

ESP Utilities Group Limited

Consolidated Interim Report

Period Ended

30 June 2026

Registered number 02612105

ESPUG Utilities Group Limited

Consolidated Interim Report For the period ended 30 June 2026

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Directors

Justin Barter (appointed 1 January 2026)

Anna Dellis

Miriam Greenwood

Simon Lees

Simon Loh

Liam McAvoy

Paul Miles

Kevin O'Connor

Bernardo Sottomayor

Victoria Spiers

Yaad Virdee

Secretary and registered office

Beach Secretaries Limited, First Floor, Kings Court, 41-51 Kingston Road, Leatherhead, KT22 7SL

Company number

02612105

Auditors

Deloitte LLP, 1 New Street Square, London, EC4A 3BZ

ESP Utilities Group Limited

Consolidated statement of comprehensive income For the period ended 30 June 2026

	6 months ended 30 June 2026 Unaudited £'000	6 months ended 30 June 2025 Unaudited £'000	12 months ended 31 December 2025 Audited £'000
Turnover	94,730	84,143	169,237
Cost of sales	(45,154)	(40,582)	(80,398)
Gross profit	49,576	43,561	88,839
Administrative expenses	(14,112)	(11,419)	(28,415)
Group operating profit	35,464	32,142	60,424
Other interest receivable and similar income	593	759	(20,423)
Interest payable and similar charges	(10,865)	(9,931)	1,236
Profit on ordinary activities before taxation	25,192	22,970	41,237
Taxation on profit on ordinary activities	(4,948)	(4,510)	(7,508)
Profit for the financial period and total comprehensive income for the period	20,244	18,460	33,729

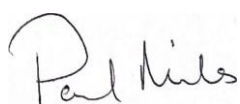
The statement of comprehensive income has been prepared on the basis that all operations are continuing operations. There were no items of other comprehensive income in the current and prior year.

ESP Utilities Group Limited

Consolidated balance sheet at 30 June 2026

	30 June 2026 Unaudited £'000	30 June 2026 Unaudited £'000	30 June 2025 Unaudited £'000	30 June 2025 Unaudited £'000	31 December 2025 Audited £'000	31 December 2025 Audited £'000
Fixed assets						
Tangible assets		552,933		518,977		535,237
Current assets						
Debtors	25,928		16,901		23,939	
Cash at bank and in hand	172,737		33,982		53,618	
	<u>198,665</u>		<u>50,883</u>		<u>77,557</u>	
Creditors: amounts falling due within one year	<u>(47,277)</u>		<u>(41,242)</u>		<u>(74,438)</u>	
Net current assets/(liabilities)		151,388		9,641		3,116
Total assets less current liabilities		<u>704,321</u>		<u>528,618</u>		<u>538,353</u>
Creditors: amounts falling due after more than one year		(646,546)		(473,751)		(504,289)
Provisions for liabilities		<u>(47,749)</u>		<u>(41,054)</u>		<u>(44,282)</u>
Net assets		<u>10,026</u>		<u>13,813</u>		<u>(10,218)</u>
Capital and reserves						
Called up share capital		156,426		156,426		156,426
Profit and loss account		(146,400)		(142,613)		(166,644)
		<u>10,026</u>		<u>13,813</u>		<u>(10,218)</u>

The consolidated interim report was approved by the Board of Directors and authorised for issue on 22 September 2026 and were signed on its behalf by:



Paul Miles
Director

ESP Utilities Group Limited

Consolidated statement of changes in equity For the period ended 30 June 2026

	Share capital 30 June 2026 Unaudited £'000	Profit and loss account 30 June 2026 Unaudited £'000	Total equity 30 June 2026 Unaudited £'000	Share capital 30 June 2025 Unaudited £'000	Profit and loss account 30 June 2025 Unaudited £'000	Total Equity 30 June 2025 Unaudited £'000	Share capital 31 December 2025 Audited £'000	Profit and loss account 31 December 2025 Audited £'000	Total Equity 31 December 2025 Audited £'000
1 January	156,426	(166,644)	(10,218)	156,426	(161,073)	(4,647)	156,426	(161,073)	(4,647)
Comprehensive income for the period									
Profit for the period	-	20,244	20,244	-	18,460	18,460	-	33,729	33,729
Total comprehensive income for the period	-	20,244	20,244	-	18,460	18,460	-	33,729	33,729
Contributions by and distributions to owners									
Dividends paid	-	-	-	-	-	-	-	(39,300)	(39,300)
Total contributions by and distributions to owners	-	-	-	-	-	-	-	(39,300)	(39,300)
30 June	156,426	(146,400)	10,026	156,426	(142,613)	13,813	156,426	(166,644)	(10,218)

ESP Utilities Group Limited

Consolidated statement of cash flows For the period ended 30 June 2026

	6 month ended 30 June 2026 Unaudited £'000	6 month ended 30 June 2025 Unaudited £'000	Year ended 31 December 2025 Audited £'000
Cash flows from operating activities			
Profit for the financial period	20,243	18,460	33,729
Adjustments for:			
Depreciation and amortisation of fixed assets	7,238	6,537	13,398
Net interest payable/(receivable)	10,273	9,172	19,187
Taxation expense	4,948	4,510	7,508
(Increase)/Decrease in trade and other debtors	(2,005)	7,832	809
Increase/(decrease) in trade creditors	(5,955)	(25,232)	9,433
Profit on disposal of tangible assets	(41)	(150)	272
Cash from operations	34,701	21,129	84,336
Taxation paid	(297)	-	-
Dividends paid	(19,500)	-	(39,300)
Net cash generated from operating activities	14,904	21,129	45,036
Cash flows from investing activities			
Proceeds from sale of tangible fixed assets	83	269	113
Purchases of tangible fixed assets	(28,374)	(25,285)	(50,076)
Interest received	593	759	1,236
Net cash used in investing activities	(27,698)	(24,257)	(48,727)
Cash flows from financing activities			
Capex loan advanced	-	-	30,000
Bank loan advanced	145,000	-	-
Debt issue costs incurred	(2,650)	-	-
Finance costs paid	(10,346)	(9,390)	(19,345)
Repayment of obligations under lease liabilities	(91)	(291)	(137)
Net cash from financing activities	131,913	(9,681)	10,518
Net (decrease) / increase in cash and cash equivalents	119,119	(12,809)	6,827
Cash and cash equivalents at beginning of year	53,618	46,791	46,791
Cash and cash equivalents at end of period	172,737	33,982	53,618
Cash and cash equivalents comprise:			
Cash at bank and in hand	172,737	33,982	53,618
Bank overdrafts	-	-	-
	172,737	33,982	53,618

ESP Utilities Group Limited

Notes forming part of the consolidated interim report For the period ended 30 June 2026

1 Financial Information

The interim financial information for the 6 months ended 30 June 2026 does not constitute statutory accounts within the meaning of section 435 of the Companies Act 2006. It has been prepared using accounting policies and principles consistent with those applied in the preparation of the audited accounts of ESP Utilities Group Ltd for the period ended 31 December 2025.

The interim financial information has been prepared in accordance with FRS 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland. The financial statements have been prepared under the historical cost convention.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £1,000.

2 Comparatives

The comparatives in the interim financial information are the figures included in the audited financial statements for ESP Utilities Group Ltd for the period ended 31 December 2025, together with the unaudited results for the 6 months ending 30 June 2025.

3 Analysis of Turnover

	6 months ended 30 June 2026 Unaudited £'000	6 months ended 30 June 2025 Unaudited £'000	12 months ended 31 December 2025 Audited £'000
Analysis by class of business:			
Gas transportation	28,095	26,249	48,676
Gas metering	8,403	7,374	15,866
Electricity distribution	55,514	49,745	102,573
Water & waste water	2,344	406	1,230
Release of deferred income on third party contributions	374	369	892
	94,730	84,143	169,237

The Group's revenue is generated in the United Kingdom (excluding Northern Ireland).

4 Debtors

	Group 30 June 2026 Unaudited £'000	Group 30 June 2025 Unaudited £'000	Group 31 December 2025 Audited £'000
Trade debtors	16,433	11,816	10,446
Other debtors	105	537	305
Amounts owed by Group undertakings	1,241	-	-
Lease assets	-	-	13
Prepayments and accrued income	8,149	4,548	13,175
	25,928	16,901	23,939

All debtors are due within one year.

ESP Utilities Group Limited

Notes forming part of the consolidated interim report For the period ended 30 June 2026 (*continued*)

4 Debtors (*continued*)

The amounts owed by group undertakings relate to intercompany balances which do not bear interest and are repayable on demand by the Company when sufficient funds are available to do so.

5 Creditors: amounts falling due within one year

Group	30 June 2026 Unaudited £'000	30 June 2025 Unaudited £'000	31 December 2025 Audited £'000
Trade creditors	20,051	24,840	22,056
Loans due to Group undertakings	2,196	2,151	21,696
Interest due	2,593	2,356	2,457
Taxation and social security	396	311	370
Other creditors	4,007	1,309	1,900
Accruals and deferred income	15,995	9,396	25,365
Corporation Tax	1,779	825	594
Lease liabilities	260	54	-
	47,277	41,242	74,438

Loans due to Group undertakings are currently attracting interest at a fixed rate of 8% (2025: 8%). The loan is repayable on demand.

6 Creditors: amounts falling due after more than one year

Group	30 June 2026 Unaudited £'000	30 June 2025 Unaudited £'000	31 December 2025 Audited £'000
Third party loan notes	419,425	421,084	421,670
Third party capex loan	50,000	20,000	50,000
Third party bank loan	145,000	-	-
Deferred income	30,118	30,525	30,350
Lease liabilities	2,003	2,142	2,269
	646,546	473,751	504,289

The deferred income relates to contributions, from owner-occupiers of premises, partly to offset the capital expenditure on the infill networks, which are received at the time of initial connection. These receipts are released to the statement of comprehensive income account over the useful life of the related assets.

ESP Utilities Group Limited

Notes forming part of the consolidated interim report For the period ended 30 June 2026 (continued)

6 Creditors: amounts falling due after more than one year (continued)

The third party loan notes are secured by an All Assets charge over the assets of the Group, and are structured as follows: -

£54m at 2.69% Senior Secured Tranche A note due 6th October 2027
 £85m at 3.05% Senior Secured Tranche B note due 6th October 2032
 £60m at 6.67% Senior Secured Tranche A note due 19th October 2033
 £30m at 2.116% Senior Secured note due 13th February 2035
 £30m at 2.53% Senior Secured note due 30th June 2036
 £85m at 3.35% Senior Secured Tranche C note due 6th October 2037
 £30m at 2.736% Senior Secured note due 13th May 2041
 £60m at 6.91% Senior Secured Tranche note due 19th October 2043

In June 2026 a £200m, 3 year bank loan facility was agreed, of which £145m was drawn. Interest on the bank loan is payable at SONIA plus margin. Interest rate risk on this £145m drawn facility has been hedged with a matching interest rate derivative, so that the fixed rate payable is 4.074% for the first year and 5.374% thereafter.

On 16th February 2026 the working capital, capital expenditure and liquidity facilities were increased to combined £190m facility and renewed for a further 5 years. There were no drawdowns on the capital expenditure facility during the 6 months to June 2026, and the £50m loan drawn was repaid in H2 2026. Interest on the facility is payable at SONIA +1.62%.

The analysis of loans due to Group undertakings is as follows:

Group	30 June 2026 Unaudited £'000	30 June 2025 Unaudited £'000	31 December 2025 Audited £'000
In one year or less, or on demand	2,196	2,151	21,696
In more than one year but not more than two years	-	-	-
In more than two years but not more than five years	-	-	-
In more than five years	-	-	-
	2,196	2,151	21,696

ESP Utilities Group Limited

Notes forming part of the consolidated interim report
For the period ended 30 June 2026 (*continued*)

6 Financial instruments

The Group's financial instruments may be analysed as follows:

	Group 30 June 2026 Unaudited £'000	Group 30 June 2025 Unaudited £'000	Group 31 December 2025 Audited £'000
Financial assets			
<i>measured at amortised cost:</i>			
Cash at bank	172,737	33,982	53,618
Trade debtors	16,433	11,816	10,446
Other debtors	105	537	305
Financial liabilities			
<i>measured at amortised cost:</i>			
Trade creditors	20,051	24,838	22,055
Loans due to Group undertakings	2,196	2,151	21,696
Interest accrued	2,593	2,356	2,457
Other creditors	1,309	1,309	1,748
Accruals	15,268	8,674	24,640
Lease liabilities	2,263	2,196	2,410
Loan notes	419,425	421,352	421,670
Bank loan	145,000	-	-
Capex loan	50,000	20,000	50,000
<i>measured at fair value through profit or loss</i>			
Loan notes	46,424	46,000	46,424

8 Capital commitments

Group	30 June 2026 Unaudited £'000	30 June 2025 Unaudited £'000	31 December 2025 Audited £'000
Contracted but not provided for	260,620	224,717	247,739

9 Reconciliation of operating profit to EBITDA

Group	30 June 2026 Unaudited £'000	30 June 2025 Unaudited £'000	31 December 2025 Audited £'000
Group Operating Profit	35,464	32,142	60,424
Add back net depreciation	6,744	6,168	12,659
EBITDA	42,208	38,310	73,083

ESP Utilities Group Limited

Notes forming part of the consolidated interim report
For the period ended 30 June 2026 (*continued*)

10 Related party disclosures

The Group's immediate holding company is Zoom Gas Pipelines Limited, a company registered in England and Wales. The Group's ultimate holding company is Zoom Holding Limited, a company registered in England and Wales. The Group is ultimately controlled by 3i MIA LP, an English limited partnership, which is managed by 3i Investments plc. 3i Investments plc is wholly owned by 3i Group plc. The general partner of 3i MIA LP is 3i Managed Infrastructure GP (2017) LLP.

The largest group in which the results of the Group are consolidated is that headed by Zoom Holding Limited. A copy of these consolidated financial statements is available from Companies House.

The registered office of all Group companies is First Floor, Kings Court, 41-51 Kingston Road, Leatherhead, KT22 7SL.

There are no related party transactions in the year, other than those with wholly owned group companies which are exempt from disclosure under FRS102.