

ESP Utilities Group Limited

Consolidated Interim Report

Period Ended

30 June 2025

Registered number 02612105

ESPUG Utilities Group Limited

Consolidated Interim Report For the period ended 30 June 2025

Contents

Page:

1	Consolidated statement of comprehensive income
2	Consolidated balance sheet
3	Consolidated statement of changes in equity
4	Consolidated statement of cash flows
5	Notes forming part of the consolidated interim report

Directors

Anna Dellis
Miriam Greenwood (appointed 1 January 2025)
Simon Lees
Simon Loh
Liam McAvoy (appointed 1 January 2025)
Paul Miles
Kevin O'Connor
Bernardo Sottomayor
Victoria Spiers
Yaad Virdee
Peter Whittaker

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 2025

	6 months ended 30 June 2025 Unaudited £'000	6 months ended 30 June 2024 Unaudited £'000	12 months ended 31 December 2024 Audited £'000
Turnover	84,143	74,364	159,200
Cost of sales	(40,582)	(37,558)	(80,171)
Gross profit	43,561	36,806	79,029
Administrative expenses	(11,419)	(9,495)	(20,596)
Group operating profit	32,142	27,311	58,433
Other interest receivable and similar income	759	1,151	2,103
Interest payable and similar charges	(9,931)	(9,193)	(13,833)
Profit on ordinary activities before taxation	22,970	19,269	46,703
Taxation on profit on ordinary activities	(4,510)	(3,546)	(10,536)
Profit for the financial period and total comprehensive income for the period	18,460	15,723	36,167

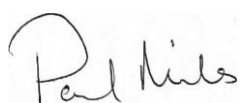
The statement of comprehensive income has been prepared on the basis that all operations are continuing operations. There were no items of other comprehensive income in the current and prior year.

ESP Utilities Group Limited

Consolidated balance sheet at 30 June 2025

	30 June 2025 Unaudited £'000	30 June 2025 Unaudited £'000	30 June 2024 Unaudited £'000	30 June 2024 Unaudited £'000	31 December 2024 Audited £'000	31 December 2024 Audited £'000
Fixed assets						
Tangible assets		518,977		470,683		500,214
Current assets						
Debtors	16,901		15,780		24,731	
Cash at bank and in hand	33,982		42,165		46,791	
	<u>50,883</u>		<u>57,945</u>		<u>71,522</u>	
Creditors: amounts falling due within one year	<u>(41,242)</u>		<u>(34,740)</u>		<u>(65,018)</u>	
Net current assets/(liabilities)		<u>9,641</u>		<u>23,205</u>		<u>6,504</u>
Total assets less current liabilities		<u>528,618</u>		<u>493,888</u>		<u>506,718</u>
Creditors: amounts falling due after more than one year		<u>(473,751)</u>		<u>(456,668)</u>		<u>(473,996)</u>
Provisions for liabilities		<u>(41,054)</u>		<u>(29,911)</u>		<u>(37,369)</u>
Net assets		<u>13,813</u>		<u>7,309</u>		<u>(4,647)</u>
Capital and reserves						
Called up share capital		156,426		156,426		156,426
Profit and loss account		<u>(142,613)</u>		<u>(149,117)</u>		<u>(161,073)</u>
		<u>13,813</u>		<u>7,309</u>		<u>(4,647)</u>

The consolidated interim report was approved by the Board of Directors and authorised for issue on 30 September 2025 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 2025

	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 30 June 2024 Unaudited £'000	Profit and loss account 30 June 2024 Unaudited £'000	Total Equity 30 June 2024 Unaudited £'000	Share capital 31 December 2024 Audited £'000	Profit and loss account 31 December 2024 Audited £'000	Total Equity 31 December 2024 Audited £'000
1 January	156,426	(161,073)	(4,647)	156,426	(164,840)	(8,414)	156,426	(164,840)	(8,414)
Comprehensive income for the period									
Profit for the period	-	18,460	18,460	-	15,723	15,723	-	36,167	36,167
Total comprehensive income for the period	-	18,460	18,460	-	15,723	15,723	-	36,167	36,167
Contributions by and distributions to owners									
Dividends paid	-	-	-	-	-	-	-	(32,400)	(32,400)
Total contributions by and distributions to owners	-	-	-	-	-	-	-	(32,400)	(32,400)
30 June	156,426	(142,613)	13,813	156,426	(149,117)	7,309	156,426	(161,073)	(4,647)

ESP Utilities Group Limited

Consolidated statement of cash flows For the period ended 30 June 2025

	6 month ended 30 June 2025 Unaudited £'000	6 month ended 30 June 2024 Unaudited £'000	Year ended 31 December 2024 Audited £'000
Cash flows from operating activities			
Profit for the financial period	18,460	15,723	36,167
Adjustments for:			
Depreciation and amortisation of fixed assets	6,537	6,262	12,319
Net interest payable/(receivable)	9,172	8,042	11,731
Taxation expense	4,510	3,546	10,536
(Increase)/Decrease in trade and other debtors	7,832	1,563	(7,762)
Increase/(decrease) in trade creditors	(25,232)	(18,224)	8,801
Profit on disposal of tangible assets	(150)	(26)	(80)
Cash from operations	21,129	16,886	71,712
Taxation paid	-	77	883
Dividends paid	-	-	(32,400)
Net cash generated from operating activities	21,129	16,963	40,195
Cash flows from investing activities			
Proceeds from sale of tangible fixed assets	269	76	182
Purchases of tangible fixed assets	(25,285)	(23,635)	(52,785)
Interest received	759	1,151	2,103
Net cash used in investing activities	(24,257)	(22,408)	(50,500)
Cash flows from financing activities			
Capex loan advanced	-	-	20,000
Debt issue costs incurred	-	(131)	(142)
Interest paid	(9,390)	(9,420)	(19,691)
Repayment of obligations under lease liabilities	(291)	-	(232)
Net cash from financing activities	(9,681)	(9,551)	(65)
Net (decrease) / increase in cash and cash equivalents	(12,809)	(14,996)	(10,370)
Cash and cash equivalents at beginning of year	46,791	57,161	57,161
Cash and cash equivalents at end of period	33,982	42,165	46,791
Cash and cash equivalents comprise:			
Cash at bank and in hand	33,982	42,165	46,791
Bank overdrafts	-	-	-
	33,982	42,165	46,791

ESP Utilities Group Limited

Notes forming part of the consolidated interim report For the period ended 30 June 2025

1 Financial Information

The interim financial information for the 6 months ended 30 June 2025 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 2024.

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 2024, together with the unaudited results for the 6 months ending 30 June 2024.

3 Analysis of Turnover

	6 months ended 30 June 2025 Unaudited £'000	6 months ended 30 June 2024 Unaudited £'000	12 months ended 31 December 2024 Audited £'000
Analysis by class of business:			
Gas transportation	26,249	24,828	50,306
Gas metering	7,374	6,815	14,833
Electricity distribution	49,745	42,215	93,081
Water & waste water	406	139	245
Release of deferred income on third party contributions	369	367	735
	84,143	74,364	159,200

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

4 Debtors

	Group 30 June 2025 Unaudited £'000	Group 30 June 2024 Unaudited £'000	Group 31 December 2024 Audited £'000
Trade debtors	11,816	11,175	12,380
Other debtors	537	382	377
Amounts owed by Group undertakings	-	36	-
Corporation tax	-	338	-
Prepayments and accrued income	4,548	3,849	11,974
	16,901	15,780	24,731

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 2025 (*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 2025 Unaudited £'000	30 June 2024 Unaudited £'000	31 December 2024 Audited £'000
Trade creditors	24,840	20,099	22,196
Loans due to Group undertakings	2,151	2,196	18,395
Loan note interest due	2,356	3,301	2,362
Taxation and social security	311	281	304
Other creditors	1,309	1,661	2,011
Accruals and deferred income	9,396	7,202	19,683
Corporation Tax	825	-	-
Lease liabilities	54	-	67
	41,242	34,740	65,018

Loans due to Group undertakings are currently attracting interest at a fixed rate of 8% (2024: 8%). The loan is repayable on demand.

6 Creditors: amounts falling due after more than one year

Group	30 June 2025 Unaudited £'000	30 June 2024 Unaudited £'000	31 December 2024 Audited £'000
Loan notes	421,084	425,618	420,871
Capex loan	20,000	-	20,000
Deferred income	30,525	31,050	30,783
Lease liabilities	2,142	-	2,342
	473,751	456,668	473,996

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 2025 (*continued*)

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

The 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

There were no drawdowns on the £100m capital expenditure facility during the 6 months to June 2025, leaving £80m available to draw on the facility. Interest is payable at SONIA +1.62%. The bank loans are secured by an All Assets charge over the assets of the Group.

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

Group	30 June 2025 Unaudited £'000	30 June 2024 Unaudited £'000	31 December 2024 Audited £'000
In one year or less, or on demand	2,151	2,196	18,395
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	-	-	-
	2,151	2,196	18,395

ESP Utilities Group Limited

Notes forming part of the consolidated interim report
For the period ended 30 June 2025 (*continued*)

6 Financial instruments

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

	Group 30 June 2025 Unaudited £'000	Group 30 June 2024 Unaudited £'000	Group 31 December 2024 Audited £'000
Financial assets			
<i>measured at amortised cost:</i>			
Cash at bank	33,982	42,165	46,791
Trade debtors	11,816	11,175	12,380
Other debtors	537	382	377
Financial liabilities			
<i>measured at amortised cost:</i>			
Trade creditors	24,838	20,099	22,196
Loans due to Group undertakings	2,151	2,196	18,395
Loan note interest	2,356	3,301	2,362
Other creditors	1,309	1,661	2,011
Accruals	8,674	7,202	19,683
Lease liabilities	2,196	-	2,409
Loan notes	421,352	374,618	420,871
Capex loan	20,000	-	20,000
<i>measured at fair value through profit or loss</i>			
Loan notes	46,000	51,000	46,000
8 Capital commitments			
Group	30 June 2025 Unaudited £'000	30 June 2024 Unaudited £'000	31 December 2024 Audited £'000
Contracted but not provided for	224,717	185,541	199,789
9 Reconciliation of operating profit to EBITDA			
Group	30 June 2025 Unaudited £'000	30 June 2024 Unaudited £'000	31 December 2024 Audited £'000
Group Operating Profit	32,142	27,311	58,433
Add back net depreciation	6,168	5,895	11,584
EBITDA	38,310	33,206	70,017

ESP Utilities Group Limited

Notes forming part of the consolidated interim report
For the period ended 30 June 2025 (*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.