



**Enviromena International Holdings
Limited**
Consolidated Annual Report and Financial
Statements

31 December 2023

Registered number 12074634

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Company Information

Directors	C D Marsh A Pike S S Toor C Allen D Sarin J Skinner
Company secretary	C Allen
Company number	12074634
Registered office	15 Diddenham Court Lambwood Hill Grazeley Reading Berkshire RG7 1JQ
Independent auditor	Deloitte LLP 2 New Street Square London EC4A 3BZ
Bankers	HSBC UK Bank Plc Level 7, Thames Tower Station Road Reading RG1 1LX

ENVIROMENA INTERNATIONAL HOLDINGS LIMITED
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FOR THE PERIOD ENDED 31 DECEMBER 2023



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ENVIROMENA INTERNATIONAL HOLDINGS LIMITED
STRATEGIC REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2023



Introduction

The Directors present the strategic report for the period ended 31 December 2023. This report has been prepared for the Group, which includes Enviromena International Holdings Limited ('the Company') and the Company's wholly-owned subsidiaries (see note 13 for further details).

The financial statements are for the 9-month period ended 31 December 2023.

The Strategic Report has been prepared for the Group and therefore gives greater emphasis to those matters which are significant to the Group.

Group Activities

The Group is dedicated to leading the transition to a clean energy future by delivering safe, affordable, and reliable renewable energy solutions to customers across the UK and Europe. As a fully integrated development and operations platform, we manage every stage of our projects—from origination and development to construction, long-term financial management, operations, and maintenance. In all that we do, we aim to create lasting value for our customers, partners, stakeholders, and counterparties.

We are also committed to enhancing the communities and environments where we operate, continually assessing the long-term impacts of our business activities. We prioritise safe working conditions, environmental stewardship, respect for our employees and the communities we serve, and building strong, trusted relationships with our business partners.

<p>Development</p>	<p>Engineering, Procurement & Construction</p>	<p>Operations & Maintenance</p>	<p>Asset Management</p>
<p>We offer a wide array of development services, from fully self-developed projects to ready-to-build (RTB) site acquisitions.</p>	<p>Our vastly experienced EPC team ensures that all our sites are built to the highest standards, with a strong focus on safe and sustainable construction practices.</p>	<p>The Group offers comprehensive O&M services and our O&M team actively participates in the site design process to optimize long-term value.</p>	<p>Once operational, our Asset Management (AM) team oversees a wide range of commercial and administrative tasks, including PPA negotiation, bank compliance, annual accounts, tax submissions, and company secretarial activities.</p>
<p>Our in-house team of project developers, planning specialists, and designers work closely with our legal team to ensure contracts are executed efficiently and cost-effectively.</p>	<p>We partner exclusively with tier 1 suppliers and maintain direct relationships with several leading providers.</p>	<p>Our analysts monitor live data feeds, promptly addressing faults in real-time and tracking generation data to ensure the asset remains in top condition.</p>	

Business review

The Group has achieved 135% revenue growth, rising from £13,505,917 for the financial year ending 31 March 2023 to £31,730,987 for the 9-month period ended 31 December 2023. This significant growth is primarily attributed to third-party EPC revenues from the construction of three UK solar PV sites: Horsey Levels, Kiln Fields, and Bryngolwg. Bryngolwg was completed and energized in Q4 2023, while Horsey Levels was finished shortly after the year-end in Q2 2024. Kiln Fields remained under construction at year-end, with completion anticipated by Q4 2024.

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Business review *(continued)*

This follows the successful completion and energisation of our first site, Three Maids Hill, in Q4 2022. The completed sites - Three Maids Hill and Bryngolwg - are now being actively managed by our Operations and Maintenance (O&M) teams to ensure optimal performance. Once completed, Horsey Levels and Kiln Fields will also be included under our O&M management.

During the reporting period, the Group's strategic focus shifted from operating as a developer EPC business to becoming an independent power producer (IPP). As a result, the Group will now prioritise building and retaining ownership of its assets, with future revenues primarily derived from energy sales. To date, all EPC revenues have been generated through third-party contracts; however, these will largely diminish in upcoming reporting periods as the Group concentrates on constructing assets internally.

The first site expected to be energized following this transition is Medebridge Solar Limited, a 70MW solar PV project located in Essex. Most of the energy produced at this site will be sold to the University of Manchester under a Corporate PPA, with the site anticipated to be fully operational in H2 2025.

The Group continues to make substantial investments in its development pipeline, which exceeded 2GW as of 31 December 2023. Excluding refundable grid deposits, development costs are expensed as incurred and are reflected in our EBITDA results.

In addition to our UK progress, we completed and energised the first two solar PV sites from our development pipeline in Italy. The sites, Collepasso and Alliste, are tracker systems located in the Puglia region. Additionally, we secured planning permission to build a third site, Grosseto, which is expected to enter construction in early 2025.

Key performance indicators

Under the current business model, the below metrics are deemed as the key performance indicators for the Group.

	9 months ended 31 December 2023 £000	Year ended 31 March 2023 £000	Movement £000	Movement % %
Revenue	30,396	13,506	16,890	125.1%
Gross profit	4,563	554	4,009	723.6%
Gross profit margin %	15.0%	4.1%	10.9%	265.9%
EBITDA	(693)	(4,801)	4,108	85.6%
Adjusted net loss	(1,978)	(5,809)	3,831	65.9%
Loss for the period/year	(5,624)	(5,809)	185	3.2%

Revenue has increased by 2.3x – this is primarily driven by additional EPC projects, namely Bryngolwg, Horsey Levels and Kiln Fields reaching more advanced stages of completion. These projects achieved healthier margins than previous projects and have therefore contributed to a significant gross profit increase of over 8.2x, in absolute terms. This improvement in gross profit has also led to a significant reduction in EBITDA loss by 6.9x.

The movement from EBITDA to the loss for the period is primarily driven by c£3.6m of exceptional items incurred in the period (see note 9 for further details).

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Board of Directors



Surinder Toor
Non-Executive Director



Julian Skinner
Non-Executive Director



Dmitry Sarin
Non-Executive Director



Adrian Pike
Chairman of the Board



Chris Marsh
Chief Executive Officer



Christina Allen
Chief Legal Officer and
Company Secretary

Senior Management Team



Gary Hales
Chief Operating Officer



Lee Adams
Chief Commercial Officer



Mark Harding
European Development
Director

ENVIROMENA INTERNATIONAL HOLDINGS LIMITED
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Principal risks and uncertainties

The Board is committed to a continual process of improvement and embedment of the risk management framework within the Group. This ensures that the Group identifies both existing and emerging risks, and continues to develop appropriate mitigation strategies.

The Board believes that there are several potential risks to the Group that could hinder the successful implementation of its strategy. These risks may arise from internal and external events, acts and omissions.

However, the Board and senior management team is proactive in identifying, assessing and managing all risks facing the business. The principal risks and uncertainties facing the Group are detailed below, along with the Directors' responses to those risks.

Operational Risks

Health and Safety Risk

The construction, operation, and maintenance of solar PV sites involve significant health and safety risks. These can range from accidents during the construction phase to electrical hazards during operation and maintenance. Non-compliance with health and safety regulations could result in serious injuries, project delays, legal liabilities, and reputational damage. The Group mitigates these risks by:

- Implementing comprehensive health and safety management systems in line with UK regulations and industry best practices, ensuring strict adherence to safety protocols during construction, operation, and maintenance phases.
- Conducting regular safety audits, risk assessments, and site inspections to proactively identify and address potential hazards.
- Fostering a strong safety culture across the organization by encouraging incident reporting, continuous improvement, and leadership engagement in health and safety matters.
- Ensuring that all contractors are vetted for compliance with health and safety standards and have proven track records of safe work practices.

Technical Risks

Solar PV installations face operational risks, such as equipment failure, suboptimal performance, or delays in commissioning new projects. This could lead to reduced energy output and increased maintenance costs. Technological risks also include rapid advancements in solar technology, which may render existing projects less efficient or outdated. We mitigate these risks by:

- Implementing a proactive Operations and Maintenance (O&M) strategy, utilising advanced monitoring tools for real-time fault detection and predictive maintenance to minimize downtime.
- Developing strong relationships with tier 1 suppliers to ensure access to high-quality equipment and replacement parts.
- Continually evaluating emerging solar technologies and innovations to ensure that future projects remain competitive and efficient.
- Evaluating local sourcing options where feasible to reduce lead times and shipping costs, minimising exposure to global supply chain disruptions.

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Operational risks *(continued)*

Supply Chain Risk

The solar PV industry relies on a global supply chain for key components such as photovoltaic panels and inverters. Disruptions in the supply chain, including delays, shortages, geopolitical tensions, or trade barriers, can significantly impact project timelines and profitability. Additionally, the increasing demand for renewable energy components may lead to short-term, supply issues, particularly for raw materials like silicon, copper, and aluminium. We mitigate these risks by:

- Establishing direct, long-term partnerships with multiple tier 1 suppliers to diversify sources of key materials and components, reducing reliance on any single supplier or region.
- Regularly reviewing procurement strategies and engage in bulk purchasing to lock in favourable pricing where possible.

Environmental Risks

Social Responsibility Risk

Recent reports have highlighted the use of forced labour by some manufacturers in the production of solar PV components, particularly in certain regions of China, which is a major hub for the global solar panel supply. This presents a significant ethical concern for the Group and its stakeholders, and we take this issue very seriously. To mitigate our exposure to this risk, we take the following measures:

- Conduct comprehensive due diligence on all suppliers, ensuring strict compliance with international labour laws and ethical sourcing standards, with a particular focus on regions identified for labour rights violations.
- Carry out regular audits and independent assessments of our supply chain to ensure transparency and uphold ethical practices, especially in areas known for forced labour risks.
- Partner only with suppliers committed to social responsibility and diversify our sourcing strategy to reduce reliance on regions or suppliers with questionable labour practices

Climate and Weather Dependency

Solar PV systems are inherently dependent on weather conditions, with variations in sunlight hours affecting energy generation. Adverse weather conditions, such as prolonged periods of cloud cover, could lead to underperformance and reduced revenues. These risks are mitigated by:

- Diversifying project locations to spread geographical risk, reducing the impact of localized weather patterns.
- Investing in technology upgrades, such as bifacial panels and trackers, to enhance energy output in varying weather conditions.

Environmental Risk and Community Engagement

Failure to adhere to environmental regulations or meet stakeholder expectations around sustainability could result in projects not securing planning permission and/or reputational damage. Social risks include opposition from local communities or environmental groups regarding land use for solar installations. We mitigate this risk by:

- Engaging proactively with local communities, addressing concerns transparently and promoting the positive environmental impact of solar energy.
- Continuing to develop and implement initiatives focused on sustainability, biodiversity, and reducing the carbon footprint of operations.

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Strategic Risk

Regulatory and Policy Risks

The solar PV industry in the UK is heavily influenced by government policies, regulations, and incentives. Changes in energy policy, subsidies, and regulatory frameworks (such as the removal of Renewable Obligation Certificates or the Contracts for Difference scheme) can affect the financial viability of new and existing solar projects. Potential increases in regulatory burdens, such as grid connection requirements or land use restrictions, could also introduce challenges. The Group mitigates this risk by:

- Maintaining close monitoring of legislative changes and government consultations, and by actively engaging with industry bodies.
- Diversify revenue streams, including securing long-term Power Purchase Agreements (PPAs) with stable off-takers to mitigate reliance on government incentives.
- Develop a flexible business model capable of adapting to changes in regulatory requirements.

Grid Connection and Capacity Constraints

Access to the UK's electricity grid is essential for solar PV projects to operate, but obtaining grid connections can be a lengthy and costly process. Additionally, grid capacity constraints, particularly in rural areas, may limit the ability to export electricity or lead to curtailment, reducing revenue. We mitigate this risk by:

- Maintaining strong relationships with distribution network operators (DNOs) and transmission system operators (TSOs)
- Considering co-locating energy storage solutions to manage grid constraints and optimize energy export during peak demand periods.
- Exploring opportunities for direct wire solutions with corporate off-takers, reducing reliance on grid export capacity.

Financial Risk

Energy Price Volatility

Solar PV projects generate revenue from selling electricity. Fluctuations in wholesale electricity prices due to market dynamics, demand-supply imbalances, or geopolitical events may reduce profitability. The Group mitigates this by:

- Securing long-term PPAs with fixed prices to ensure stable and predictable revenue streams.
- Exploring the potential for co-located energy storage solutions, enabling the Group to sell electricity at peak times when prices are higher, thus reducing exposure to periods of low wholesale prices.
- Regularly reviewing market conditions to optimize energy sale strategies, leveraging flexible pricing mechanisms where possible.

Liquidity Risk

As an IPP, the Group is capital-intensive, requiring significant upfront investment to fund new solar projects. Fluctuations in interest rates, changes in lending policies, or difficulties in securing project finance may affect the ability to raise sufficient capital or refinance existing debt.

- Maintain a diversified funding base, including project finance and term loan facilities.
- Secure long-term PPAs to provide the revenue certainty needed to attract investment.
- Actively manage debt portfolios, leveraging fixed-rate financing to mitigate the impact of rising interest rates.

ENVIROMENA INTERNATIONAL HOLDINGS LIMITED
STRATEGIC REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2023



Financial Risk *(continued)*

Rising Material Costs

The solar PV industry relies on a global supply chain for key components such as photovoltaic panels, inverters, and battery storage systems. Increased material costs due to inflation, geopolitical tensions, or trade barriers, can significantly impact project profitability. Additionally, the increasing demand for renewable energy components may lead to material price volatility, particularly for raw materials like silicon, copper, and aluminium. We mitigate this by:

- Securing supply contracts with fixed pricing mechanisms to mitigate the impact of material cost fluctuations over the duration of the project pipeline.
- Regularly reviewing procurement strategies and engage in bulk purchasing to lock in favourable pricing where possible.
- Evaluating local sourcing options where feasible to reduce lead times and shipping costs, minimizing exposure to global supply chain disruptions.
- Factoring potential material cost increases into financial models and project budgeting to ensure sufficient contingency is built into capital expenditure plans.

Foreign Exchange Risk

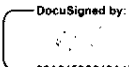
As a UK-based solar PV IPP, the Group may engage in transactions involving foreign currencies, particularly when sourcing equipment or securing investment from international markets. Fluctuations in exchange rates can lead to increased costs for importing solar components. A weakening of the British pound (GBP) against major currencies such as the US dollar (USD) or Euro (EUR) could result in higher capital and operational expenditures. The Group mitigates this risk by:

- Implementing hedging strategies to mitigate foreign exchange risk, such as forward contracts or options, securing favourable exchange rates for future payments.
- Where possible, sourcing materials and services domestically to reduce exposure to currency fluctuations.
- Regularly monitoring foreign exchange markets and adjust procurement or financial strategies accordingly, taking advantage of favourable movements.
- Factor potential currency fluctuations into financial planning and budgeting to ensure sufficient contingencies for adverse exchange rate movements.

Future developments

Details of future developments can be found in the *'Post balance sheets events'* section of the Directors' Report on page 9 and form part of this report by cross-reference.

This report was approved by the board and signed on its behalf.

DocuSigned by:

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C D Marsh
Director
26 September 2024

ENVIROMENA INTERNATIONAL HOLDINGS LIMITED
DIRECTORS' REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2023



The Directors present their report and the financial statements for the 9-month period ended 31 December 2023.

Enviromena International Holdings Limited ("the Company") serves as the senior holding company for the Enviromena International Holdings Limited Group ("the Group"). The Group is defined as the Company together with its direct and indirect subsidiaries (see note 13 for further details).

Directors

The directors, who served throughout the period and to the date of signing of the accounts were as follows:

C C Fisher (resigned 31 May 2023)
C D Marsh
A Pike
S S Toor
C Allen
D Sarin (appointed 16 June 2023)
J Skinner (appointed 16 June 2023)

Dividends

No ordinary dividends were paid during the period (year ended 31 March 2023: £nil) and the directors do not recommend payment of a further dividend.

Political donations

The Group made no political donations during the period (year ended 31 March 2023: £nil).

Future developments

After the restructuring activities noted in the Group Strategic Report, the focus of the business has changed from EPC/O&M contractor to full asset-owner. This will fundamentally change the future of the business as moving forward the Group will benefit from the proceeds on energy sales from constructed sites, complementing the proceeds already being received from the newly-merged operational assets.

Post balance sheet events

Close financing

In January 2024, the Group secured a debt and construction facility with Close Brothers to fund its ambitions of building and owning 500MW of generating assets by 2025.

In addition to the 500MW target, Enviromena will also utilise the funding to grow its self-developed ground mount solar pipeline to more than 2GW by 2025.

Company acquisitions

Medebridge Solar Limited:

In March 2024, the Group completed on the acquisition of Medebridge Solar Limited (company number 13337825) from NTR Renewables Plc. The site is a 70MW ready-to-build asset in Essex, with construction due to start in Q2 2024 and anticipated connection date in Q4 2025. The acquisition and construction will be funded through a combination of debt (from the Close Brothers financing facility as noted above) and shareholder equity.

ENVIROMENA INTERNATIONAL HOLDINGS LIMITED
DIRECTORS' REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2023



Post balance sheet events *(continued)*

Subsequent to the acquisition, in May 2024, Medebridge Solar Limited entered into a Corporate Power Purchase Agreement ("cPPA") with the University of Manchester. Through this contract, the University is committed to purchase c80% of Medebridge's annual generation capacity for the next decade which will meet up to 65% of its total electricity demand.

Rhigos Solar Limited:

In August 2024, the Group completed on the acquisition of Rhigos Solar Limited (company number 14397097) from Regener8 Power Limited. The site is a 9.9MW ready-to-build asset in Aberdare, with construction due to start in Q4 2024 and anticipated connection date in Q4 2025. The acquisition and construction will be funded through a combination of debt (from the Close Brothers financing facility as noted above) and shareholder equity.

Cruxton Renewable Energy Limited:

In July 2024, the Group re-acquired a previously owned subsidiary, Cruxton Renewable Energy Limited (company number 13191921), from Sedgwick Solar 4 Limited.

Completion of construction projects

In April 2024, the Group completed construction on its Horsey Levels EPC project on behalf of its investor. It is fully operational and generating and now sits under the remit of Enviromena's O&M team.

Going concern

At the period end, the Group had net liabilities of £14,548,498 (31 March 2023: £8,886,254) and net current assets of £6,092,020 (31 March 2023: net current liabilities of £3,225,123). Included within creditors are loan balances of £23,269,582 (31 March 2023: £7,453,000) due to the immediate parent company (Apollomena Limited, prior year AIP Infrastructure LP). Apollomena Limited will continue to provide support to the Group and has confirmed that it will not be demanding repayment of the loan amount for a period of not less than one year from the approval of these financial statements.

The cash distributions from the newly merged operational solar portfolio will support the working capital requirements of the business, which combined with the Close Brothers debt facility, used to fund project construction costs, will enable the Company and Group to meet its obligations as they fall due.

The Directors, having made an informed judgement at the time of approving the financial statements, believe there is a reasonable expectation that the Company and Group have adequate resources to continue in operational existence for a period of not less than one year from the approval of these financial statements. As a result, the Directors have continued to adopt the going concern basis of accounting in preparing the annual financial statements.

Qualifying third party indemnity provisions

The Company, as permitted by section 234 and section 235 of the companies Act 2006, maintains insurance cover on behalf of the directors, indemnifying them against certain liabilities which may be incurred by them in relation to the Company.

ENVIROMENA INTERNATIONAL HOLDINGS LIMITED
DIRECTORS' REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2023



Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company and the Group's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Auditor

The auditor, Deloitte LLP, was appointed as auditor during the period and will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

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C D Marsh
Director
26 September 2024

ENVIROMENA INTERNATIONAL HOLDINGS LIMITED
DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE PERIOD ENDED 31 DECEMBER 2023



The directors are responsible for preparing the annual report and the consolidated financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial period. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and the Group and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

ENVIROMENA INTERNATIONAL HOLDINGS LIMITED
INDEPENDENT AUDITOR'S REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2023



Independent auditor's report to the members of Enviromena International Holdings Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Enviromena International Holdings Limited (the 'parent company') and its subsidiaries (the 'group'):

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2023 and of the group's loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the consolidated statement of comprehensive income;
- the consolidated and parent company statement of financial position;
- the consolidated and parent company statements of changes in equity;
- the consolidated cash flow statement;
- the statement of accounting policies; and
- the related notes 1 to 28.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

ENVIROMENA INTERNATIONAL HOLDINGS LIMITED
INDEPENDENT AUDITOR'S REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2023



Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Responsibilities of directors

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

ENVIROMENA INTERNATIONAL HOLDINGS LIMITED
INDEPENDENT AUDITOR'S REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2023



We considered the nature of the group's industry and its control environment, and reviewed the group's documentation of their policies and procedures relating to fraud and compliance with laws and regulations.

We also enquired of management and the directors about their own identification and assessment of the risks of irregularities, including those that are specific to the group's business sector.

We obtained an understanding of the legal and regulatory framework that the group operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the group's ability to operate or to avoid a material penalty. These included the rules of Great Britain's independent energy regulator (Ofgem).

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud in the following area, and our procedures performed to address it are described below:

Contract revenue recognition, including recoverability of contract assets: as disclosed in Note 2 to the financial statements the company recognises revenue over time by measuring the progress towards full satisfaction of that performance obligation. Accordingly, for revenue to be recorded appropriately, management must forecast the outcomes of long-term construction, which require assessments and judgements to be made on changes in the scope of work, costs, maintenance and defects liabilities. In responding to the revenue recognition risk, we have performed the following procedures:

- assessing and challenging a sample of the most significant and more complex contract positions and the accounting thereon under the percentage of completion methodology;
- assessing the recoverability of amounts due from construction contract customers and the related receivables by agreeing to external certifications and cash receipts; and
- assessing the adequacy and completeness of the disclosures in relation to FRS 102.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business. In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

ENVIROMENA INTERNATIONAL HOLDINGS LIMITED
INDEPENDENT AUDITOR'S REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2023



Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the group and of the parent company and their environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

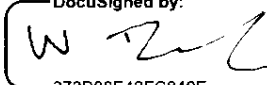
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

373B88E42FC840E

William Brooks FCA (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom
26 September 2024

ENVIROMENA INTERNATIONAL HOLDINGS LIMITED  **ENVIROMENA**
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 DECEMBER 2023

	Notes	9 months ended 31 December 2023 £	Year ended 31 March 2023 £
Turnover	4	30,396,372	13,506,266
Cost of sales		(25,833,120)	(12,952,587)
Gross profit		4,563,252	553,679
Administrative expenses		(6,451,413)	(5,581,695)
Exceptional administrative expenses	9	(3,645,777)	-
Operating loss	5	(5,533,938)	(5,028,016)
Interest payable and similar expenses	8	(124,293)	(700,793)
Loss before taxation		(5,658,231)	(5,728,809)
Taxation	10	34,096	(80,202)
Loss for the financial period/year		(5,624,135)	(5,809,011)
Other comprehensive (expense)/income			
<i>Items that are or may be reclassified subsequently to profit or loss:</i>			
Foreign currency translation differences		(38,109)	63,235
Other comprehensive (expense)/income for the period/year		(38,109)	63,235
Total comprehensive loss for the period/year		(5,662,244)	(5,745,776)

The statement of comprehensive income has been prepared on the basis that all results are derived from continuing operations.

The total comprehensive loss for the current period and prior year was attributable to the owners of the parent company.

The notes on pages 23 to 48 form an integral part of these consolidated financial statements.

ENVIROMENA INTERNATIONAL HOLDINGS LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
FOR THE PERIOD ENDED 31 DECEMBER 2023



	Notes	31 December 2023		31 March 2023	
		£	£	£	£
Fixed assets					
Intangible assets	11		667,998		1,244,307
Tangible assets	12		1,961,066		547,562
Total non-current assets			2,629,064		1,791,869
Current assets					
Stocks	14		955,524		4,664,282
Debtors: amounts falling due within one year	15		6,640,051		4,603,810
Cash at bank and in hand	16		1,028,735		1,632,845
Total current assets			8,624,310		10,900,937
Creditors: amounts falling due within one year	17		(2,532,290)		(14,126,060)
Net current assets/(liabilities)			6,092,020		(3,225,123)
Total assets less current liabilities			8,721,084		(1,433,254)
Creditors: amounts falling due after more than one year	18		(23,269,582)		(7,453,000)
Net liabilities			(14,548,498)		(8,886,254)
Capital and reserves					
Called up share capital	21		830,001		830,001
Share premium account	21		7,458,240		7,458,240
Foreign currency translation reserve	25		17,128		55,237
Profit and loss account	25		(22,853,867)		(17,229,732)
Total equity			(14,548,498)		(8,886,254)

The notes on pages 23 to 48 form an integral part of these consolidated financial statements.

The financial statements of Enviromena International Holdings Limited were approved by the board of directors and authorised for issue on 26 September 2024. They were signed on its behalf by:

DocuSigned by:

C D Marsh

Director

Company registered number: 12074634

ENVIROMENA INTERNATIONAL HOLDINGS LIMITED
COMPANY STATEMENT OF FINANCIAL POSITION
FOR THE PERIOD ENDED 31 DECEMBER 2023




	Notes	31 December 2023		31 March 2023	
		£	£	£	£
Fixed assets					
Intangible assets	11		-	501,444	
Investments	13		4		3
Total non-current assets			4	501,447	
Current assets					
Debtors: amounts falling due within one year	15	29,721,898		7,285,353	
Cash at bank and in hand	16	6,712		14,875	
Total current assets		29,728,610		7,300,228	
Creditors: amounts falling due within one year	17	(620,006)		(31,024)	
Net current assets			29,108,604	7,269,204	
Total assets less current liabilities			29,108,608	7,770,651	
Creditors: amounts falling due after more than one year	18	(23,269,582)			-
Net assets			5,839,026	7,770,651	
Capital and reserves					
Called up share capital	21	830,001		830,001	
Share premium account	21	7,458,240		7,458,240	
Profit and loss account	25	(2,449,215)		(517,590)	
Total equity			5,839,026	7,770,651	

The notes on pages 23 to 48 form an integral part of these consolidated financial statements.

The loss for the 9 month period dealt with in the financial statements of the parent company was £1,931,625 (year to 31 March 2023: loss of £316,331).

These financial statements were approved by the board of directors and authorised for issue on 26 September 2024. They were signed on its behalf by:

DocuSigned by:

 96A2458C949A4E2
C D Marsh
 Director
 Company registered number: 12074634

ENVIROMENA INTERNATIONAL HOLDINGS LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2023



	Called up share capital £	Share premium account £	Foreign currency translation reserve £	Profit and loss account £	Total equity £
Balance at 31 March 2022	830,001	7,458,240	(7,998)	(11,420,721)	(3,140,478)
Loss for the year	-	-	-	(5,809,011)	(5,809,011)
Currency translation differences	-	-	63,235	-	63,235
Total comprehensive loss for the year	-	-	63,235	(5,809,011)	(5,745,776)
Balance at 31 March 2023	830,001	7,458,240	55,237	(17,229,732)	(8,886,254)
Loss for the period	-	-	-	(5,624,135)	(5,624,135)
Currency translation differences	-	-	(38,109)	-	(38,109)
Total comprehensive loss for the period	-	-	(38,109)	(5,624,135)	(5,662,244)
Balance at 31 December 2023	830,001	7,458,240	17,128	(22,853,867)	(14,548,498)

The notes on pages 23 to 48 form an integral part of these consolidated financial statements.

ENVIROMENA INTERNATIONAL HOLDINGS LIMITED
COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2023



	Called up share capital £	Share premium account £	Profit and loss account £	Total equity £
Balance at 31 March 2022	830,001	7,458,240	(201,259)	8,086,982
Loss for the year	-	-	(316,331)	(316,331)
Total comprehensive loss for the year	-	-	(316,331)	(316,331)
Balance at 31 March 2023	830,001	7,458,240	(517,590)	7,770,651
Loss for the period	-	-	(1,931,625)	(1,931,625)
Total comprehensive loss for the period	-	-	(1,931,625)	(1,931,625)
Balance at 31 December 2023	830,001	7,458,240	(2,449,215)	5,839,026

The notes on pages 23 to 48 form an integral part of these consolidated financial statements.

ENVIROMENA INTERNATIONAL HOLDINGS LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 DECEMBER 2023



		9 months ended 31 December 2023 £	Year ended 31 March 2023 £
	Notes		
Cash flows from operating activities			
Loss for the financial period/year		(5,624,135)	(5,809,011)
Adjustments for:			
Amortisation	11	137,680	196,248
Depreciation	12	40,028	31,000
Loss on disposal of intangible assets	11	443,305	11,371
Loss on disposal of tangible assets	12	-	61,924
Loss/(gain) on disposal of subsidiary	5	57,203	(5,296)
Fair value movements - swap	20	(24,471)	291,997
Loan interest payable	8	123,928	700,489
Unrealised foreign exchange gains		(83,092)	(148,073)
Taxation	10	(31,830)	80,202
Operating cash flow before movement in working capital		(4,961,384)	(4,589,149)
Decrease/(increase) in stocks	14	3,708,759	(2,678,538)
(Increase)/decrease in debtors	15	(2,019,746)	822,580
(Decrease)/increase in creditors	17	(6,233,633)	3,263,712
Tax paid		(77,937)	-
Net cash used in operating activities		(9,583,941)	(3,181,395)
Cash flows from investing activities			
Purchase of intangible assets	11	(4,686)	(1,450)
Purchase of tangible assets	12	(1,465,483)	(441,176)
Net cash used in investing activities		(1,470,169)	(442,626)
Cash flows from financing activities			
Shareholder loan received	18	15,816,582	-
Third party loan principal (repaid)/received	18	(4,500,000)	3,000,000
Third party loan interest paid		(866,582)	-
Net cash inflow from financing activities		10,450,000	3,000,000
Net decrease in cash and cash equivalents	16	(604,110)	(624,021)
Cash and cash equivalents at beginning of period	16	1,632,845	2,256,866
Cash and cash equivalents at end of period/year		1,028,735	1,632,845

The notes on pages 23 to 48 form an integral part of these consolidated financial statements.

ENVIROMENA INTERNATIONAL HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2023



1 General information

Enviromena International Holdings Limited is a private company limited by shares incorporated in the United Kingdom under the companies Act 2006 and registered in England and Wales. The registered office is Unit 15 Diddenham Court, Lambwood Hill, Grazeley, Reading, RG7 1JQ.

The principal activity of the Company is to act as a holding company for the wider Group. The Group's principal activity is the development, construction, operation and management of solar PV and energy storage sites in the UK and Europe.

2 Accounting policies

The principal accounting policies applied in the preparation of these consolidated and separate financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

2.1 Basis of preparation

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland' ('FRS 102') and the Companies Act 2006.

The preparation of financial statements, in compliance with FRS 102, requires the use of certain critical accounting estimates. It also requires Group management to exercise judgement in applying the Group's accounting policies, see note 3 for further details.

The financial statements have been prepared using merger accounting. Therefore, the Group results are presented as if the Group had existed throughout the entire current and prior periods rather than by reference to the date that the Group may have been constituted. Merger accounting is permissible under FRS 102 paragraph 19.27.

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of comprehensive income in these financial statements.

2.2 Exemptions for qualifying entities

The Company has taken advantage of the following exemptions under FRS 102 in its individual financial statements:

- from preparing a statement of cash flow under the exemption allowed under FRS 102 paragraph 1.12(b);
- from the financial instrument disclosures, required under FRS 102 paragraphs, 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b), 11.48(c), 12.26, 12.27, 12.29(a), 12.29(b) and 12.29A, as the information is provided in the consolidated financial statement disclosures;
- from disclosing the Company key management personnel compensation, as required by FRS 102 paragraph 33.7.

ENVIROMENA INTERNATIONAL HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2023



2 Accounting policies *(continued)*

2.3 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between Group companies are therefore eliminated in full.

A subsidiary is an entity controlled by the Group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Statement of financial position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

Business combinations that meet the definition of a group reorganisation in FRS 102 are accounted for under the merger method.

The Group is not required to prepare a set of consolidated financial statements for the year, however it has elected to do so for commercial reasons.

2.4 Going concern

At the period end, the Group had net liabilities of £14,548,498 (31 March 2023: £8,886,254) and net current assets of £6,092,020 (31 March 2023: net current liabilities of £3,225,123). Included within creditors are loan balances of £23,269,582 (31 March 2023: £7,453,000) due to the immediate parent company (Apollomena Limited, prior year AIP Infrastructure LP). Apollomena Limited will continue to provide support to the Group and has confirmed that it will not be demanding repayment of the loan amount for a period of not less than one year from the approval of these financial statements.

The cash distributions from the newly merged operational solar portfolio will support the working capital requirements of the business, which combined with the Close Brothers debt facility, used to fund project construction costs, will enable the Company and Group to meet its obligations as they fall due.

The Directors, having made an informed judgement at the time of approving the financial statements, believe there is a reasonable expectation that the Company and Group have adequate resources to continue in operational existence for a period of not less than one year from the approval of these financial statements. As a result, the Directors have continued to adopt the going concern basis of accounting in preparing the annual financial statements.

2.5 Foreign currency translation

Functional and presentation currency

The Group and Company's functional and presentational currency is pound sterling. Figures are rounded to the nearest pound.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

ENVIROMENA INTERNATIONAL HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2023



2 Accounting policies *(continued)*

2.5 Foreign currency translation *(continued)*

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Consolidated statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

On consolidation, the results of overseas operations are translated into Sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

2.6 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, excluding any discounts, rebates, value added tax and other sales taxes.

Revenue from construction and service contracts

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the pattern of service delivered under the contract when both the amount of revenue can be measured reliably and it is probable that the Company will receive the consideration due under contract. For each new contract with a customer, the Company:

- 1) Identifies the contract;
- 2) Identifies the performance obligations included within the contract;
- 3) Determines the transaction price, taking into account variable consideration and the time value of money;
- 4) Allocates the transaction price to the separate performance obligations on the basis of the standalone selling price of each distinct good or service to be delivered; and
- 5) Recognises revenue when each performance obligation is satisfied in a manner that depicts the transfer to the customer of the good or services promised.

2.7 Operating leases: the Group as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

ENVIROMENA INTERNATIONAL HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2023



2 Accounting policies *(continued)*

2.8 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which range from 5 to 7 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

2.9 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.10 Borrowing costs

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.11 Pensions

Defined contribution pension plan

The Group contributes to a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Group in independently administered funds.

2.12 Exceptional items

The Group classifies certain one-off charges or credits that have a material impact on the Group's financial results as exceptional items. These are disclosed separately to provide further understanding of the financial performance of the Group.

Exceptional items are transactions that fall within the ordinary activities of the Group but are presented separately due to their size or incidence.

2.13 Taxation

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

ENVIROMENA INTERNATIONAL HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2023



2 Accounting policies *(continued)*

2.13 Taxation *(continued)*

Current or deferred taxation assets and liabilities are not discounted.

(i) Current tax

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

(ii) Deferred tax

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements.

Deferred tax is recognised on all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

2.14 Intangible assets

Goodwill

Goodwill recognised represents the excess of the fair value and directly attributable costs of the purchase consideration over the fair values to the Group's interest in the identifiable net assets, liabilities and contingent liabilities acquired.

Goodwill is amortised over its expected useful life which is estimated to be 10 years. Amortisation is recognised within administrative expenses within the statement of comprehensive income. Goodwill is assessed for impairment when there are indicators of impairment and any impairment is charged to the statement of comprehensive income within administrative expenses.

Software

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is calculated, using the straight-line method, to allocate the depreciable amount of the assets to their residual values over their estimated useful lives, as follows:

Software	- 5-7 years
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Amortisation is recognised within administrative expenses within the statement of comprehensive income.

ENVIROMENA INTERNATIONAL HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2023



2 Accounting policies *(continued)*

2.15 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Long-term leasehold property	- remaining duration of the lease
Plant and equipment	- 25 years
Fixtures and fittings	- 5 years
Office equipment	- 5 years
Computer equipment	- 4 years
Other fixed assets	- 2-5 years

Land is not depreciated.

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.16 Impairment of non-financial assets

At each balance sheet date non-financial assets not carried at fair value are assessed to determine whether there is an indication that the asset (or asset's cash generating unit) may be impaired. If there is such an indication the recoverable amount of the asset (or asset's cash generating unit) is compared to the carrying amount of the asset (or asset's cash generating unit).

The recoverable amount of the asset (or asset's cash generating unit) is the higher of the fair value less costs to sell and value in use. Value in use is defined as the present value of the future cash flows before interest and tax obtainable as a result of the asset's (or asset's cash generating units) continued use. These cash flows are discounted using a pre-tax discount rate that represents the current market risk-free rate and the risks inherent in the asset.

If the recoverable amount of the asset (or asset's cash generating unit) is estimated to be lower than the carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognised in the profit and loss account, unless the asset has been revalued when the amount is recognised in other comprehensive income to the extent of any previously recognised revaluation. Thereafter any excess is recognised in profit or loss.

If an impairment loss is subsequently reversed, the carrying amount of the asset (or asset's cash generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised in prior periods. A reversal of an impairment loss is recognised in the profit and loss account.

ENVIROMENA INTERNATIONAL HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2023



2 Accounting policies (continued)

2.17 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment. Where merger relief is applicable, the cost of investment in a subsidiary undertaking is measured at the nominal value of the share issues.

2.18 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately within administrative expenses within the statement of comprehensive income.

2.19 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.20 Financial instruments

(i) Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the balance sheet when, and only when there exists a legally enforceable right to set off the recognised amounts and the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Debt instruments which meet the following conditions of being 'basic' financial instruments as defined in paragraph 11.9 of FRS 102 are subsequently measured at amortised cost using the effective interest method.

Debt instruments that have no stated interest rate (and do not constitute financing transaction) and are classified as payable or receivable within one year are initially measured at an undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

ENVIROMENA INTERNATIONAL HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2023



2 Accounting policies *(continued)*

2.20 Financial instruments *(continued)*

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Group transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Group, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

(ii) Equity instruments

Equity instruments issued by the Company are recorded at the fair value of cash or other resources received or receivable, net of transaction costs.

(iii) Derivative financial instruments

The Group uses derivative financial instruments to reduce exposure to foreign exchange risk. The Group does not hold or issue derivative financial instruments for speculative purposes.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

The fair value of assets and liabilities are determined using either unadjusted quoted prices in active markets (Level 1) or pricing inputs that are observable (Level 2) whenever that information is available and using unobservable inputs (Level 3) to estimate fair value only when relevant observable inputs are not available. The Group uses valuation techniques that maximize the use of observable inputs. Assets and liabilities are classified in their entirety based on the lowest priority level of input that is significant to the fair value measurement.

2.21 Distributions to equity holders

Dividends and other distributions to the Group's shareholders are recognised as a liability in the financial statements in the period in which the dividends and other distributions are approved by the shareholders. These amounts are recognised in the statement of changes in equity.

2.22 Related party transactions

The Group discloses transactions with related parties which are not wholly owned within the same group. Where appropriate, transactions of a similar nature are aggregated unless, in the opinion of the directors, separate disclosure is necessary to understand the effect of the transactions on the Group financial statements.

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3 Accounting estimates and judgements

In preparation of the financial statements, management makes certain judgements and estimates that impact the financial statements. While these judgements are continually reviewed, the facts and circumstances underlying these judgements may change, resulting in a change to the estimates that could impact the results of the Group.

Critical judgements

a) Useful lives of tangible assets

The determination of useful lives of tangible assets requires assessment of the assets' level of use. Assumptions regarding the level of use and the impact of continuing maintenance regimes, based on which the useful lives are determined entail a degree of judgement.

Critical estimates

a) Revenue recognition for construction contracts

The assessment of service contracts, which, by their nature, are inherently complex, as well as the application of FRS 102 Section 23 to these contracts. Deriving input-based revenue recognised over time requires management to exercise judgement around the identification of performance obligations as well as to estimate total costs to complete the contract in order to determine the percentage stage of completion at the reporting date and hence the amount of revenue to recognise to date.

4 Turnover

An analysis of the Group's turnover by class of the business is set out below.

	9 months ended 31 December 2023 £	Year ended 31 March 2023 £
Turnover:		
Engineering, procurement & construction ('EPC')	29,852,697	11,972,593
Development fees	-	1,070,000
Operations & maintenance ('O&M')	156,121	65,832
Asset management ('AM')	237,030	291,313
Power price agreement ('PPA')	84,873	-
Other	65,651	106,528
Total	30,396,372	13,506,266

ENVIROMENA INTERNATIONAL HOLDINGS LIMITED
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4 Turnover *(continued)*

An analysis of the Group's turnover by geographical market is set out below.

	9 months ended 31 December 2023 £	Year ended 31 March 2023 £
Turnover:		
United Kingdom	30,311,499	13,475,497
European Union	84,873	30,769
Total	30,396,372	13,506,266

5 Operating loss

Operating loss is stated after charging/(crediting):

	9 months ended 31 December 2023 £	Year ended 31 March 2023 £
Depreciation of tangible fixed assets	40,028	31,000
Loss on disposal of intangible assets	443,305	11,371
Loss on disposal of tangible assets	-	61,924
Loss/(gain) on disposal of subsidiary	57,203	(5,296)
Amortisation of intangible assets	137,680	196,248
Foreign exchange losses/(gains)	146,570	(337,925)
(Gain)/loss on change in fair value of derivative financial instruments	(24,471)	291,997
Operating lease charges	94,974	97,653
Fees payable to the Company's auditor and its associates for the audit of the parent company and the Group's consolidated financial statements	73,000	25,400
Fees payable to the Company's auditor and its associates for other services:		
- Tax compliance services	-	9,950

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6 Staff numbers and costs

Group

The average monthly number of employees for the Group, excluding the directors, during the period was as follows:

	9 months ended 31 December 2023	Year ended 31 March 2023
	£	£
Corporate	12	12
Development & operations	11	7
	<u>23</u>	<u>19</u>

Their aggregate remuneration comprised:

	9 months ended 31 December 2023	Year ended 31 March 2023
	£	£
Wages and salaries	2,082,423	1,636,224
Social security costs	238,417	172,172
Pension costs	109,053	127,510
	<u>2,429,893</u>	<u>1,935,906</u>

Company

The Company has no employees other than the directors, who did not receive any remuneration from the Company (year ended 31 March 2023: £nil).

7 Directors' remuneration

Group

	9 months ended 31 December 2023	Year ended 31 March 2023
	£	£
Directors' emoluments	547,624	263,657
Group contributions to defined contribution pension schemes	17,045	18,486
	<u>564,669</u>	<u>282,143</u>

The total number of directors who received remuneration during the period was 2 (year ended 31 March 2023: 2).

The highest paid director received remuneration of £303,719 (year ended 31 March 2023: £142,271).

The value of the Group's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £9,632 (year ended 31 March 2023: £10,051).

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8 Interest payable and similar expenses

	9 months ended 31 December 2023 £	Year ended 31 March 2023 £
Loan interest payable	123,928	700,489
Other interest payable	365	304
	<u>124,293</u>	<u>700,793</u>

Loan interest payable relates to interest on a short-term financing facility. Included within the prior year amount was £222,689 relating to a repayment premium. The remaining repayment premium was released in full in the current period. The loan, together with accrued interest, was repaid in September 2023 as part of a wider group refinancing process. Please refer to note 17 for further details.

9 Exceptional administrative expenses

	9 months ended 31 December 2023 £	Year ended 31 March 2023 £
Exceptional expenses relating to bonuses and commissions	1,643,400	-
Exceptional expenses relating to bad debts	2,002,377	-
	<u>3,645,777</u>	<u>-</u>

Exceptional expenses relating to bonus and commissions relate to one-off bonuses paid to the senior management team. Within the above amount is £1,150,000 payable to related parties – see note 27. Within the above amounts are £455,200 relating to employees of the Company, including £227,600 payable to Company Directors. These amounts are included within the figures stated in notes 6 and 7 respectively.

Exceptional expenses relating to bad debts relate to the write off of related party balances which were no longer receivable as part of the Group's wider strategic move away from the Middle East with the future focus on the UK and European markets. See note 27 for further details.

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NOTES TO THE FINANCIAL STATEMENTS
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10 Taxation

(a) The tax (credit)/charge is made up as follows:

	9 months ended 31 December 2023 £	Year ended 31 March 2023 £
Current tax		
UK corporation tax	(31,830)	80,202
Tax over provided in prior years	(2,266)	-
Total current tax	(34,096)	80,202
Total per income statement	(34,096)	80,202

(b) Factors affecting the current tax (credit)/charge

	9 months ended 31 December 2023 £	Year ended 31 March 2023 £
Loss on ordinary activities before tax	(5,658,231)	(5,728,809)
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 25% (year ended 31 March 2023: 19%)	(1,414,558)	(1,088,474)
Effects of:		
Fixed asset differences	-	(177)
Expenses not deductible	524,477	219,949
Income not taxable	-	(203,300)
Chargeable gains	-	73,736
Group relief	477,869	-
Remeasurement of deferred tax for changes in tax rates	-	(251,560)
Prior year adjustments	(2,266)	-
Deferred tax not recognised	112,750	1,048,167
Rate differential on losses carried back	10,052	-
Losses from foreign subsidiaries	257,580	281,861
	(34,096)	80,202

Deferred taxes have been measured at 25% (year ended 31 March 2023: 25%) which represents future and corporation tax that was enacted at the balance sheet date. The UK budget 2021 announcements on 3 March 2021 included an increase to the UK's main corporation tax rate to 25%, which became effective from 1 April 2023. These changes were substantively enacted on 24 May 2021.

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11 Intangible assets

Group	Software	Goodwill	Total
	£	£	£
Cost			
At 1 April 2023	751,142	914,337	1,665,479
Additions	4,686	-	4,686
Disposals	(610,453)	-	(610,453)
Foreign exchange adjustments	(24)	-	(24)
At 31 December 2023	145,351	914,337	1,059,688
Amortisation			
At 1 April 2023	215,446	205,726	421,172
Charge for the period	69,105	68,575	137,680
Eliminated on disposals	(167,147)	-	(167,147)
Foreign exchange adjustments	(15)	-	(15)
At 31 December 2023	117,389	274,301	391,690
Net book value			
At 31 December 2023	27,962	640,036	667,998
At 31 March 2023	535,696	708,611	1,244,307

Company

	Software
	£
Cost	
At 1 April 2023	610,453
Disposals	(610,453)
At 31 December 2023	-
Amortisation	
At 1 April 2023	109,009
Charge for the period	58,138
Eliminated on disposals	(167,147)
At 31 December 2023	-
Net book value	
At 31 December 2023	-
At 31 March 2023	501,444

ENVIROMENA INTERNATIONAL HOLDINGS LIMITED

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12 Tangible assets											
Group	Leasehold improvements	Plant and equipment	Fixtures and fittings	Office equipment	Computer equipment	Other fixed assets	Land	Total			
	£	£	£	£	£	£	£	£	£	£	£
Cost											
At 1 April 2023	30,395	373,207	15,183	10,952	47,637	13,436	113,207	604,017			
Additions	-	1,449,245	-	-	7,442	8,796	-	1,465,483			
Foreign exchange adjustments	-	(10,160)	(86)	-	(126)	(9)	(1,558)	(11,939)			
At 31 December 2023	30,395	1,812,292	15,097	10,952	54,953	22,223	111,649	2,057,561			
Depreciation											
At 1 April 2023	7,060	-	8,104	9,263	22,909	9,119	-	56,455			
Charge for the period	1,452	19,715	2,001	968	9,409	6,483	-	40,028			
Foreign exchange adjustments	-	89	(31)	-	(44)	(2)	-	12			
At 31 December 2023	8,512	19,804	10,074	10,231	32,274	15,600	-	96,495			
Net book value											
At 31 December 2023	21,883	1,792,488	5,023	721	22,679	6,623	111,649	1,961,066			
At 31 March 2023	23,335	373,207	7,079	1,689	24,728	4,317	113,207	547,562			

The Company had no tangible fixed assets at 31 December 2023 (31 March 2023: £nil)

ENVIROMENA INTERNATIONAL HOLDINGS LIMITED
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13 Fixed asset investments

Company

	Investments in subsidiary companies £
Cost	
At 1 April 2023	3
Additions	3
Disposals	(2)
	<hr/>
At 31 December 2023	4
	<hr/>
Net book value	
At 31 December 2023	4
	<hr/> <hr/>
At 31 March 2023	3
	<hr/> <hr/>

Subsidiary undertakings

The following were subsidiary undertakings of the Company as at 31 December 2023 and 31 March 2023, all of which are included in these consolidated accounts:

Name	Registered office	Nature of business	Direct	Indirect
Enviromena Contracting Limited (Formerly Enviromena Europe Holdings Limited)	England	Holding company	100%	-
Enviromena Project Management UK Limited	England	Development and EPC services for solar sites	-	100%
Enviromena Asset Management UK Limited	England	AM and O&M services for solar sites	-	100%
Enviromena Asset Management Italia S.r.l	Italy	AM and O&M services for solar sites	-	100%
Enviromena Project Management Italia S.r.l	Italy	Development and EPC services for solar sites	-	100%

As a result of the wider group restructuring events, the Company acquired a significant number of new subsidiaries during the period. Please see note 23 for further details. Therefore, the following were subsidiary undertakings of the Company as at 31 December 2023, all of which are included in these consolidated accounts:

Name	Registered office	Nature of business	Direct	Indirect
Enviromena Developments Holdings Limited	England	Holding company	100%	-
Enviromena Developments Italy Limited	England	Holding company	-	100%
Costa Solar 001 Limited	England	Holding company	-	100%
Costa Solar 002 Limited	England	Holding company	-	100%
Costa Solar 003 Limited	England	Holding company	-	100%
Costa Solar 004 Limited	England	Holding company	-	100%
Costa Solar 005 Limited	England	Holding company	-	100%

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13 Fixed asset investments (continued)

Name	Registered office	Nature of business	Direct	Indirect
Costa Solar 006 Limited	England	Holding company	-	100%
Costa Solar 007 Limited	England	Holding company	-	100%
Costa Solar 008 Limited	England	Holding company	-	100%
Costa Solar 009 Limited	England	Holding company	-	100%
Costa Solar 010 Limited	England	Holding company	-	100%
Costa Solar 011 Limited	England	Holding company	-	100%
Costa Solar 013 Limited	England	Holding company	-	100%
Costa Solar 014 Limited	England	Holding company	-	100%
Costa Solar 017 Limited	England	Holding company	-	100%
Costa Solar 018 Limited	England	Holding company	-	100%
Costa Solar 019 Limited	England	Holding company	-	100%
Costa Solar 020 Limited	England	Holding company	-	100%
Costa Solar 021 Limited	England	Holding company	-	100%
Costa Solar 022 Limited	England	Holding company	-	100%
Costa Solar 023 Limited	England	Holding company	-	100%
Costa Solar 028 Limited	England	Holding company	-	100%
Costa Solar 029 Limited	England	Holding company	-	100%
Costa Solar 030 Limited	England	Holding company	-	100%
Costa Solar 032 Limited	England	Holding company	-	100%
Costa Solar Italy 001 S.R.L	Italy	SPV's for Italian solar developments	-	100%
Costa Solar Italy 002 S.R.L	Italy	SPV's for Italian solar developments	-	100%
Costa Solar Italy 003 S.R.L	Italy	SPV's for Italian solar developments	-	100%
Costa Solar Italy 004 S.R.L	Italy	SPV's for Italian solar developments	-	100%
Costa Solar Italy 006 S.R.L	Italy	SPV's for Italian solar developments	-	100%
Costa Solar Italy 007 S.R.L	Italy	SPV's for Italian solar developments	-	100%
Costa Solar Italy 008 S.R.L	Italy	SPV's for Italian solar developments	-	100%
Costa Solar Italy 009 S.R.L	Italy	SPV's for Italian solar developments	-	100%
Costa Solar Italy 010 S.R.L	Italy	SPV's for Italian solar developments	-	100%
Costa Solar Italy 017 S.R.L	Italy	SPV's for Italian solar developments	-	100%
Costa Solar Italy 018 S.R.L	Italy	SPV's for Italian solar developments	-	100%
Costa Solar Italy 019 S.R.L	Italy	SPV's for Italian solar developments	-	100%
Costa Solar Italy 021 S.R.L	Italy	SPV's for Italian solar developments	-	100%
Costa Solar Italy 022 S.R.L	Italy	SPV's for Italian solar developments	-	100%
Costa Solar Italy 023 S.R.L	Italy	SPV's for Italian solar developments	-	100%
Costa Solar Italy 028 S.R.L	Italy	SPV's for Italian solar developments	-	100%
Costa Solar Italy 029 S.R.L	Italy	SPV's for Italian solar developments	-	100%
Enviromena Developments UK limited	England	Holding company	-	100%
Enviromena Project Development UK Limited	England	Dormant	-	100%

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13 Fixed asset investments (continued)

Name	Registered office	Nature of business	Direct	Indirect
Enviromena Project Developments UK Limited	England	Dormant	-	100%
Armitage 18 Solar Limited	England	Dormant	-	100%
Parley Court Renewable Energy Limited	England	Dormant	-	100%
Warren Farm Renewable Energy Limited	England	Dormant	-	100%
Grimethorpe Renewable Energy Limited	England	Dormant	-	100%
Steekburn Energy Storage Limited	England	Dormant	-	100%
Marr Renewable Energy Limited	England	Dormant	-	100%
Berry Court Energy Storage Limited	England	Dormant	-	100%
Higher Bagmore Energy Storage Limited	England	Dormant	-	100%
Woolley Green Renewable Energy Limited (formerly Broughton Gifford Renewable Energy Limited)	England	Dormant	-	100%
Thornlands Renewable Energy Limited	England	Dormant	-	100%
Tunstall Renewable Energy Limited	England	Dormant	-	100%
Fox Cover Renewable Energy Limited	England	Dormant	-	100%
Bryngolwg Energy Storage Limited	England	Dormant	-	100%
South Carlton Renewable Energy Limited	England	Dormant	-	100%
St Mary in the Marsh Renewable Energy Limited	England	Dormant	-	100%
High Barns Renewable Energy Limited	England	Dormant	-	100%
Daisy Hill Renewable Energy Limited	England	Dormant	-	100%
Lords Moor Renewable Energy Limited	England	Dormant	-	100%
Bridge Farm Renewable Energy Limited	England	Dormant	-	100%
Motcombe Renewable Energy Limited	England	Dormant	-	100%
Enviromena Development Holdings II Limited	England	Holding company	100%	-
Enviromena Asset Holdings Limited	England	Holding company	100%	-

All of the above subsidiaries that are incorporated in England have their registered office at the same address as the parent company, 15 Diddenham Court, Lambwood Hill, Grazeley, Reading, Berkshire, United Kingdom, RG7 1JQ.

All of the above subsidiaries that are incorporated in Italy have their registered offices at Viale Pasteur, 78, 00144, Roma (RM), Italy.

All shares held in the above subsidiaries are ordinary shares.

For the 9 months ended 31 December 2023, all subsidiaries that are incorporated in England are entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

The following 100% owned subsidiaries were disposed of during the period:

- Enviromena Middle East Holdings Limited (directly owned)
- Enviromena Solar Asset Saudi Energy LLC (indirectly owned)

Enviromena Middle East Holdings Limited and Enviromena Solar Asset Saudi Energy LLC were sold to a related party during the period. Please see note 27 for further details.

The following 100% indirectly owned subsidiaries were acquired and subsequently sold during the period:

- Costa Solar 012 Limited
- Costa Solar Italy 012 S.R.L

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13 Fixed asset investments *(continued)*

The following 100% indirectly owned subsidiaries were acquired and subsequently dissolved during the period:

- Costa Solar 015 Limited
- Costa Solar 016 Limited
- Costa Solar 024 Limited
- Costa Solar 025 Limited
- Costa Solar 026 Limited
- Costa Solar 027 Limited
- Costa Solar 031 Limited
- Costa Solar 033 Limited
- Costa Solar Italy 005 S.R.L
- Costa Solar Italy 011 S.R.L
- Costa Solar Italy 013 S.R.L
- Costa Solar Italy 014 S.R.L
- Costa Solar Italy 020 S.R.L
- Costa Solar Italy 030 S.R.L
- Costa Solar Italy 032 S.R.L

14 Stocks

	Group	
	31 December	31 March
	2023	2023
	£	£
Work in progress	841,790	4,615,573
Spare parts	113,734	48,709
	<u>955,524</u>	<u>4,664,282</u>

Company

The Company had no stock at 31 December 2023 (31 March 2023: £nil).

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15 Debtors: amounts falling due within one year

	Group		Company	
	31 December 2023	31 March 2023	31 December 2023	31 March 2023
	£	£	£	£
Trade debtors	60,658	233,788	-	-
VAT debtor	790,432	513,201	20,181	5,907
Prepayments	2,084,350	1,783,581	78,819	75,387
Accrued income	3,661,096	-	-	-
Corporation tax recoverable	31,830	-	-	-
Amounts owed by related parties	11,685	2,073,240	-	3,623
Amounts owed by group undertakings	-	-	29,622,898	7,200,436
	<u>6,640,051</u>	<u>4,603,810</u>	<u>29,721,898</u>	<u>7,285,353</u>

Amounts owed by group undertakings and related parties are unsecured, repayable on demand and non-interest bearing.

16 Cash and cash equivalents

	Group		Company	
	31 December 2023	31 March 2023	31 December 2023	31 March 2023
	£	£	£	£
Cash at bank and in hand	1,028,735	1,632,845	6,712	14,875
	<u>1,028,735</u>	<u>1,632,845</u>	<u>6,712</u>	<u>14,875</u>

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17 Creditors: amounts falling due within one year

	Group		Company	
	31 December 2023 £	31 March 2023 £	31 December 2023 £	31 March 2023 £
Other loans	-	5,242,654	-	-
Trade creditors	1,259,505	1,143,177	4,134	19,013
Amounts owed to related parties	2	-	3	1
Amounts owed to group undertakings	-	-	1	1
Other taxation and social security	7,016	101,145	-	-
Other creditors	215,736	59,795	-	-
Derivative financial instruments (note 20)	-	291,997	-	-
Accruals	1,001,626	427,863	615,868	12,009
Deferred income	48,405	6,859,429	-	-
	2,532,290	14,126,060	620,006	31,024

Amounts owed to group undertakings and related parties are unsecured, repayable on demand and non-interest bearing.

The other loans balance noted above in the prior year related to a short-term financing facility. In the prior year, included within the amounts noted above were £4,500,000 of principal outstanding and £519,965 of interest payable. Additionally, in the prior year there was a repayment premium of £450,000 due on the loan, of which £222,689 had been accrued at 31 March 2023. In September 2023, as part of a wider group refinancing, this loan (together with accrued interest) amounting to £5,366,582 (principal £4,500,000 and interest of £866,582) was fully repaid and the repayment premium was released in full.

18 Creditors: amounts falling due after more than one year

	Group		Company	
	31 December 2023 £	31 March 2023 £	31 December 2023 £	31 March 2023 £
Shareholder loan	23,269,582	7,453,000	23,269,582	-
	23,269,582	7,453,000	23,269,582	-

The shareholder loan is unsecured, repayable on demand and non-interest bearing. The debt holder, being the immediate parent company Apollomena Limited, has confirmed they will not recall the balance within 12 months of the date of signing the financial statements.

19 Security

HSBC Bank UK plc holds fixed and floating charges over the assets of wholly-owned subsidiaries of the Company, Enviromena Asset Management UK Limited and Enviromena Project Management UK Limited.

On 13 December 2023, a Shares Charge was registered between the Company and Close Leasing Limited in respect of its ownership of the entire issued share capital of its wholly-owned subsidiary Enviromena Development Holdings Limited.

On the same day Close Leasing Limited registered fixed and floating charges over all of the property and undertakings of Enviromena Development Holdings Limited and its subsidiaries.

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20 Financial instruments

The Group and Company has the following financial instruments:

	Group		Company	
	31 December	31 March	31 December	31 March
	2023	2023	2023	2023
	£	£	£	£
<i>Financial assets measured at amortised cost</i>				
Cash and cash equivalents	1,028,735	1,632,845	6,712	14,875
Trade debtors	60,658	233,788	-	-
VAT debtor	790,432	513,201	20,181	5,907
Accrued income	3,661,096	-	-	-
Amounts owed by related parties	11,685	2,073,240	-	3,623
Amounts owed by group undertakings	-	-	29,622,898	7,200,436
	5,552,606	4,453,074	29,649,791	7,224,841
<i>Financial liabilities measured at fair value through profit and loss</i>				
Derivative financial instruments	-	291,997	-	-
	-	291,997	-	-
<i>Financial liabilities measured at amortised cost</i>				
Shareholder loan	23,269,582	7,453,000	23,269,582	-
Other loans	-	5,242,654	-	-
Trade creditors	1,259,505	1,143,177	4,134	19,013
Amounts owed to related parties	2	-	3	1
Amounts owed to group undertakings	-	-	1	1
Other taxation and social security	7,016	101,145	-	-
Other creditors	215,736	59,795	-	-
Accruals	1,001,626	427,863	615,868	12,009
	25,753,467	14,427,634	23,889,588	31,024

Derivative financial instruments – Forward contracts

In the prior year, the Group had entered into forward foreign currency contracts to mitigate the exchange rate risk for certain foreign currency payables. The Group was committed to buy US\$12,900,000 and pay a fixed sterling amount. The contracts all matured during the period.

The forward currency contracts were measured at fair value, which was determined using valuation techniques that utilised observable inputs. The key inputs in valuing the derivatives were the forward exchange rates for GBP:USD. The fair value of the forward-foreign currency contracts is £nil (31 March 2023: £291,997).

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21 Share capital and premium

	31 December 2023 £	31 March 2023 £
Share capital		
Allotted, called up and fully paid		
83,000,100 (31 March 2023: 83,000,100) ordinary shares of £0.01 each	830,001	830,001
Share premium	7,458,240	7,458,240
	8,288,241	8,288,241

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends and repayment of capital.

22 Pension commitments

The Group contributes to a defined contributions pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to £70,315 (year ended 31 March 2023: £74,514). Contributions totalling £17,841 (31 March 2023: £nil) were payable to the fund at the balance sheet date and are included in creditors due within one year.

23 Business combinations

In October 2023, the Company acquired 100% of the share capital of Enviromena Developments Holdings Limited ('EDHL') for total consideration of £1, the nominal amount of EDHL's share capital from Apollomena Limited (company number 14920168), a company under the same common control. As a result, after a sequence of legal steps were enacted, Enviromena Developments Holdings Limited, Enviromena Developments Italy Limited and Enviromena Developments UK Limited (together with their subsidiaries) are now a part of the Group. The Company applied merger accounting under FRS 102 paragraph 19.27 and Schedule 6 to the Accounting Regulations (SI 2008/410) where the ultimate shareholders remained the same, and the rights of each shareholder remained the same. Prior and subsequent to the transaction, the directors consider the ultimate controlling party to be AIP Infrastructure LP (Company number: SL029869, Registered address: c/o Brodies LLP, Capital Square, 58 Morrison Street, Edinburgh, EH3 8BP). See note 28 for further details.

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24 Commitments under operating leases

At 31 December 2023 the Group had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group	
	31 December	31 March
	2023	2023
	£	£
Not later than 1 year	157,156	64,382
Later than 1 year and not later than 5 years	135,452	37,804
	292,608	102,186

Company

The Company had no commitments under operating leases at 31 December 2023 (31 March 2023: £nil).

25 Reserves

Share premium account

Includes any premium received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from the share premium.

Foreign currency translation reserve

Includes foreign exchange differences arising from the translation of financial statements of the Group's foreign entities into Sterling (£).

Profit and loss account

Includes all current and prior period retained profits and losses.

26 Post balance sheet events

Close financing

In January 2024, the Group secured a debt and construction facility with Close Brothers to fund its ambitions of building and owning 500MW of generating assets by 2025.

In addition to the 500MW target, Enviromena will also utilise the funding to grow its self-developed ground mount solar pipeline to more than 2GW by 2025.

Company acquisitions

Medebridge Solar Limited:

In March 2024, the Group completed on the acquisition of Medebridge Solar Limited (company number 13337825) from NTR Renewables Plc. The site is a 70MW ready-to-build asset in Essex, with construction due to start in Q2 2024 and anticipated connection date in Q4 2025. The acquisition and construction will be funded through a combination of debt (from the Close Brothers financing facility as noted above) and shareholder equity.

Subsequent to the acquisition, in May 2024, Medebridge Solar Limited entered into a Corporate Power Purchase Agreement ("cPPA") with the University of Manchester. Through this contract, the University is committed to purchase c80% of Medebridge's annual generation capacity for the next decade which will meet up to 65% of its total electricity demand.

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26 Post balance sheet events (continued)

Rhigos Solar Limited:

In August 2024, the Group completed on the acquisition of Rhigos Solar Limited (company number 14397097) from Regener8 Power Limited. The site is a 9.9MW ready-to-build asset in Aberdare, with construction due to start in Q4 2024 and anticipated connection date in Q4 2025. The acquisition and construction will be funded through a combination of debt (from the Close Brothers financing facility as noted above) and shareholder equity.

Cruxton Renewable Energy Limited:

In July 2024, the Group re-acquired a previously owned subsidiary, Cruxton Renewable Energy Limited (company number 13191921), from Sedgwick Solar 4 Limited.

Completion of construction projects

In April 2024, the Group completed construction on its Horsey Levels EPC project on behalf of its investor. It is fully operational and generating and now sits under the remit of Enviromena's O&M team.

27 Related party transactions

During the period, the Group entered into transactions, in the ordinary course of business, with related parties. The Group has taken advantage of the exemption under paragraph 33.1A of FRS 102 not to disclose transactions with fellow subsidiaries under common ownership.

During the period, the Group wrote off some related party balances which were no longer receivable. See note 9 for further details.

During the period, the Group paid the following to related parties:

- consultancy fees of £154,817 (year ended 31 March 2023: £187,876)
- rental of land of £33,750 (year ended 31 March 2023: £16,875)
- project and other commissions of £1,150,000 (year ended 31 March 2023: £57,333) – see note 9 for further details.

On 18 May 2023, the Company disposed of its investment in a direct subsidiary, Enviromena Middle East Holdings Limited, which in turn owned Enviromena Solar Asset Saudi Energy LLC. The disposal was recorded at book value for the shares and therefore there was no gain or loss on the transaction. The acquiring entity was M E Developments Limited (incorporated in Jersey with company number 125171), an entity under common control.

There are no further related party transactions noted in the period.

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28 Ultimate controlling party

Prior to the restructuring events that occurred on 27 June 2023, the previous immediate parent company and ultimate controlling party was AIP Infrastructure LP (Company number: SL029869, Registered address: c/o Brodies LLP, Capital Square, 58 Morrison Street, Edinburgh, EH3 8BP).

After the restructuring events, the new immediate parent company is Apollomena Limited (Company number 14920168, Registered address: 15 Diddenham Court Lambwood Hill, Grazeley, Reading, England, RG7 1JQ). The ultimate controlling party remains as AIP Infrastructure LP.

As AIP Infrastructure LP does not prepare consolidated accounts for public use, the largest group which prepares consolidated accounts is Apollomena Limited. These accounts are publicly available and can be obtained from its registered address noted above.

The smallest group which prepares consolidated accounts is the Company itself (Enviromena International Holdings Limited).