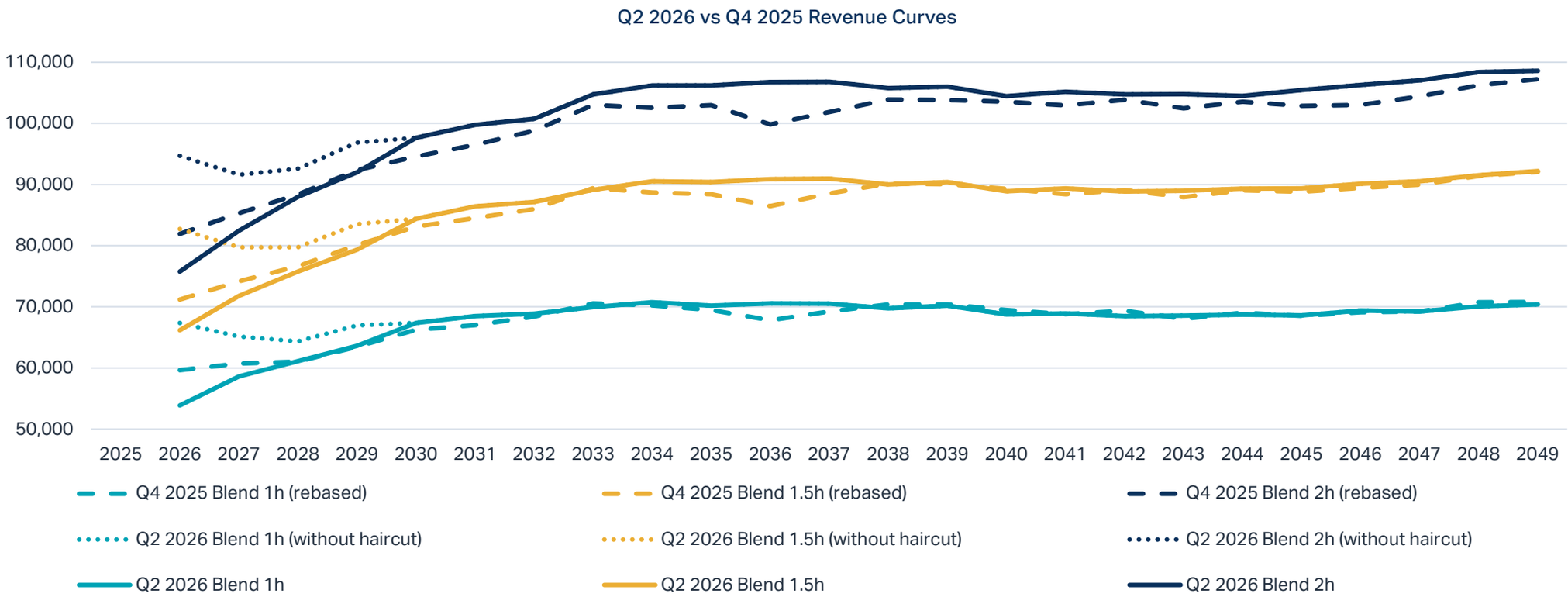
The Fund values its BESS investments using a discounted cash flow (DCF) approach. Long-term revenue forecasts from third parties are a key input to the cash flow projections that underpin these valuations.

During the first half of 2026, third-party revenue forecasts marginally increased, as they began to reverse their trajectory over the last three years. This uplift was driven primarily by higher short-term commodity prices due to the reduced supply of LNG coming from the Persian Gulf, highlighting the insecurity of energy derived from fossil fuels.

However, the Manager believes that the increases in the short term overestimate the impact of changing gas prices on the immediate revenues achievable by BESS assets.

Given this, and the current trading revenues of the operational fleet due to the market inefficiencies present (i.e. skip rates), the Manager has applied a short-term haircut to the revenue forecasts, as was done in Q4 2023, to better reflect the current merchant environment. The largest reduction to the third-party curves has been taken in 2026 with the reduction tapered until the end of 2030, where the third-party curves are used without any further adjustment. By the end of 2030, the Government's Clean Power 2030 targets are set to be achieved, which includes the fixing of skip rates and other market inefficiencies required to operate a net zero energy grid.

The chart below shows the curves used in the current valuations, compared to those used at 31 December 2025 and the third-party forecast curves without the applied short-term haircut. The haircut had a -2.91p impact on NAV.



Financial review

Model roll forward and cost updates

The model roll forward is positive, as the discount unwinds on augmentation projects becoming longer duration and as forecasts show revenues increasing with time. There were minor updates to the construction costs on augmentations and operating costs of the portfolio. The changes in operating costs were primarily due to increases in Distribution Network Operator (DNO) capacity charges. The industry has raised the issue that these charges are being applied inconsistently. The Manager is working with industry groups to better understand and reduce network costs.

Portfolio cash generation and debt costs

Cash generated by the portfolio, net of Fund costs, was relatively strong (3.48p/share) and comfortably covered the operational portfolio's debt service obligations (-1.14p/share).

The debt costs and interest swap shown in the NAV bridge are only for the debt in the operational portfolio's holding company. Due to their asset-level project financing, the new projects are valued on a levered basis (see below) and their debt service costs are included in their DCF valuations.

Discount rates

During the period, GRID completed the financing of three new projects, Cockenzie A, Elland 2 and Monets Garden, and began construction on all three. These projects therefore now meet the criteria set out in GRID's valuation policy, allowing them to be valued on a DCF basis for the first time. The projects were previously valued at cost.

Unlike previous projects, each of these projects carries external debt at the SPV level. This means that GRID's existing unlevered DCF methodology cannot be applied, as deducting debt only at the holding company level would overstate their equity value by failing to reflect the prior claim of SPV-level lenders on the project's cash flows. As such, the Manager has updated the valuation methodology to value these three projects on a levered DCF basis.

The levered DCF methodology, which is only applied to the three new construction assets, requires a discount rate premium to be applied, since SPV-level debt makes the residual equity cash flows more variable than the underlying unlevered cash flows. A market participant pricing the equity would therefore require a higher return to bear the additional financial risk. After completing model testing and market analysis, as well as consulting with market advisers, the Manager has determined that it should use a 1% discount rate premium on levered assets. This 1% premium has been corroborated by the Fund's independent valuer, Forvis Mazars, who have confirmed that they are comfortable with the approach used to account for leverage.

There were no other changes to discount rates during the period. At 30 June 2026, the weighted average discount rate (WADR) of the operational portfolio was 10.40%, compared with 10.36% as at 31 December 2025. The WADR for the levered construction projects is 12.29%. There was no WADR for levered projects previously, as these assets were not valued on a DCF basis. The combined portfolio WADR is 10.91%.

Principal risks and uncertainties

Risk management approach

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

Summary of key risks

This Interim Report provides a high-level summary of the key risks facing the Company as at 30 June 2026, with changes to the risks identified during the period highlighted.

Risk area	Detail of risk	Risk appetite	Movement from 2025 Annual Report	Net rating
Geopolitical	World economic issues create poor market opportunities or supply chain constraints (e.g. Chinese supplies) / constrain credit available to BESS or renewables, which might reduce opportunities for the Company.	Medium	↔	High
Market	NESO service offerings impact adversely on BESS or focus more on supporting gas or other plant. Includes poor processes to allocate BESS in the BM and the risk that "skip rates" and other BESS services do not improve in the short term.	Low	↔	High
Financial	Risk that the Growth Plan announced for new-build projects will not be delivered on time. This impacts on the ability of the Company to grow and create cash flow for dividends.	Low	New key risk	Medium
Financial	Higher-than-expected costs and / or lower-than-expected revenues / capital valuation may reduce the ability of the Company to meet its dividend expectations. This includes the potential slower deployment of debt capital, impacting cash flow.	Medium	↔	Medium
Financial	Share price discount to NAV provides the potential for opportunistic bid approaches which do not fully value the Company, along with its growth and development potential. This would not reflect the full value of the Company for shareholders as a whole.	Medium	↔	Medium
Financial	Put and call options with the minority shareholders create a risk that the equity holder calls a sale option and requires the Group to fund a purchase of its equity with a preferred return.	Medium	New key risk	Medium
Financial	Operational availability is lower than expected, reducing revenues.	Low	New key risk	Medium

Movement from the 2025 Annual Report: ↔ unchanged; 'New key risk' denotes a risk added since the 2025 Annual Report.

Governance

Board of Directors

John Leggate, CBE, FREng

Chair and Independent Non-Executive Director

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

The Board considers that John's breadth of board experience brings a positive view of engaging with, and responding to, changing market dynamics. John is highly motivated to deliver value to all stakeholders and thus contributes significantly to the long-term sustainable success of the Company.

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

Isabel Liu

Chair of the Management Engagement Committee and Independent Non-Executive Director

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

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

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

Duncan Neale

Audit Committee Chair and Independent Non-Executive Director

Duncan is a CFO and FD with c.30 years of commercial experience working for both publicly listed and privately owned companies. Duncan is a Fellow of the Institute of Chartered Accountants and qualified with Price Waterhouse in London. Duncan was appointed to the Board on 24 August 2018.

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

Significant interests: Duncan is a director of DJN Consultancy Limited, and a non-executive director and Audit Committee Chair of H-Power plc.

Board of Directors

Cathy Pitt

Chair of the Nomination Committee and Independent Non-Executive Director

Cathy is a former corporate lawyer who specialised in the investment company and asset management sectors for over 20 years, focusing on governance, regulation and capital markets. Cathy was appointed to the Board on 1 March 2019.

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

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

David Stevenson

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

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

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

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

Andy Koss

Independent Non-Executive Director

Andy is a Chartered Accountant and Corporate Treasurer with 20 years' operational and financial leadership in the energy sector, having served as CEO Generation at Drax Group plc, a FTSE 250 company, and CEO, UK and Middle East, for Sembcorp Industries, which is listed on the Singapore Exchange. Andy was appointed to the Board on 25 September 2025.

He brings end-to-end expertise in battery storage, connectivity and government engagement, underpinned by deep sector relationships with NESO, Ofgem and the UK Government.

The Board considers that Andy's extensive leadership experience in the energy sector, expertise in battery storage and connectivity, and strong relationships with key regulatory and government bodies enable him to contribute effectively to Board discussions and to the Company's long-term sustainable success.

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

Statement of Directors' responsibilities

The Directors confirm that, to the best of their knowledge:

- the condensed set of financial statements has been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the United Kingdom;
- the Interim Report includes a fair review of the information required by DTR 4.2.7R, being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements, together with a description of the principal risks and uncertainties for the remaining six months of the year; and
- the Interim Report includes a fair review of the information required by DTR 4.2.8R, being disclosure of related party transactions that have taken place in the first six months of the financial year and any material changes in the related party transactions described in the last Annual Report.

The Interim Report was approved by the Board on 22 September 2026 and the above responsibility statement was signed on its behalf by:

John Leggate, CBE, FREng
Chair
22 September 2026

Accounts

Condensed Statement of Comprehensive Income (unaudited)

For the six months ended 30 June 2026

	Note	Revenue (£)	Capital (£)	Total (£)
Net return on investments at fair value through profit and loss	5	-	106,124,836	106,124,836
Other income		326,748	-	326,748
Total income		**326,748**	**106,124,836**	**106,451,584**
Administrative and other expenses	6	(3,901,046)	(353,477)	(4,254,523)
(Loss) / profit before tax		**(3,574,298)**	**105,771,359**	**102,197,061**
Taxation		-	-	-
(Loss) / profit and total comprehensive (loss) / income for the period		**(3,574,298)**	**105,771,359**	**102,197,061**
(Loss) / earnings per share (basic and diluted) – pence	7	(0.63)	18.59	17.96

For the six months ended 30 June 2025

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

The total column of this statement is the Statement of Comprehensive Income of the Company prepared in accordance with UK adopted International Accounting Standards (IFRS UK). The supplementary revenue and capital columns have been prepared in accordance with the Association of Investment Companies Statement of Recommended Practice (AIC SORP).

All results are derived from continuing operations.

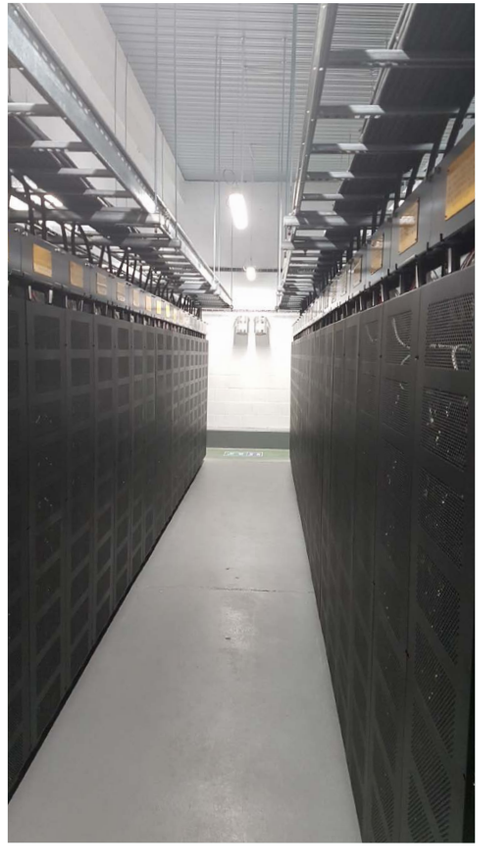
The notes starting on page 36 form an integral part of these financial statements.

Condensed Statement of Financial Position (unaudited)

As at 30 June 2026

Company number: 11535957

	Note	30 June 2026 (£)	31 December 2025 (£)
Non-current assets			
Investments in subsidiaries at fair value through profit or loss	8	746,773,969	642,195,935
Current assets			
Cash and cash equivalents	9	1,979,777	4,233,138
Trade and other receivables	10	832,779	798,692
Total current assets		**2,812,556**	**5,031,830**
Total assets		**749,586,525**	**647,227,765**
Current liabilities			
Trade and other payables	11	(2,422,144)	(2,260,445)
Total net assets		**747,164,381**	**644,967,320**
Shareholders' equity			
Share capital	16	5,734,447	5,734,447
Treasury shares	16	(2,012,553)	(2,012,553)
Capital reduction reserve	16	561,106,626	561,106,626
Capital reserves	16	137,903,817	32,132,458
Revenue reserves	16	44,432,044	48,006,342
Total shareholders' equity		**747,164,381**	**644,967,320**
Net Asset Value per Ordinary Share (pence)	15	131.30	113.34



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

John Leggate, CBE, FREng
Chair
22 September 2026

The notes starting on page 36 form an integral part of these financial statements.

Condensed Statement of Changes in Equity (unaudited)

For the period from 1 January 2026 to 30 June 2026

Six months ended 30 June 2026	Note	Share capital (£)	Treasury shares (£)	Capital reduction reserve (£)	Capital reserves (£)	Revenue reserves (£)	Total shareholders' equity (£)
Shareholders' equity at 1 January 2026		5,734,447	(2,012,553)	561,106,626	32,132,458	48,006,342	644,967,320
Profit / (loss) for the period		-	-	-	105,771,359	(3,574,298)	102,197,061
Shareholders' equity at 30 June 2026	**16**	**5,734,447**	**(2,012,553)**	**561,106,626**	**137,903,817**	**44,432,044**	**747,164,381**

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

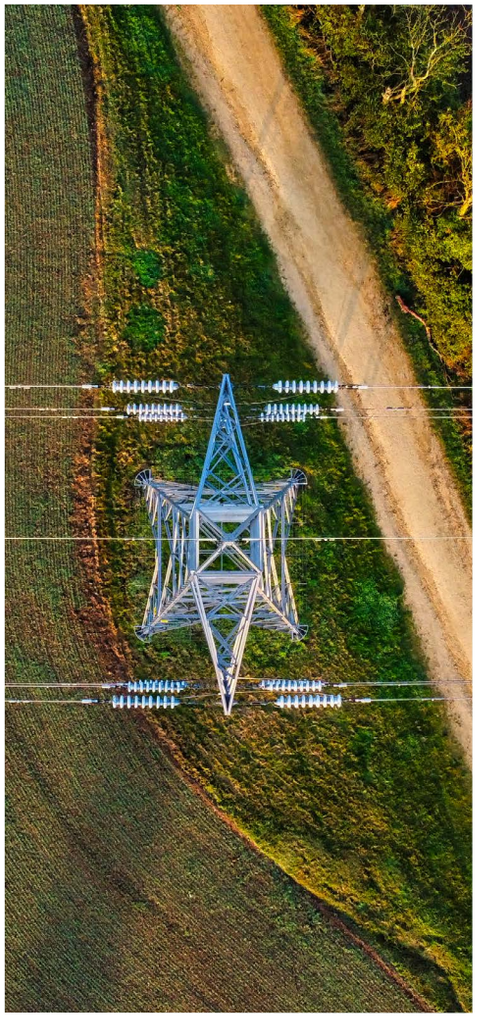
The total distributable reserves available at 30 June 2026 are £605,538,670 (30 June 2025: £613,219,829). Distributable reserves consist of the capital reduction reserve and revenue reserve.

The notes starting on page 36 form an integral part of these financial statements

Condensed Statement of Cash Flows (unaudited)

For the period from 1 January 2026 to 30 June 2026

	Note	Six months ended 30 June 2026 (£)	Six months ended 30 June 2025 (£)
Cash flows from operating activities			
Profit / (loss) for the period		102,197,061	(9,309,615)
Net (gain) / loss on investments at fair value through profit and loss	5	(106,124,836)	6,172,990
Interest income		(56,748)	(196,740)
Interest received		56,748	89,412
(Increase) / decrease in trade and other receivables		(34,087)	1,789
Increase in trade and other payables		161,699	1,519,637
Net cash used in operating activities		**(3,800,163)**	**(1,722,527)**
Cash flows from investing activities			
Loans repaid by subsidiaries	8	1,546,802	2,086,636
Net cash from investing activities		**1,546,802**	**2,086,636**
Cash flows from financing activities			
Dividends paid to shareholders		-	-
Net cash from financing activities		**-**	**-**
Net (decrease) / increase in cash and cash equivalents for the period		(2,253,361)	364,109
Cash and cash equivalents at the beginning of the period		4,233,138	4,044,450
Cash and cash equivalents at the end of the period		**1,979,777**	**4,408,559**



The notes starting on page 36 form an integral part of these financial statements.

Notes to the financial statements

For the period ended 30 June 2026

1. General information

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

These interim financial statements cover the six months ended 30 June 2026, with comparatives for the six months ended 30 June 2025. They present the results of the Company alone, as all of its subsidiaries are measured at fair value.

2. Basis of preparation

Statement of compliance

The Interim Report and condensed financial statements have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" (IAS 34). The condensed interim financial statements have been prepared on a historical basis except for financial assets at fair value through profit or loss. The accounts have been prepared on the basis that is consistent with accounting policies applied in the preparation of the Company's Annual Financial Statements for 31 December 2025 and are expected to continue to apply in the Company's Annual Financial Statements for the year ended 31 December 2026.

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

These condensed interim financial statements do not include all information and disclosures required in the Annual Financial Statements and should be read in conjunction with the Company's audited financial statement for the year ended 31 December 2025, which were prepared in accordance with the UK international accounting standards.

Functional and presentation currency

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

Segmental information

The Board, which is the chief operating decision maker, is of the opinion that the Company is engaged in a single segment of business, being investment in battery energy storage assets in the United Kingdom. All of the Company's income arises from its investment in the MidCo, all of the Company's assets are located in the United Kingdom, and performance is reviewed by the Board on a fair value basis for the portfolio as a whole. This is unchanged from the position set out in the Company's Annual Report for the year ended 31 December 2025.

Going concern

As at 30 June 2026, the Company had net current assets of £0.4mn including cash balances of £2.0mn (excluding cash balances of £58.3mn within investee companies) and no debt.

In August 2025, a term debt facility of £220mn was entered into by GRID Holdco 1 Limited, a wholly owned subsidiary of the Company. As at 30 June 2026, the outstanding debt in relation to this facility was £205.3mn. Alongside the term debt facility, Holdco 1 also has access to a Debt Service Reserve Facility (DSRF) of £18.6mn and a short-term VAT facility of £1.6mn.

In May and June 2026, further debt facilities were entered into by project companies in respect of the Cockenzie, Monets Garden and Elland 2 projects and the total outstanding debt under these facilities as at 30 June 2026 was £26.3mn. These projects are 75% owned by the Company.

The Company is not a guarantor to any of the debt facilities in Holdco 1 and the project companies.

Notes to the financial statements

For the period ended 30 June 2026

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

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

- a base case assessment, based on central case forecasts provided by third-party consultants; and
- a severe but plausible downside case scenario which assumes a reduction in underlying portfolio revenues of 20% to the base case.

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

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

3. Significant accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses. These are reviewed on an ongoing basis and revisions are recognised in the period of revision and in any future periods affected. The judgements and estimates applied are consistent with those described in the Company's Annual Report for the year ended 31 December 2025.

During the period the Directors considered the following significant judgements:

Assessment as an investment entity

Entities that meet the definition of an investment entity within IFRS 10 are required to measure their subsidiaries at fair value through profit or loss rather than consolidate their subsidiaries unless their subsidiaries provide investment management services to the Company and the subsidiaries are not themselves investment entities. The Directors have reassessed the three criteria in IFRS 10: (i) obtaining funds from investors in order to provide investment management services, (ii) committing to a business purpose of investing for capital appreciation, investment income or both, and (iii) measuring and evaluating performance on a fair value basis, and consider that the Company continues to satisfy each of them. The Company also displays the typical characteristics of an investment entity: it holds more than one investment (via the MidCo), has multiple investors who are not related parties of the Company, and holds ownership interests in the form of equity. The basis of this assessment is unchanged from that set out in the Company's Annual Report for the year ended 31 December 2025, and the Directors will reassess the conclusion annually.

Assessment of the MidCo and the Holdcos as investment entities

The MidCo and the Holdcos (see Note 8) are also considered to be investment entities and thus are not consolidated by the Company. The boards of the MidCo and the Holdcos have considered the same IFRS 10 requirements and confirm that they meet these criteria. If the MidCo and the Holdcos were not considered to meet the definition of an investment entity, then the Company would be required to consolidate them. The impact of consolidating the MidCo and the Holdcos would be to increase the investment value to £943,745,855 (31 December 2025: £819,316,342) and recognise a reduction in net working capital of £196,971,886 (31 December 2025: £177,120,407).

Note 8 includes an overview of the balances within the MidCo and the Holdcos and what would be included in the accounts of the Company if the Company were required to consolidate them.

Notes to the financial statements

For the period ended 30 June 2026

Investment Manager not a related party

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

During the period the Directors considered the following significant estimate:

Valuation of investments in subsidiaries

The principal source of estimation uncertainty is the fair value of the investments in subsidiaries. By their nature, such estimates are subject to measurement uncertainty and the effect on the Company's financial statements of changes in estimates in future periods could be significant. See Note 13 for further details.

4. Fees and expenses

Accounting, secretarial and Directors

JTC (UK) Limited has been appointed to act as Secretary and Administrator for the Company through the Administration and Company Secretarial Agreement. JTC (UK) Limited is entitled to a £68,300 annual fee for the provision of company secretarial services and a £62,608 annual fee for the provision of fund accounting and administration services, based on a Company Net Asset Value of up to £200mn. An ad valorem fee based on total assets of the Company which exceed £200mn will be applied as follows:

- 0.04% on the Net Asset Value of the Company in excess of £200mn

During the period, expenses incurred with JTC (UK) Limited for administrative and secretarial services amounted to £192,386 (2025: £157,820) with £84,116 (2025: £72,762) being outstanding and payable at the period end.

AIFM

The AIFM, Gresham House Asset Management Limited (the "Investment Manager"), is entitled to receive from the Company, in respect of its services provided under the AIFM Agreement, a fee as follow:

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

During the period, Investment Manager fees amounted to £2,495,885 (2025: £2,337,528) with an outstanding payable at the period end of £1,487,714 (30 June 2025: £1,386,393).

Other fees payable to the Investment Manager and its affiliates are disclosed in Note 18.

Notes to the financial statements

For the period ended 30 June 2026

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

	Six months ended 30 June 2026 (£)	Six months ended 30 June 2025 (£)
Unrealised gain / (loss) on investments at fair value through the profit and loss	106,124,836	(6,172,990)
Interest on loans to subsidiaries	-	107,983
	106,124,836	**(6,065,007)**

6. Administrative and other expenses

	Six months ended 30 June 2026 (£)	Six months ended 30 June 2025 (£)
Administration and secretarial fees	192,386	157,820
Annual audit fees	162,360	163,894
Depositary fees	49,343	49,343
Directors' remuneration — salary	201,869	162,784
Directors' remuneration — social security contributions and similar taxes	28,736	22,298
Investment Manager fee	2,495,885	2,337,528
Sundry expenses	287,200	254,433
Transaction fees	353,477	88,336
Legal and professional fees	483,267	366,929
	4,254,523	**3,603,365**

Notes to the financial statements

For the period ended 30 June 2026

7. Earnings per Ordinary Share

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

	Revenue	Capital	Six months ended 30 June 2026 Total
Net (loss) / profit attributable to ordinary shareholders (£)	(3,574,298)	105,771,359	102,197,061
Weighted average number of ordinary shares for the period	569,064,139	569,064,139	569,064,139
(Loss) / profit per share (basic and diluted) – pence	**(0.63)**	**18.59**	**17.96**

	Revenue	Capital	Six months ended 30 June 2025 Total
Net loss attributable to ordinary shareholders (£)	(3,045,036)	(6,264,579)	(9,309,615)
Weighted average number of Ordinary Shares for the period	569,064,139	569,064,139	569,064,139
(Loss) per share (basic and diluted) – pence	**(0.54)**	**(1.10)**	**(1.64)**

8. Investments in subsidiaries at fair value through profit or loss

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

	Immediate parent	Place of business and registered office	Percentage ownership
Gresham House Energy Storage Holdings Limited (the "MidCo")	The Company	The Scalpel, 18th Floor, 52 Lime Street, London, EC3M 7AF	100%

Refer to Note 13 for valuation disclosures relating to the investments in subsidiaries.

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

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

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

Notes to the financial statements

For the period ended 30 June 2026

	30 June 2026 (£)	31 December 2025 (£)
Equity	746,143,640	640,018,805
Loans – interest free	630,329	2,177,130
Total equity and loans	**746,773,969**	**642,195,935**

Reconciliation	30 June 2026 (£)	31 December 2025 (£)
Opening balance	642,195,935	618,037,144
Add: loans advanced	-	614,946
Less: loan repayments	(1,546,802)	(6,572,801)
Add: accrued interest on loans	-	118,815
Total fair value movement through the profit or loss	106,124,836	29,997,831
Closing balance	**746,773,969**	**642,195,935**

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

Notes to the financial statements

For the period ended 30 June 2026

Further analysis

The Company owns 100% of the Ordinary Shares in Gresham House Energy Storage Holdings Limited (the "MidCo"). The MidCo holds a number of project company subsidiaries directly and other project company subsidiaries are held indirectly via GRID Holdco 1 Limited (Holdco 1), GRID Holdco 2 Limited (Holdco 2), GRID Holdco 3 Limited (Holdco 3) and GRID Holdco 5 Limited (Holdco 5), together "the Holdcos". The investment in the MidCo of £746,773,969 (2025: £642,195,935) comprises underlying investments as follows:

Held by the MidCo:	30 June 2026	31 December 2025	30 June 2026 (£)	31 December 2025 (£)
Noriker Staunch Ltd	100%	100%	7,161,815	7,270,296
Gresham House Energy Storage Solutions Limited	100%	100%	2,359,244	2,265,952
Roc Noir Limited	100%	100%	6,059,229	5,965,120
GRID Holdco 4 Limited	100%	100%	3,866	1
GRID Holdco 6 Limited	100%	100%	1	1
GRID Holdco 7 Limited*[2]	100%	100%	195,975	2,189,119
GRID Denki Limited	100%	100%	102,915	-

Notes to the financial statements

For the period ended 30 June 2026

Held by Holdco 1:	30 June 2026	31 December 2025	30 June 2026 (£)	31 December 2025 (£)
HC ESS2 Limited	100%	100%	12,224,656	11,170,956
HC ESS3 Limited	100%	100%	18,287,314	15,829,988
West Midlands Grid Storage Two Ltd	100%	100%	1,085,970	1,009,331
Cleator Battery Storage Limited	100%	100%	4,427,470	4,487,167
Glassenbury Battery Storage Limited	65%	65%	27,315,664	26,214,040
HC ESS4 Limited	100%	100%	36,805,265	31,869,038
Bloxwich Energy Storage Limited	100%	100%	19,338,480	18,900,119
HC ESS6 Limited	100%	100%	28,584,450	29,161,981
HC ESS7 Limited	100%	100%	33,842,133	33,313,750
Tynemouth Battery Storage Limited	100%	100%	14,746,428	9,391,980
Gridreserve Limited	100%	100%	12,909,495	13,191,644
Nevendon Energy Storage Limited	100%	100%	11,098,716	11,248,566
South Shields Energy Storage Limited	100%	100%	12,397,238	13,191,232
Enderby Storage Limited	100%	100%	45,884,723	44,717,014
West Didsbury Storage Limited	100%	100%	46,886,094	46,161,641
Penwortham Storage Limited	100%	100%	45,515,615	44,923,622
Grendon Storage Limited	100%	100%	46,828,213	46,171,533
Melksham East Storage Limited and Melksham West Storage Limited	100%	100%	97,921,850	89,203,202
UK Battery Storage Ltd	100%	100%	167,630,265	164,347,742
Stairfoot Generation Ltd	100%	100%	34,233,373	37,560,505
Greengridpower1 Ltd	100%	100%	39,241,548	37,606,006
Arbroath Limited	100%	100%	27,181,413	27,046,931
Coupar Limited	100%	100%	35,895,803	35,393,530

Notes to the financial statements

For the period ended 30 June 2026

Held by Holdco 2:*3	30 June 2026	31 December 2025	30 June 2026 (£)	31 December 2025 (£)
247 Power Ltd*1	75%	100%	29,068,612	5,935,540

Held by Holdco 3:*3	30 June 2026	31 December 2025	30 June 2026 (£)	31 December 2025 (£)
Monets Garden Battery Ltd*1	75%	100%	13,809,142	2,305,995

Held by Holdco 5:	30 June 2026	31 December 2025	30 June 2026 (£)	31 December 2025 (£)
Cockenzie Storage Limited*1	75%	-	64,702,880	1,272,800
Total investments in subsidiaries			**943,745,855**	**819,316,342**
Working capital in MidCo*4			2,118,990	31,533,890
Working capital in Holdco 1*5			(199,090,876)	(201,421,969)
Working capital in Holdco 2*3			n/a	(4,926,334)
Working capital in Holdco 3*3			n/a	(2,305,994)
Total investment in MidCo			**746,773,969**	**642,195,935**

*1 Comprises investment in the Holdco and its underlying SPV as a single unit, fair valued at 30 June 2026 but held at cost at 31 December 2025

*2 Assets held represent loans made to pipeline projects not yet owned by the Company

*3 For the period ended 30 June 2026 Holdco 2 and Holdco 3 investment values are combined with their underlying SPVs and the working capital of Holdco 2 and Holdco 3 are included within their investment valuations

*4 Working capital in MidCo	30 June 2026 (£)	31 December 2025 (£)
Cash at bank	12,811,472	31,814,586
Trade and other receivables	50,005	782,674
Trade and other payables	(10,742,487)	(1,063,370)
	2,118,990	**31,533,890**

*5 Working capital in Holdco 1	30 June 2026 (£)	31 December 2025 (£)
Cash at bank	282,489	211,421
Trade and other receivables	1,108,999	43,976
Loan arrangement fees	4,989,367	5,393,204
Trade and other payables	(89,358)	(941,583)
Facility loan	(205,346,668)	(203,656,878)
Interest payable on facility loan	(35,705)	(68,976)
Derivative liability	-	(2,403,133)
	(199,090,876)	**(201,421,969)**

The Company, the MidCo, and Holdco 1's place of business is The Scalpel, 18th Floor, Lime Street, London, England EC3M 7AF. The place of business for all the other investments is 5 New Street Square, London, England, EC4A 3TW.

A summary of the impact on the Company's Statement of Financial Position if the MidCo and Holdco 1 were consolidated is included in Note 3.

Notes to the financial statements

For the period ended 30 June 2026

9. Cash and cash equivalents

	30 June 2026 (£)	31 December 2025 (£)
Cash at bank	92,163	109,290
Investment in liquidity funds*	1,887,614	4,123,848
	1,979,777	**4,233,138**

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

10. Trade and other receivables

	30 June 2026 (£)	31 December 2025 (£)
Prepayments	74,956	68,079
Accrued income	365,467	362,257
VAT receivable	392,356	368,356
	832,779	**798,692**

11. Trade and other payables

	30 June 2026 (£)	31 December 2025 (£)
Administration and secretarial fees	84,116	86,138
Audit fee accrual	162,360	212,363
Management fee accrual	1,487,714	1,546,801
Other accruals	687,954	415,143
	2,422,144	**2,260,445**

12. Categories of financial instruments

	30 June 2026 (£)	31 December 2025 (£)
Financial assets		
Financial assets at amortised cost:		
Cash and cash equivalents	1,979,777	4,233,138
Trade and other receivables*	365,467	362,257
Fair value through profit or loss:		
Investment in subsidiaries	746,773,969	642,195,935
Total financial assets	**749,119,213**	**646,791,330**
Financial liabilities		
Financial liabilities at amortised cost:		
Trade and other payables	(2,422,144)	(2,260,445)
Net financial assets	**746,697,069**	**644,530,885**

*Excludes prepayments and VAT

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

Notes to the financial statements

For the period ended 30 June 2026

13. Fair value measurement

Valuation approach and process

The Company, via the MidCo and the Holdcos, held a portfolio of energy storage investments (the "investments") of which 1,072 megawatts (MW) was operational and 397MW was in construction and also has 777MW of longer-term pipeline.

All of the investments are based in the UK and are not market-traded. Valuations are prepared on a discounted cash flow basis. The Investment Manager prepares financial models using revenue forecasts from external providers, adjusted for contracted revenues from Capacity Market and tolling contracts, to determine fair value. For the current period the revenue forecasts utilised are blended forecasts from two providers. As at 30 June 2026, the fair value of the portfolio of investments has been determined by the Investment Manager and reviewed by Forvis Mazars LLP. The Directors review and approve the valuations following appropriate challenge.

The estimated future cash flows attributable to the Company's equity investment in each project are discounted to 30 June 2026 using discount rates reflecting the risks associated with each investment project and the time value of money, together with reasonable assumptions for revenues, operating costs and macro-level factors.

Projects under construction, once key de-risking milestones are met, are fair valued with a construction premium added to the discount rate: 1% initially, 0.75% within nine months of expected energisation, and 0.5% from Provisional Acceptance (PAC) for the 60-day proving period, after which the premium is removed. Conditional acquisitions result in the recognition of a derivative at fair value. No value is attributed to pipeline which is not under construction.

The discount rate for each project reflects various factors, including, but not limited to, project stage, period of operation and track record, the terms of the project agreements and the market conditions in which the project operates. Three of the projects have debt facilities which are taken into account in estimating future cash flows. The cash flows for these projects are calculated on a levered basis with an additional 1% leverage premium added to the discount rate.

The Investment Manager prepares detailed financial models for each underlying project and exercises judgement over the discount rate and expected future cash flows, having regard to the stage and operating track record of each project, comparable transaction and peer discount rates, power market forecasts, the terms of offtake, tolling and project-level debt arrangements, and the economic, regulatory and taxation environment, including inflation.

Apart from the additional premium added to the three new projects mentioned above, the basis on which these inputs are determined is unchanged from that set out in the Company's Annual Report for the year ended 31 December 2025.

Valuation assumptions include consideration of climate-related matters such as expected levels of renewable energy entering the grid system, demand patterns and current regulatory policy.

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

	30 June 2026		31 December 2025	
Key valuation input	Range	Weighted average	Range	Weighted average
WACC / WADR – unlevered projects	9.7%-10.8%	10.4%	9.7%-11.4%	10.3%
WACC / WADR – levered projects	12.3%	12.3%	n/a	n/a
RPI	2.5%	2.5%	2.5%	2.5%

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

Sensitivity analysis

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

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

Notes to the financial statements

For the period ended 30 June 2026

Investment	Project	Valuation technique	Significant inputs description	Sensitivity	Estimated effect on fair value 30 June 2026 (£)	Estimated effect on fair value 31 December 2025 (£)
Noriker Staunch Ltd	Staunch	DCF	Discount rate	+1%	(445,049)	(447,592)
				-1%	493,689	496,065
			Revenue	+10%	175,881	154,727
				-10%	(175,929)	(154,767)
HC ESS2 Limited	Rufford, Lockleaze, Littlebrook	DCF	Discount rate	+1%	(816,182)	(810,429)
				-1%	906,474	903,137
			Revenue	+10%	2,312,752	2,201,903
				-10%	(2,318,754)	(2,263,411)
HC ESS3 Limited	Roundponds	DCF	Discount rate	+1%	(1,392,492)	(1,360,654)
				-1%	1,586,828	1,555,514
			Revenue	+10%	1,696,317	1,617,016
				-10%	(1,729,429)	(1,649,720)
West Midlands Grid Storage Two Ltd	Wolves	DCF	Discount rate	+1%	(85,822)	(84,998)
				-1%	95,253	94,732
			Revenue	+10%	408,217	386,878
				-10%	(408,577)	(387,267)
Cleator Battery Storage Limited	Cleator	DCF	Discount rate	+1%	(235,440)	(240,297)
				-1%	259,794	265,648
			Revenue	+10%	349,004	347,481
				-10%	(328,597)	(341,311)
Glassenbury Battery Storage Limited	Glassenbury A and B	DCF	Discount rate	+1%	(2,325,305)	(2,317,255)
				-1%	2,602,362	2,599,912
			Revenue	+10%	3,603,897	3,050,962
				-10%	(3,597,756)	(3,050,342)

Notes to the financial statements

For the period ended 30 June 2026

Investment	Project	Valuation technique	Significant inputs description	Sensitivity	Estimated effect on fair value 30 June 2026 (£)	Estimated effect on fair value 31 December 2025 (£)
HC ESS4 Limited	Red Scar	DCF	Discount rate	+1%	(3,030,005)	(2,991,529)
				-1%	3,492,888	3,457,905
			Revenue	+10%	4,056,279	3,943,274
				-10%	(4,144,222)	(4,038,092)
Bloxwich Energy Storage Limited	Bloxwich	DCF	Discount rate	+1%	(1,662,187)	(1,640,099)
				-1%	1,928,691	1,903,740
			Revenue	+10%	2,313,801	2,171,126
				-10%	(2,445,438)	(2,258,374)
HC ESS7 Limited	Thurcroft	DCF	Discount rate	+1%	(2,801,667)	(3,296,265)
				-1%	3,248,051	3,827,768
			Revenue	+10%	3,611,433	3,943,115
				-10%	(3,637,807)	(4,013,058)
HC ESS6 Limited	Wickham	DCF	Discount rate	+1%	(1,951,227)	(1,979,849)
				-1%	2,193,056	2,230,275
			Revenue	+10%	3,227,230	3,230,866
				-10%	(3,270,358)	(3,276,826)
Tynemouth Battery Storage Limited	Tynemouth	DCF	Discount rate	+1%	(1,318,032)	(1,257,518)
				-1%	1,531,887	1,465,421
			Revenue	+10%	2,089,463	1,980,197
				-10%	(2,110,650)	(1,994,275)
Gridreserve Limited	Byers Brae	DCF	Discount rate	+1%	(999,543)	(1,027,457)
				-1%	1,135,307	1,169,405
			Revenue	+10%	1,598,894	1,532,071
				-10%	(1,625,158)	(1,554,790)

Notes to the financial statements

For the period ended 30 June 2026

Investment	Project	Valuation technique	Significant inputs description	Sensitivity	Estimated effect on fair value 30 June 2026 (£)	Estimated effect on fair value 31 December 2025 (£)
Nevendon Energy Storage Limited	Nevendon	DCF	Discount rate	+1%	(676,974)	(683,054)
				-1%	745,977	754,662
			Revenue	+10%	1,274,742	1,263,230
				-10%	(1,279,256)	(1,268,754)
South Shields Energy Storage Limited	South Shields	DCF	Discount rate	+1%	(533,293)	(571,776)
				-1%	579,789	622,708
			Revenue	+10%	1,136,225	1,135,721
				-10%	(1,137,140)	(1,135,949)
Enderby Storage Limited	Enderby	DCF	Discount rate	+1%	(3,676,332)	(3,556,532)
				-1%	4,241,594	4,097,874
			Revenue	+10%	4,331,382	4,218,480
				-10%	(4,354,817)	(4,244,909)
West Didsbury Storage Limited	West Didsbury	DCF	Discount rate	+1%	(3,712,009)	(3,660,806)
				-1%	4,283,332	4,214,966
			Revenue	+10%	4,453,952	4,155,702
				-10%	(4,575,737)	(4,268,131)
Penwortham Storage Limited	Penwortham	DCF	Discount rate	+1%	(3,714,358)	(3,643,416)
				-1%	4,284,887	4,193,439
			Revenue	+10%	4,047,599	3,739,583
				-10%	(4,130,531)	(3,823,951)
Melksham East Storage Limited and Melksham West Storage Limited	Melksham	DCF	Discount rate	+1%	(6,706,983)	(6,719,812)
				-1%	7,628,803	7,660,043
			Revenue	+10%	8,552,794	8,434,491
				-10%	(8,622,159)	(8,534,001)

Notes to the financial statements

For the period ended 30 June 2026

Investment	Project	Valuation technique	Significant inputs description	Sensitivity	Estimated effect on fair value 30 June 2026 (£)	Estimated effect on fair value 31 December 2025 (£)
Arbroath Limited	Arbroath	DCF	Discount rate	+1%	(2,154,705)	(2,158,778)
				-1%	2,485,923	2,493,363
			Revenue	+10%	2,466,207	2,339,587
				-10%	(2,486,956)	(2,366,037)
Grendon Storage Limited	Grendon	DCF	Discount rate	+1%	(3,561,342)	(3,557,758)
				-1%	4,099,594	4,101,975
			Revenue	+10%	4,181,767	4,132,867
				-10%	(4,218,735)	(4,169,200)
UK Battery Storage Ltd	Elland	DCF	Discount rate	+1%	(3,632,953)	(3,558,966)
				-1%	4,196,016	4,110,985
			Revenue	+10%	4,028,087	3,781,613
				-10%	(3,995,204)	(3,751,948)
UK Battery Storage Ltd	York	DCF	Discount rate	+1%	(3,587,738)	(3,440,804)
				-1%	4,146,092	3,979,539
			Revenue	+10%	4,063,592	3,905,143
				-10%	(4,034,973)	(3,895,815)
UK Battery Storage Ltd	West Bradford	DCF	Discount rate	+1%	(6,517,056)	(6,256,606)
				-1%	7,530,289	7,223,150
			Revenue	+10%	7,288,429	7,051,604
				-10%	(7,390,309)	(7,141,708)
Stairfoot Generation Ltd	Stairfoot	DCF	Discount rate	+1%	(2,881,185)	(2,788,659)
				-1%	3,327,650	3,215,619
			Revenue	+10%	3,303,923	3,089,470
				-10%	(3,332,454)	(3,119,365)

Notes to the financial statements

For the period ended 30 June 2026

Investment	Project	Valuation technique	Significant inputs description	Sensitivity	Estimated effect on fair value 30 June 2026 (£)	Estimated effect on fair value 31 December 2025 (£)
Greengridpower1 Ltd	Shilton Lane	DCF	Discount rate	+1%	(3,096,322)	(3,012,888)
				-1%	3,566,281	3,468,624
			Revenue	+10%	3,131,233	3,096,897
				-10%	(3,182,672)	(3,138,222)
Coupar Limited	Coupar Angus	DCF	Discount rate	+1%	(2,327,134)	(2,346,909)
				-1%	2,597,278	2,625,216
			Revenue	+10%	3,000,703	2,850,488
				-10%	(3,049,574)	(2,895,782)
Cockenzie Storage Limited	Cockenzie A	DCF	Discount rate	+1%	(9,193,475)	n/a
				-1%	10,814,665	n/a
			Revenue	+10%	14,545,695	n/a
				-10%	(14,722,821)	n/a
247 Power Ltd	Elland 2	DCF	Discount rate	+1%	(3,925,567)	n/a
				-1%	4,600,007	n/a
			Revenue	+10%	6,179,459	n/a
				-10%	(6,241,825)	n/a
Monets Garden Battery Ltd	Monets Garden	DCF	Discount rate	+1%	(1,842,988)	n/a
				-1%	2,171,298	n/a
			Revenue	+10%	3,367,801	n/a
				-10%	(3,419,304)	n/a

All other projects are held at cost.

Notes to the financial statements

For the period ended 30 June 2026

Portfolio sensitivity of RPI	Sensitivity	Estimated effect on fair value 30 June 2026 (£)	Estimated effect on fair value 31 December 2025 (£)
Inflation	+0.25%	24,647,978	19,645,909
	-0.25%	(23,841,390)	(19,006,109)

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

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

30 June 2026	Level 1 (£)	Level 2 (£)	Level 3 (£)
Investment in subsidiaries	-	-	746,773,969
	-	-	**746,773,969**

31 December 2025	Level 1 (£)	Level 2 (£)	Level 3 (£)
Investment in subsidiaries	-	-	642,195,935
	-	-	**642,195,935**

Valuation of financial instruments

The investment at fair value through profit or loss is a Level 3 in the fair value hierarchy and the reconciliation in the movement of this Level 3 investment is presented in Note 8. No transfers between levels took place during the period.

14. Financial risk management

The Company is exposed to certain risks through the ordinary course of business and the Company's financial risk management objective is to minimise the effect of these risks. The management of risks is performed by the Directors of the Company and the exposure to each financial risk considered potentially material to the Company, how it arises and the policy for managing it is summarised in the Company's Annual Financial Statements for the year ended 31 December 2025.

Liquidity risk

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

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

In 2021, the Company assessed its ability to raise debt and the MidCo entered into a debt facility for £180mn, which was subsequently amended and restated in 2022 and 2024. This facility was repaid in 2025 and a new debt facility entered into by Holdco 1, a subsidiary of the MidCo, for a total of £240mn, of which £205mn was drawn as at 30 June 2026. The Company is not a guarantor to the new debt facility. The Directors will restrict borrowing to an amount not exceeding 50% of the Company's NAV at the time of drawdown. Holdco 1 is required to provide semi-annual covenant compliance certificates to the bank. As at period end, Holdco 1 was in compliance with covenant requirements.

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

Notes to the financial statements

For the period ended 30 June 2026

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

As at 30 June 2026	< 1 year (£)	1 to 2 years (£)	2 to 5 years (£)	> 5 years (£)	Total (£)
Financial assets					
Cash and cash equivalents (see Note 9)	1,979,777	-	-	-	1,979,777
Trade and other receivables (see Note 10)*	365,467	-	-	-	365,467
Fair value through profit or loss:					
Investment in subsidiaries	-	-	-	746,773,969	746,773,969
Total financial assets	**2,345,244**	**-**	**-**	**746,773,969**	**749,119,213**
Financial liabilities					
Financial liabilities at amortised cost					
Trade and other payables (see Note 11)	2,422,144	-	-	-	2,422,144
Total financial liabilities	**2,422,144**	**-**	**-**	**-**	**2,422,144**

As at 31 December 2025	< 1 year (£)	1 to 2 years (£)	2 to 5 years (£)	> 5 years (£)	Total (£)
Financial assets					
Cash and cash equivalents (see Note 9)	4,233,138	-	-	-	4,233,138
Trade and other receivables (see Note 10)*	362,257	-	-	-	362,257
Fair value through profit or loss:					
Investment in subsidiaries	-	-	-	642,195,935	642,195,935
Total financial assets	**4,595,395**	**-**	**-**	**642,195,935**	**646,791,330**
Financial liabilities					
Financial liabilities at amortised cost					
Trade and other payables (see Note 11)	2,260,445	-	-	-	2,260,445
Total financial liabilities	**2,260,445**	**-**	**-**	**-**	**2,260,445**

*Excludes prepayments and VAT

Notes to the financial statements

For the period ended 30 June 2026

15. Net Asset Value (NAV) per Ordinary Share

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

	30 June 2026	31 December 2025
Net assets per statement of financial position (£)	747,164,381	644,967,320
Ordinary Shares in issue	569,064,139	569,064,139
NAV per Ordinary Share – basic and diluted (pence)	131.30	113.34

16. Share capital and reserves

Allotted and issued share capital	Ordinary Shares number	Treasury shares (£)	Share capital (£)	Capital reduction reserve (£)	Total (£)
As at 31 December 2025	569,064,139	(2,012,553)	5,734,447	561,106,626	564,828,520
As at 30 June 2026	**569,064,139**	**(2,012,553)**	**5,734,447**	**561,106,626**	**564,828,520**

Allotted and issued share capital	Ordinary Shares number	Treasury shares (£)	Share capital (£)	Capital reduction reserve (£)	Total (£)
As at 31 December 2024	569,064,139	(2,012,553)	5,734,447	561,106,626	564,828,520
As at 31 December 2025	**569,064,139**	**(2,012,553)**	**5,734,447**	**561,106,626**	**564,828,520**

Notes to the financial statements

For the period ended 30 June 2026

Share capital

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

Treasury shares

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

No dividends were received on treasury shares during the year.

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

Capital reduction reserve

Following a successful application to the High Court and lodgement of the Company's statement of capital with the Registrar of Companies in 2018, the Company was permitted to perform a capital reduction with the effect of cancelling its share premium and merger reserve account. This was completed on 13 February 2019 by a transfer of the balance of £97,009,475 from the share premium account to the capital reduction reserve.

Following a successful application to the High Court and lodgement of the Company's statement of capital with the Registrar of Companies during 2024, the Company was permitted to cancel its share premium account and merger relief reserve.

This was completed on 16 October 2024 by a transfer of the balance of £543,915,072 from the share premium account and £13,299,017 from the merger relief reserve to the capital reduction reserve.

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

Share capital and share premium account and capital reduction reserve account

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

Revenue reserve

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

Capital reserve

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

Dividends

For the six months ended 30 June 2026 and 30 June 2025

No dividends have been declared or paid for the period ended 30 June 2026 (2025: £nil).

Ordinary shareholders are entitled to all dividends declared by the Company and, in a winding up, to all of the Company's assets after repayment of its borrowings and ordinary creditors. Ordinary shareholders have the right to vote at meetings of the Company. All Ordinary Shares carry equal voting rights.

Notes to the financial statements

For the period ended 30 June 2026

17. Cash and non-cash flow items

The non-cash movements for the period ended 30 June 2026 predominantly relate to movement in the investments. The non-cash movements are reconciled and discussed in Note 8.

18. Transactions with related parties and other significant contracts

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

The Investment Manager is a wholly owned subsidiary of Gresham House Limited, a significant shareholder in the Company, holding 7.47% (2025: 8.72%) of total issued Ordinary Shares. Ben Guest (a Director of the Investment Manager) holds 2.53% (2025: 2.53%) of total issued Ordinary Shares, including direct and indirect holdings.

Directors

	30 June 2026 (£)	30 June 2025 (£)
Directors' remuneration	201,869	162,784
Employers' National Insurance	28,736	22,298
Total key management personnel	**230,605**	**185,082**

All Directors' remuneration is short-term salary.

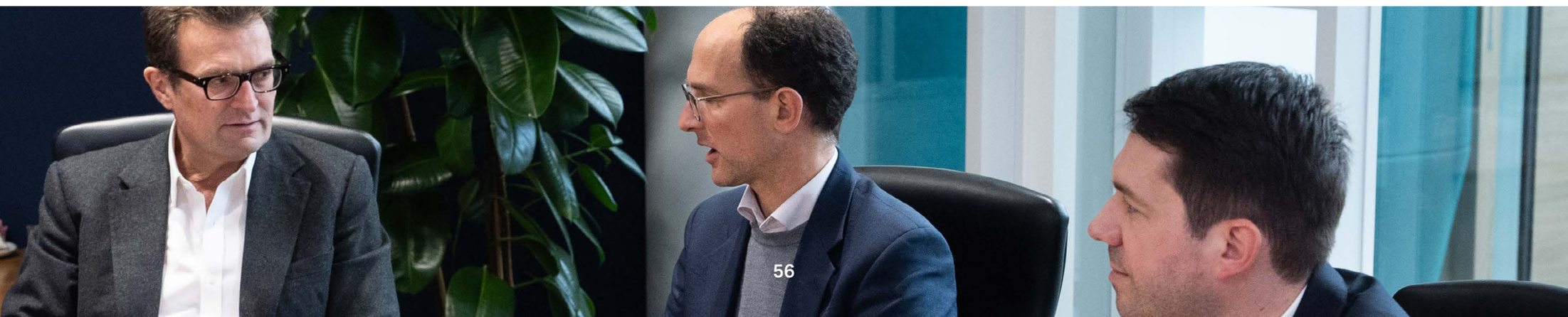
The aggregate fees of the Directors will not exceed £550,000 per annum (increased at the 2025 AGM from £500,000). There are no performance conditions attaching to the remuneration of the Directors as the Board does not believe that this is appropriate for Non-Executive Directors. The Directors are not eligible for bonuses, pension benefits, share options, long-term incentive schemes or other benefits.

After the period end, the Board approved a one-off additional payment of £14,500 to each Non-Executive Director in recognition of the exceptional level of work undertaken during the period, including significant additional time devoted to the Company's strategic review, shareholder engagement, the Capital Markets Webinar and an increased number of ad hoc Board meetings. This payment was made in July 2026 and is not included in the table above. This payment was exceptional in nature and does not establish a precedent for future years.

Loans to related parties

Loans receivable represent amounts due to the Company from its subsidiary and are disclosed in Note 8.

	30 June 2026 (£)	31 December 2025 (£)
Principal advanced	630,329	2,177,130
Interest accrued	-	-
Total loans	**630,329**	**2,177,130**



Notes to the financial statements

For the period ended 30 June 2026

AIFM

As set out in Note 4, management fees payable to the Investment Manager under the AIFM Agreement amounted to £2,495,885 (30 June 2025: £2,337,528).

The AIFM also provides accounting, VAT, banking and company administration services to the underlying project companies and is entitled to an annual fee of £9,000 per project. During the period, expenses incurred with the AIFM by the project companies for those services amounted to £135,000 (30 June 2025: £135,000) with £72,000 (30 June 2025: £67,500) being outstanding and payable at the period end.

The AIFM also provides Engineering, Procurement and Construction management (EPCm) services to certain of the underlying project companies. EPCm contracts were signed in 2025 with eight project companies in respect of the second phase augmentation projects for a total amount of £2,490,000 and EPCm contracts for new-build contracts were signed in relation to the Elland 2 and Monets Garden projects for a total amount of £2,105,000. In 2026, an EPCm contract has been signed for the Cockenzie new-build contract for a total amount of £1,920,000.

Payment of EPCm fees is dependent on achievement of project milestones. EPCm fees of £3,257,500 were raised during the period (30 June 2025: £nil) with £1,387,500 (30 June 2025: £90,000) being outstanding and payable at the period end.

19. Capital commitments

As at 30 June 2026, there are no significant binding or conditional future capital commitments (2025: none).

20. Post balance sheet events

After the period end, the Board approved a one-off additional payment of £14,500 to each Non-Executive Director.

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

Alternative performance measures

For the period from 1 January 2026 to 30 June 2026

1) Dividend per Ordinary Share

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

Dividend period: 6 months to 30 June 2026

No dividends have been declared or paid for the period ended 30 June 2026.

Dividend period: 12 months to 31 December 2025

A dividend of 0.11p per Ordinary Share was declared on 7 November 2025 and paid on 5 December 2025 in respect of the financial year ended 31 December 2025.

2) Ordinary Share price total return

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

	30 June 2026 (pence)	30 June 2025 (pence)
Share price at end of the period	89.00	78.50
Dividends paid from inception to end of the period	31.13	31.02
Dividend reinvestment impact	(5.57)	(10.42)
Share price at initial public offering	(100.00)	(100.00)
Ordinary Share price total return since inception	**14.56**	**(0.90)**
Ordinary Share price total return since inception %	**14.56%**	**(0.90%)**

3) Net Asset Value (NAV) per Ordinary Share

	30 June 2026	31 December 2025
NAV at end of the period / year	747,164,381	644,967,320
Ordinary Shares in issue	569,064,139	569,064,139
NAV per share (pence) – Basic and diluted	**131.30**	**113.34**

4) NAV per Ordinary Share total return for the period

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

	30 June 2026 (pence)	30 June 2025 (pence)
NAV per Ordinary Share at end of the period	131.30	107.71
Dividends paid from inception to end of the period	31.13	31.02
Dividend reinvestment impact	8.67	1.74
NAV per Ordinary Share at end of the period including dividend reinvestment	**171.10**	**140.47**
NAV per Ordinary Share at beginning of the period including dividend reinvestment	(147.69)	(142.36)
NAV total return for the period	**23.41**	**(1.89)**
NAV per Ordinary Share total return for the period	**15.85%**	**(1.33%)**

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

Alternative performance measures

For the period from 1 January 2026 to 30 June 2026

5) Gross Asset Value (GAV)

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

	30 June 2026 (£'000)	31 December 2025 (£'000)
Total assets reported in the Company at end of period	749,587	647,228
Debt held by intermediate holding company and project companies	231,664	203,657
GAV	**981,251**	**850,885**

6) Net debt

Net debt is a metric that measures the Company's total interest-bearing debt minus its cash and cash equivalents.

	30 June 2026 (£'000)	31 December 2025 (£'000)
External debt held by intermediate holding company	(205,347)	(203,657)
External debt held by project companies	(26,317)	-
Cash and cash equivalents held in Company and subsidiaries	60,281	44,428
Net debt	**(171,383)**	**(159,229)**
Net debt / NAV	**22.9%**	**24.7%**

7) Ongoing charges figure (OCF)

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

	30 June 2026 (£'000)	30 June 2025 (£'000)
Fees to Investment Manager	2,496	2,338
Legal and professional fees	483	421
Transaction fees	353	88
Administration fees	192	158
Directors' remuneration, including Employers' National Insurance	231	185
Audit fees	162	164
Other expenses	337	249
Total expenses	**4,254**	**3,603**
Non-recurring expenses not in OCF calculation	(450)	(88)
Total ongoing expenses (A)	**3,804**	**3,515**
Average NAV for the period (B)	**674,122**	**620,008**
Number of days in period	**181**	**181**
Ongoing charges for the period (A / B)	**1.14%**	**1.14%**

Alternative performance measures

For the period from 1 January 2026 to 30 June 2026

8) Operational dividend cover

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

	30 June 2026 (£'000)	30 June 2025 (£'000)
EBITDA of underlying group companies – operational	23,500	20,520
Ongoing costs in the Company	(3,804)	(3,515)
Ongoing administrative costs in the MidCo and Holdcos	(92)	(59)
Net earnings before interest	**19,604**	**16,946**
Bank interest received in the Company and the MidCo	339	471
Facility commitment fees in the Midco and Holdco 1	(114)	(201)
External interest costs in the MidCo and Holdco 1	(6,238)	(5,277)
Net earnings for dividend cover calculation (A)	**13,591**	**11,939**
Dividends declared by the Company in respect of the period (B)	**-**	**-**
Dividend cover (A / B)	**n/a**	**n/a**

9) Dividend yield

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

	30 June 2026	30 June 2025
Dividend per share declared in the period in respect of the prior period (pence)	-	-
Share price at end of period (pence)	89.00	78.50
Dividend yield	**n/a**	**n/a**

10) Operational capacity of the portfolio

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

	30 June 2026	30 June 2025
Operational capacity (MW)	1,072	945
Operational capacity (MWh)	1,853	1,447

Alternative performance measures

For the period from 1 January 2026 to 30 June 2026

11) Aggregated financial information

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

	30 June 2026 (£'000)	30 June 2025 (£'000)
Net operating revenue in SPVs	34,718	31,696
Operating SPV administrative and other costs	(11,218)	(11,176)
Portfolio operational earnings before interest, depreciation and amortisation	**23,500**	**20,520**
Ongoing administrative and other costs in the MidCo and Holdcos	(92)	(59)
Company administrative and other expenses	(3,804)	(3,515)
Bank interest income	339	471
Facility interest expense and commitment fees	(6,522)	(5,478)
Other interest	96	29
Non-recurring transaction, FX and similar costs	(554)	(184)
Non-operational SPV administrative and other costs	(38)	(247)
Depreciation and amortisation (including amortisation of loan arrangement fees)*	(29,083)	(26,569)
Net aggregated earnings	**(16,158)**	**(15,032)**

* Includes depreciation for batteries of £18,919 thousand (2025: £15,942 thousand) based on a weighted average expected life of 8.5 years (2025: 8.5 years) and nil residual value.

Alternative valuation metrics

For the period from 1 January 2026 to 30 June 2026

As discussed in the Fund performance section, we believe the alternative valuation metrics below provide useful additional information for shareholders, showing valuations as a function of actual financial performance and aligns with typical valuation metrics used for companies. These are provided in addition to the alternative performance measures set out on pages 58 to 61.

Valuation metrics based on a range of revenue projections

We have provided forward-looking valuation metrics based on potential near-term future earnings, under different merchant scenarios for uncontracted assets and contracted revenues for those assets under tolling arrangements. We have used the closing share price as of 7 September 2026 (being the time of writing).

	As at 30 June 2026
Shares (millions)	569
Market capitalisation at 102.25p share price*	582
NAV per share at 30 June 2026 (pence / share)	131
NAV as at 30 June 2026	747
Assumed future peak external debt	308
Assumed minimum future cash	17
Assumed operational capacity (MW)	1,370

Enterprise Value (EV) (£'mn) based on:	
Market capitalisation at 102.25p share price	872
NAV as of 30 June 2026	1,038
EV per operational MW (£k / MW) based on:	
Market capitalisation at 102.25p share price	637
NAV as at 30 June 2026	758

* Share price assumed to be 102.25p, reflecting the closing price on 7 September 2026

Alternative valuation metrics

Merchant net revenue assumptions (£ / MW / Yr)

All figures are in £'mn unless otherwise stated.

	Merchant net revenue assumptions (£ / MW / Yr)		
	55,000	70,000	85,000
Assumed merchant revenue on merchant portfolio	16.7	24.9	33.0
Expected contracted revenue during 2026	53.6	53.6	53.6
Assumed underlying portfolio revenue	**70.3**	**78.5**	**86.6**
Potential underlying portfolio EBITDA	**48.9**	**57.0**	**65.2**

	55,000	70,000	85,000
EV to EBITDA based on:			
Market capitalisation at 102.25p share price	17.9	15.3	13.4
NAV at 30 June 2026	21.2	18.2	15.9
EV to sales based on:			
Market capitalisation at 102.25p share price	12.4	11.1	10.1
NAV as at 30 June 2026	14.8	13.2	12.0

Other Information

Glossary

Asset Optimisation (Trading)

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

Balancing Mechanism (BM)

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

Balancing services

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

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

https://www.neso.energy/industry-information/balancing-services

Capacity Market (CM)

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

EBITDA of underlying group companies

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

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

Engineering, Procurement and Construction (EPC) contract

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

Engineering, Procurement and Construction Management (EPCm) contract

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

Frequency Response (FR) services

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

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

Liquidated damages (LD)

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

Glossary

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

National Energy System Operator (NESO)

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

https://www.neso.energy

Ordinary Share

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

Skip rates

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

Site uptime

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

System inertia

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

https://www.neso.energy/energy-101/electricity-explained

Tolling

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

TRIADs

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

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

https://www.neso.energy/document/130641/download

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