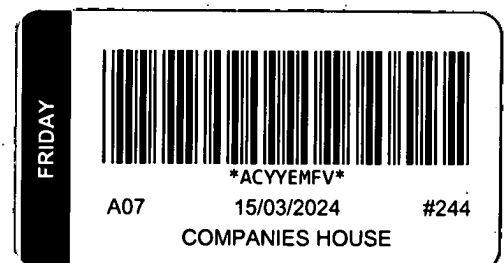


Company registration number 10490912 (England and Wales)

OSW CO HOLDINGS 1 LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023



OSW CO HOLDINGS 1 LIMITED

COMPANY INFORMATION

Directors

Mr P Stalley
Ms M Hogan (Appointed 1 July 2022)
Mr J Field (Appointed 20 April 2023)
Ms J McVitty (Appointed 2 June 2023)
Mr E Andrew (Appointed 22 August 2023)
Mr F Al-Siddiqi (Appointed 22 February 2024)
Mr D Laurent (Appointed 22 February 2024)

Secretary

Vercity Management Services Limited

Company number

10490912

Registered office

8 White Oak Square
London Road
Swanley
Kent
BR8 7AG

Independent auditors

PricewaterhouseCoopers LLP
1 Embankment Place
London
WC2N 6RH

OSW CO HOLDINGS 1 LIMITED

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OSW CO HOLDINGS 1 LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2023

The directors present their annual report and audited financial statements for the year ended 31 March 2023.

Incorporation

The company was incorporated in England and Wales on 22 November 2016 as a private company limited by shares.

Principal activities and future developments

The principal activity of the company is that of an investment holding company.

The company holds 100% of the shares of OSW Co Holdings 2 Limited ("the subsidiary").

The company does not expect to change the principal activities in the foreseeable future.

Results and dividends

The results for the year are set out on page 7.

The company's loss and total comprehensive expense for the year amounts to £33,521 (2022: £50,959).

No dividends were declared or paid during the year (2022: nil).

The Directors do not recommend payment of a final dividend.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr J Duffy	(Resigned 20 April 2023)
Mr P Stalley	
Mr D Tilstone	(Resigned 20 April 2023)
Ms F Trevere	(Resigned 1 July 2022)
Ms M Hogan	(Appointed 1 July 2022)
Mr Nathan Wakefield	(Appointed 20 April 2023 and resigned 14 September 2023)
Mr J Field	(Appointed 20 April 2023)
Ms J McVitty	(Appointed 2 June 2023)
Mr E Andrew	(Appointed 22 August 2023)
Mr A Bhawania	(Appointed 4 September 2023 and resigned 6 February 2024)
Mr F Al-Siddiqi	(Appointed 22 February 2024)
Mr D Laurent	(Appointed 22 February 2024)

Employees

The company had no employees during the year (2022: nil).

All the directors were employed or contracted by, and received all emoluments from other investor undertakings. The directors perform director's duties for multiple entities within those investor groups as well as their employment or other contracted duties. Consequently, allocating their employment compensation across all these duties would not be feasible. Accordingly, no separate remuneration has been disclosed.

Qualifying third party indemnity provisions

The company has entered into qualifying third-party indemnity arrangements, in the form and scope which comply with the Companies Act 2006, which is applicable to all Directors. The arrangements remain in force as at the date of approval of the financial statements.

Financial risk management

The principal financial risks and uncertainties that the company faces and how the company manages these risks are discussed in notes 17 and 18.

OSW CO HOLDINGS 1 LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with UK-adopted international accounting standards.

Under company law, 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 of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable UK-adopted international accounting standards 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also 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 enable them to ensure that the financial statements comply with the Companies Act 2006.

Directors' confirmations

In the case of each director in office at the date the directors' report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Going concern

The financial statements have been prepared on a going concern basis. In assessing whether the going concern assumption is appropriate, management has taken into account all available information about the future which is at least 12 months from the date of approval of the financial statements.

The long-term nature of offshore wind assets contributed to overall resilience of this asset class to economic fluctuations. The Company's liquidity position and forecasted future cash flows are being reviewed by the management and presented to the Board quarterly. The assumptions in the cash flow forecast are updated regularly to account for the most recent macroeconomic and company's developments.

At the year end, the company had net current liabilities of £169,549 (2022: £136,028).

The current liabilities of the company largely comprise of an intercompany loan payable to its shareholders. The liability is repayable by the borrower only when (i) it has sufficient cash to make the payment and if (ii) the borrower is permitted to make the payment under its other financing arrangements. Therefore, the directors believe it remains appropriate for the financial statements to be prepared under the going concern basis.

OSW CO HOLDINGS 1 LIMITED

DIRECTORS' REPORT (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2023**

Small companies exemption

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Advantage has been taken of the exemption under Section 414B of the Companies Act 2006 from the requirement to prepare a strategic report.

Subsequent event

On 20 April 2023, MEIF 5 Green Infrastructure Holdings S.a.r.l. sold its 50% investment in UK Green Investment Rampion Limited (ultimate parent of OSW Co Holdings 1 Limited) to Equitix Aragorn Bidco Limited.

On 20th December 2023, the directors approved an interim dividend relating to the year ending 31 March 2024 of £10,022,436 representing £50,112 per Ordinary Share which was paid on 22nd December 2023. The company had sufficient distributable reserves to pay the dividend owing to the dividends received from its subsidiary after 31 March 2023.

On behalf of the board



Mr E Andrew
Director

12 March 2024

Independent auditors' report to the members of OSW Co Holdings 1 Limited

Report on the audit of the financial statements

Opinion

In our opinion, OSW Co Holdings 1 Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2023 and of its loss and cash flows for the year then ended;
- have been properly prepared in accordance with UK-adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the statement of financial position as at 31 March 2023; the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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

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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

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

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, 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 audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. 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 based on these responsibilities.

With respect to the Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' report for the year ended 31 March 2023 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

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

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

Auditors' 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 auditors' 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.

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.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to compliance with the Companies Act 2006, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to achieve desired financial results and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- gaining an understanding of the legal and regulatory framework applicable to the company and considering the risk of acts by the company which were contrary to applicable laws and regulations, including fraud;
- enquiry of management and those charged with governance around actual and potential litigation and claims and any instances of non-compliance with laws and regulations;
- reviewing minutes of meetings of those charged with governance;
- reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations; and
- auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness and testing accounting estimates (because of the risk of management bias).

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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 auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: take advantage of the small companies exemption in preparing the Directors' report; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.



Kevin McGhee (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
12 March 2024

OSW CO HOLDINGS 1 LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2023

		2023 £	2022 £
Administrative expenses	Note	(33,503)	(50,944)
Operating loss	4	(33,503)	(50,944)
Finance income	7	8,978,818	14,407,222
Finance costs	8	(8,978,836)	(14,407,237)
Loss before taxation		(33,521)	(50,959)
Income tax expense	9	-	-
Loss and total comprehensive expense for the year		(33,521)	(50,959)

The Statement of Comprehensive Income has been prepared on the basis that all operations are continuing operations.

Notes on pages 11 to 24 form an integral part of these financial statements.

OSW CO HOLDINGS 1 LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2023

	Note	2023 £	2022 £
ASSETS			
Non-current assets			
Investment in subsidiary	11	1,788,196	1,788,196
Total non-current assets		<u>1,788,196</u>	<u>1,788,196</u>
Current assets			
Trade and other receivables	13	67,453,851	189,921,783
Total current assets		<u>67,453,851</u>	<u>189,921,783</u>
Total assets		<u><u>69,242,047</u></u>	<u><u>191,709,979</u></u>
EQUITY			
Called up share capital	20	200	200
Share premium account	21	1,787,995	1,787,995
Accumulated losses		(169,548)	(136,027)
Total equity		<u>1,618,647</u>	<u>1,652,168</u>
LIABILITIES			
Current liabilities			
Trade and other payables	14	1,957,481	1,923,978
Loans and borrowings	15	65,665,919	188,133,833
Total current liabilities		<u>67,623,400</u>	<u>190,057,811</u>
Total liabilities		<u>67,623,400</u>	<u>190,057,811</u>
Total equity and liabilities		<u><u>69,242,047</u></u>	<u><u>191,709,979</u></u>

Notes on pages 11 to 24 form an integral part of these financial statements.

The financial statements on pages 7 to 24 were approved by the board of directors and authorised for issue on 12 March 2024 and are signed on its behalf by:



Mr E Andrew
Director

Company Registration No. 10490912

OSW CO HOLDINGS 1 LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2023

	Called up share capital £	Share premium account £	Accumulated losses £	Total £
Balance at 1 April 2021	200	1,787,995	(85,068)	1,703,127
Loss and total comprehensive expense for the year	-	-	(50,959)	(50,959)
Balance at 31 March 2022 and 1 April 2022	200	1,787,995	(136,027)	1,652,168
Loss and total comprehensive expense for the year	-	-	(33,521)	(33,521)
Balance at 31 March 2023	200	1,787,995	(169,548)	1,618,647

Notes on pages 11 to 24 form an integral part of these financial statements.

The following describes the nature and purpose of each reserve within equity:

Share capital	Nominal value of share capital subscribed for.
Share premium	The amount received by a company over and above the par value of its shares.
Accumulated losses	Cumulative profit or losses, net of dividends paid and other adjustments.

OSW CO HOLDINGS 1 LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash used in operations	25		-		(28)
Net cash outflow from operating activities			-		(28)
Investing activities					
Proceeds from intercompany loan repayments		120,038,667		34,783,368	
Interest received		11,408,083		12,591,422	
Net cash generated from investing activities			131,446,750		47,374,790
Financing activities					
Repayment of borrowings		(120,038,645)		(34,783,328)	
Interest paid		(11,408,105)		(12,591,434)	
Net cash used in financing activities			(131,446,750)		(47,374,762)
Net increase in cash and cash equivalents			-		-
Cash and cash equivalents at beginning of year			-		-
Cash and cash equivalents at end of year			-		-

Even though the company does not have its own bank account, a cash flow statement is presented because the company in effect directs OSW Co Holdings 2 Limited (direct subsidiary) to act as its agent to collect receivable and settle liabilities on its behalf.

OSW CO HOLDINGS 1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Company information

OSW Co Holdings 1 Limited is a private company limited by shares incorporated and domiciled in the United Kingdom and registered in England and Wales. The registered office is 8 White Oak Square, London Road, Swanley, Kent, BR8 7AG. The company's principal activities and nature of its operations are disclosed in the directors' report.

The immediate parent of the Company is New Green Interim Holdco Limited, Company number: 10542395, incorporated on 29 December 2016 in the United Kingdom, having its registered office at 8 White Oak Square, London Road, Swanley Kent, BR8 7AG.

The main activity of the Company is to hold the investment in OSW Co Holdings 2 Limited Limited and to distribute profits rising from the investment to investors at a later stage.

The Company is funded through loans from shareholders.

1.1 Accounting convention

The financial statements of OSW Co Holdings 1 Limited have been prepared in accordance with UK-adopted International Accounting Standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards.

Accounting policies have been applied consistently, other than where new policies have been adopted as outlined in note 2.

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

The financial statements have been prepared under the historical cost convention with the exception of some financial assets and liabilities held at fair value through profit or loss as detailed in notes 1.5 and 1.6. The preparation of the financial statements in compliance with UK-adopted International Accounting Standards requires the use of certain critical accounting estimates. It also requires Management to exercise judgement in applying the Company's accounting policies. The areas where significant judgements and estimates have been made in preparing the financial statements and their effect are disclosed in the accounting policies.

The Company is exempt under section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its parent, UK Green Investment Rampion Limited.

1.2 Going concern

The financial statements have been prepared on a going concern basis. In assessing whether the going concern assumption is appropriate, management has taken into account all available information about the future which is at least 12 months from the date of approval of the financial statements.

The long-term nature of offshore wind assets contributed to overall resilience of this asset class to economic fluctuations. The Company's liquidity position and forecasted future cash flows are being reviewed by the management and presented to the Board quarterly. The assumptions in the cash flow forecast are updated regularly to account for the most recent macroeconomic and company's developments.

At the year end, the company had net current liabilities of £169,549 (2022: £136,028).

The current liabilities of the company largely comprise of an intercompany loan payable to its shareholders. The liability is repayable by the borrower only when (i) it has sufficient cash to make the payment and if (ii) the borrower is permitted to make the payment under its other financing arrangements. Therefore, the directors believe it remains appropriate for the financial statements to be prepared under the going concern basis.

OSW CO HOLDINGS 1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.3 Non-current investments

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

1.4 Cash and cash equivalents

The company did not have a bank account during the year and all operating expenses were settled by its direct subsidiary, OSW Co Holdings 2 Limited. All monetary transactions are being received/paid into OSW Co Holdings 2 Limited's bank account on behalf of the company adding to or repaying an existing intercompany balance.

1.5 Financial assets

Financial assets are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument. Financial assets are classified into specified categories, depending on the nature and purpose of the financial assets.

Financial assets at fair value through profit or loss

All amounts owed by subsidiary undertakings are classified as financial assets at fair value through profit or loss. Financial assets measured at fair value through profit or loss are recognised initially at fair value and any transaction costs are recognised in profit or loss when incurred. Any gains or losses on a financial asset measured at fair value through profit or loss will be recognised in profit or loss, and included within finance income or finance costs in the Statement of Comprehensive Income for the reporting period in which it arises.

Financial assets held at amortised cost

Financial instruments are classified as financial assets measured at amortised cost where the objective is to hold these assets in order to collect contractual cash flows, and the contractual cash flows are solely payments of principal and interest. They are initially recognised at fair value plus transaction costs directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment where necessary.

Impairment of financial assets

Financial assets held at amortised cost are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

1.6 Financial liabilities

The Company recognises financial liabilities when the Company becomes a party to the contractual provisions of the instruments. Financial liabilities are classified into specified categories, depending on the nature and purpose of the financial liabilities. The financial liabilities of the Company comprise of trade and other payables (held at amortised cost) and loans and borrowings (held at fair value through profit or loss).

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss are stated at fair value with any gains or losses arising on remeasurement recognised in profit or loss.

OSW CO HOLDINGS 1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

Financial liabilities at amortised cost

Trade payables are initially measured at fair value net of transactions costs directly attributable to the issuance of the financial liability. They are subsequently measured at amortised cost using the effective interest method. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's obligations are discharged, cancelled, or they expire.

1.7 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer payable at the discretion of the company.

1.8 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the Statement of Comprehensive Income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the Statement of Comprehensive Income, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

OSW CO HOLDINGS 1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

2 Adoption of new and revised standards and changes in accounting policies

New amendments to standards and interpretations that became mandatory for the first time for the financial years beginning from 1 January 2022 are listed below:

- Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37)
- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16)
- Annual Improvements to IFRS Standards 2018-2020 (Amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41)
- References to Conceptual Framework (Amendments to IFRS 3)

The new amendments had no significant impact on the Company's results.

There are a number of standards, amendments to standards, and interpretations which have been issued by the IASB that are effective in future accounting periods, subject to UK endorsement, that the Company has decided not to adopt early

The following new or amended IFRS accounting standards, amendments and interpretations have not yet been adopted and are not expected to have a significant impact on the Company:

- IFRS 17 Insurance Contracts
- Narrow scope amendments to IAS 1, Practice statement 2 and IAS 8
- Amendment to IAS 12- deferred tax related to assets and liabilities arising from a single transaction
- Amendment to IAS 1 - Non current liabilities with covenants
- Amendment to IFRS 16 - Leases on sale and leaseback

The Company does not expect the above standards issued by the IASB, but not yet effective, to have a material impact on the Company's results.

3 Critical accounting estimates and judgements

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements

Impairment of investment

At each balance sheet date, management assesses whether there is any indication that the investment in the subsidiary may be impaired. In assessing whether there is any indication that the investment in the subsidiary may be impaired, management uses judgement and takes into account several external and internal sources of information. The directors have considered all relevant sources of information and concluded that there are no indicators that the investment in the subsidiary may be impaired.

Key sources of estimation uncertainty

Fair value of financial assets and liabilities

The company classifies the loan to the subsidiary undertaking and the loan from the parent undertaking at fair value through profit and loss (further details on classification of this are explained in notes 13 and 15). Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value is based on interest rate determined through benchmarking analysis, which includes comparing third party financing transactions in the renewable and offshore wind sub-sector. The company's risk profile is also factored in while determining appropriate interest rate. These estimates are reviewed annually.

OSW CO HOLDINGS 1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

4 Operating loss

	2023	2022
	£	£
Operating loss for the year is stated after charging:		
Fees payable to the company's auditors for the audit of the company's financial statements*	15,950	14,999
Tax compliance fees	1,800	300
Management service fees	15,753	31,207

*Included within fees payable to the company's auditor for the audit of the financial statements of the company is an amount of £1,782 credit due to releasing an over-accrual (2022: £1,591 charge) related to the year ended 31 March 2022 (2022: related to the year ended 31 March 2021).

All costs are shown inclusive of VAT as the company is not VAT registered.

5 Auditors' remuneration

	2023	2022
	£	£
Fees payable to the company's auditors:		
For audit services		
Audit of the financial statements of the company*	13,292	12,449

*Included within audit fees of the financial statements of the company is an amount of £1,485 credit due to releasing an over-accrual (2022: £1,326 charge) related to the year ended 31 March 2022 (2022: related to the year ended 31 March 2021).

6 Employees

The company had no employees during the year (2022: nil).

All the directors were employed or contracted by, and received all emoluments from other investor undertakings. The directors perform director's duties for multiple entities within those investor groups as well as their employment or other contracted duties. Consequently, allocating their employment compensation across all these duties would not be feasible. Accordingly, no separate remuneration has been disclosed.

7 Finance income

	2023	2022
	£	£
Interest on loan to subsidiary undertaking	8,978,818	14,407,222

8 Finance costs

	2023	2022
	£	£
Interest on loan from parent undertaking	8,978,836	14,407,237

OSW CO HOLDINGS 1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

9 Income tax expense

	2023 £	2022 £
Current tax		
UK corporation tax on profits for the current period	-	-
Total UK current tax	-	-
Deferred tax		
Origination and reversal of temporary differences	-	-
Total tax charge	-	-

The charge for the year can be reconciled to the loss before taxation per the Statement of Comprehensive Income as follows:

	2023 £	2022 £
Loss before taxation	(33,521)	(50,959)
Expected tax credit based on a corporation tax rate of 19.00% (2022: 19.00%)	(6,369)	(9,682)
Deferred tax asset not recognised	6,369	9,682
Taxation charge for the year	-	-
Unrecognised deferred tax:		
Losses	(42,387)	(34,007)
Closing	(42,387)	(34,007)

In the Spring Budget 2021, the UK Government announced that from 1 April 2023 the corporation tax rate would increase to 25% (rather than remaining at 19%, as previously enacted). This new law was substantively enacted on 24 May 2021, and cancelled on 23 September 2022. On 14 October 2022, the government announced that the rate would increase to 25% from 1 April 2023 as already enacted.

The unrecognised deferred tax balance at 31 March 2023 was measured at 25% to reflect this change.

At the balance sheet date, the Company has unrecognised tax losses of £169,548 (2022: £136,028) available for offset against future profits. The total amount of potential deferred tax asset not recognised is £42,387 (2022: £34,007). No deferred tax asset has been recognised in respect of such losses as it is not considered probable that there will be sufficient future taxable profits available.

OSW CO HOLDINGS 1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

10 Dividends

Dividends declared after 31 March 2023

On 20th December 2023, the directors approved an interim dividend relating to the year ending 31 March 2024 of £10,022,436 representing £50,112 per Ordinary Share which was paid on 22nd December 2023.

The company had sufficient distributable reserves to pay the dividend owing to the dividends received from its subsidiary after 31 March 2023.

11 Investments in subsidiary

	Non-current 2023 £	2022 £
Investment in subsidiary	1,788,196	1,788,196
Movements in non-current investments		
		Shares in group undertakings £
Cost or valuation		
At 1 April 2022 & 31 March 2023		1,788,196
Carrying amount		
At 31 March 2023		1,788,196
At 31 March 2022		1,788,196

OSW CO HOLDINGS 1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

12 Subsidiaries

Details of the company's subsidiaries at 31 March 2023 are as follows:

Name of undertaking	Registered office	Class of shares held	% Held	
			Direct	Indirect
OSW Co Holdings 2 Limited	8 White Oak Square, London Road, Swanley, Kent, United Kingdom, BR8 7AG	Ordinary	100	-
OSW Co Holdings 3 Limited*	8 White Oak Square, London Road, Swanley, Kent, United Kingdom, BR8 7AG	Ordinary	-	100
OSW Co Investments Limited*	8 White Oak Square, London Road, Swanley, Kent, United Kingdom, BR8 7AG	Ordinary	-	100
OSW LP Holdco Limited*	8 White Oak Square, London Road, Swanley, Kent, United Kingdom, BR8 7AG	Ordinary	-	100
WMR Holdco Limited*	8 White Oak Square, London Road, Swanley, Kent, United Kingdom, BR8 7AG	Ordinary	-	100
Galloper Holdco Limited*	8 White Oak Square, London Road, Swanley, Kent, United Kingdom, BR8 7AG	Ordinary	-	100
UK Green Investment Galloper Limited*	8 White Oak Square, London Road, Swanley, Kent, United Kingdom, BR8 7AG	Ordinary	-	100
Rampion Holdco Limited*	8 White Oak Square, London Road, Swanley, Kent, United Kingdom, BR8 7AG	Ordinary	-	100
Rampion Investco Limited*	8 White Oak Square, London Road, Swanley, Kent, United Kingdom, BR8 7AG	Ordinary	-	100
Rampion Offshore Wind Limited*	Greenwood House Westwood Way, Westwood Business Park, Coventry, England, CV4 8PB	Ordinary	-	25
Galloper Wind Farm Holding Company Limited*	Windmill Hill Business Park, Whitehill Way, Swindon, Wiltshire, United Kingdom, SN5 6PB	Ordinary	-	25
Galloper Wind Farm Limited*	Windmill Hill Business Park, Whitehill Way, Swindon, Wiltshire, SN5 6PB	Ordinary	-	25
WMR JV Holdco Limited*	Two London Bridge, London, United Kingdom, SE1 9RA	Ordinary	-	50
WMR JV Investco Limited*	Two London Bridge, London, United Kingdom, SE1 9RA	Ordinary	-	50
Westermost Rough (Holding) Limited*	5 Howick Place, London, England, SW1P 1WG	Ordinary	-	25
Westermost Rough Limited*	5 Howick Place, London, England, SW1P 1WG	Ordinary	-	25
Macquarie GIG Renewable Energy Fund 1 L.P.*	Alter Domus, 18 St Swithin's Lane, London, EC4N 8AD	Ordinary	-	40
Macquarie GIG Renewable Energy Fund 1 B L.P.*	Alter Domus, 18 St Swithin's Lane, London, EC4N 8AD	Ordinary	-	20

* indirect holdings.

13 Trade and other receivables

	2023	2022
	£	£
Trade receivables	-	1
Unpaid share capital	200	200
Loan to subsidiary undertaking	65,602,749	185,641,416
Interest receivable on loan to subsidiary undertaking	62,907	2,492,172
Unpaid share premium	1,787,995	1,787,994
	<u>67,453,851</u>	<u>189,921,783</u>

OSW CO HOLDINGS 1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

13 Trade and other receivables

(Continued)

The amounts owed by subsidiary undertaking are receivable from OSW Co Holdings 2 Limited. The receivable is interest bearing at 7% per annum with no fixed terms of repayment. As a result, the loan does not pass the solely payment of principal and interest test and is held at fair value through profit and loss. As at 31 March 2023, management has performed a fair value assessment. As part of this assessment, management concluded that an interest rate within the range of 5.48% to 7% would approximate the arm's length rate of an unsecured shareholder loan repayable on demand. Hence, management concluded that the fair value of the loan should be determined using a discount rate of 7%.

During the year, the company recognised finance income of £8,978,818 (2022: £14,407,222) in the Statement of Comprehensive Income.

14 Trade and other payables

	2023 £	2022 £
Amounts owed to group undertakings	1,934,683	1,904,223
Accruals	22,798	19,755
	<u>1,957,481</u>	<u>1,923,978</u>

15 Loans and Borrowings

	2023 £	2022 £
Loans and borrowings held:		
Loan from parent undertaking	65,603,012	185,641,657
Accrued interest on loan from parent undertaking	62,907	2,492,176
	<u>65,665,919</u>	<u>188,133,833</u>

The intercompany loan is payable to New Green Interim Holdco Limited. The loan is interest bearing at 7% and is repayable on demand, the loan is held at fair value to avoid a mismatch with the amounts owed by subsidiary. As at 31 March 2023, management has performed a fair value assessment. As part of this assessment, management concluded that an interest rate within the range of 5.48% to 7% would approximate the arm's length rate of an unsecured shareholder loan repayable on demand. Hence, management concluded that the fair value of the loan should be determined using a discount rate of 7%.

During the year, the Company recognised finance costs of £8,978,836 (2022: £14,407,237) in the Statement of Comprehensive Income.

FOR THE YEAR ENDED 31 MARCH 2023

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OSW CO HOLDINGS 1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

16 Fair value of financial assets and liabilities

(Continued)

During the years ended 31 March 2023 and 2022, there have been no transfers between Level 1, Level 2 and Level 3 fair value measurements.

17 Financial instruments

	2023 £	2022 £
Carrying amount of financial assets		
Measured at amortised cost:		
- Trade and other receivables	1,788,195	1,788,195
Measured at fair value through profit or loss:		
- Amounts due by subsidiary undertaking (incl. accrued interest)	65,665,656	188,133,588
Carrying amount of financial liabilities		
Measured at amortised cost:		
- Trade and other payables	1,957,481	1,923,978
Measured at fair value through profit or loss:		
- Loans and borrowings (loan from parent undertaking incl. accrued interest)	65,665,919	188,133,833

The company is exposed through its operations to the following risks:

- Liquidity risk

The company is exposed to risks that arise from its use of financial instruments. This and the following notes describe the company's objectives, policies and processes for managing those risks and the methods used to measure them.

There have been no substantive changes during the year in the company's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from the previous periods.

The company's objective in managing risk is the creation and protection of shareholder value. Risk is inherent in the company's activities, but it is managed through a process of ongoing identification, measurement and monitoring, subject to risks limits and other controls. The process of risk management is critical to achieving the company's objectives.

The company's senior management oversees the management of these risks. Management reviews and agrees policies for managing each of these risks, which are summarised in the following notes.

OSW CO HOLDINGS 1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

18 Liquidity risk

The following table details the remaining contractual maturity for the company's financial liabilities with agreed repayment periods. The contractual maturity is based on the earliest date on which the company may be required to pay.

	Less than 1 year	No fixed repayment date	Total
	£	£	£
At 31 March 2022			
Trade and other payables	1,923,979	-	1,923,979
Loans from parent payable	-	188,133,833	188,133,833
	<u>1,923,979</u>	<u>188,133,833</u>	<u>190,057,812</u>
At 31 March 2023			
Trade and other payables	1,957,481	-	1,957,481
Loans from parent payable	-	65,665,919	65,665,919
	<u>1,957,481</u>	<u>65,665,919</u>	<u>67,623,400</u>

Liquidity risk is defined as the risk the company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Exposure to liquidity risk arises because of the possibility that the company could be required to pay its liabilities earlier than expected. In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the company uses short term finance through intercompany borrowing.

From the current performance of the company, there is no indication for the next 12 months, that the company will face significant liquidity risk. Also, refer to note 1.2 for its going concern assessment.

OSW CO HOLDINGS 1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

19 Capital risk management

The capital of the company is represented by the Equity. The company's objective when managing the capital is to safeguard the ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the company. The directors monitor and review the broad structure of the company's capital on an on-going basis.

20 Called up share capital

	2023 Number	2022 Number	2023 £	2022 £
Ordinary share capital Issued and not fully paid				
Ordinary shares of £1 each	200	200	200	200

The Company has only issued ordinary shares as at 31 March 2023.

As at 31 March 2023, the share capital amounting to £200 (2022: £200), is represented by 200 unpaid ordinary shares (2022: 200) with a nominal value of £1 per share.

21 Share premium account

	2023 £	2022 £
Share premium arising on the issue of equity shares	1,787,995	1,787,995

The share premium is represented by 100 ordinary shares (2022: 100) with a nominal value of £1 each (2022: £1) and a premium of £17,879.95 each (2022: £17,879.95).

22 Events after the reporting date

On 20 April 2023, MEIF 5 Green Infrastructure Holdings S.a.r.l. sold its 50% investment in UK Green Investment Rampion Limited (ultimate parent of OSW Co Holdings 1 Limited) to Equitix Aragorn Bidco Limited.

Post year end the Directors approved one interim dividend relating to the year ending 31 March 2024. Details of this dividend can be found in note 10. The company had sufficient distributable reserves to pay the dividend owing to the dividends received from its subsidiary after 31 March 2023.

23 Controlling party

As at 31 March 2023, the company's immediate parent undertaking was New Green Interim Holdco Limited, a company incorporated in the United Kingdom and registered in England and Wales, and its ultimate parent company and ultimate controlling party was UK Green Investment Rampion Limited, a company incorporated and domiciled in the United Kingdom and registered in England and Wales.

The smallest and largest undertaking for which the company is a member and for which group financial statements are prepared is UK Green Investment Rampion Limited.

Copies of the financial statements of both the immediate parent undertaking and the ultimate parent company are available from Companies House (www.betacompaniesgouse.gov.uk).

OSW CO HOLDINGS 1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

24 Related party transactions

At 31 March 2023, the company owed its parent company New Green Interim Holdco Limited £65,665,919 (2022: £188,133,833), including accrued interest of £62,907 (2022: £2,492,176). £8,978,836 (2022: £14,407,237) has been recognised as a finance cost in the Statement of Comprehensive Income during the year.

At 31 March 2023, OSW Co Holdings 2 Limited owed an amount of £65,665,655 (2022: £188,133,588) to the company, including accrued interest of £62,907 (2022: £2,492,172). £8,978,818 (2022: £14,407,222) has been recognised as finance income in the Statement of Comprehensive Income during the year.

At 31 March 2023, the company owed OSW Co Holdings 2 Limited an amount of £1,787,996 (2022: £1,787,996) in respect of unpaid share premium. The company also owed OSW Co Holdings 2 Limited an amount of £146,688 (2022: £116,227) in respect of invoices paid on behalf of the company.

At 31 March 2023, New Green Interim Holdco Limited owed £1,787,995 (2022: £1,787,995) in respect of unpaid share premium and £200 (2022: £200) in respect of unpaid share capital.

25 Cash used in operations

	2023 £	2022 £
Loss for the year before income tax	(33,521)	(50,959)
Adjustments for:		
Finance costs	8,978,836	14,407,237
Investment income	(8,978,818)	(14,407,222)
Movements in working capital:		
Increase in trade and other payables	33,503	50,916
Cash used in operations	-	(28)