

Registration number: 666425

Lenalea Wind Farm Designated Activity Company

Annual Report and Financial Statements

for the Year Ended 31 March 2025

Lenalea Wind Farm Designated Activity Company

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Lenalea Wind Farm Designated Activity Company

Company Information

Directors	B Kilcline M Ryan H Donald J Dunne
Company secretary	B O'Connor
Registered office	Red Oak South South County Business Park Leopardstown Dublin 18 Ireland
Bankers	Lloyds 25 Gresham Street London UK EC2V 7HN
Auditors	Ernst & Young Chartered Accountants, Statutory Audit Firm The Atrium Maritana Gate Canada Street Waterford Ireland
Registered number	666425

Lenalea Wind Farm Designated Activity Company

Directors' Report for the Year Ended 31 March 2025

The directors present their report and the financial statements for the year ended 31 March 2025.

Principal activity

The principal activity of the company is the generation of electricity from its 30 MW (installed capacity) windfarm in Ireland. The site is located in close proximity to the SSE Renewables owned Meentycat Cluster of operational windfarms. The company is a joint venture between SSE Renewables Wind Farms (Ireland) Limited and FuturEnergy Ireland. Each shareholder owns 50% share capital of the Company at 31 March 2025.

Directors of the company

The directors, who held office at any time during the year, were as follows:

P Lynch (ceased 28 November 2025)

J Caplis (ceased 28 November 2025)

F Masson (ceased 28 May 2024)

R Fenton (ceased 15 August 2025)

P Hogan (appointed 28 May 2024 and ceased 28 November 2025)

The following directors were appointed after the year end:

B Kilcline (appointed 28 November 2025)

M Ryan (appointed 28 November 2025)

H Donald (appointed 15 August 2025)

J Dunne (appointed 28 November 2025)

The Directors have no direct shareholdings in the Company or any group undertaking above 1% of the issued share capital during the current financial period.

Results and dividends

The results of the year's trading, the financial position of the company and the transfer to reserves are shown in the annexed financial statements.

The company's profit for the year, before taxation, amounted to €5,755k (2024: loss of €1,808k).

The directors do not recommend the payment of a dividend (2024: €Nil).

Business review

Fair review of the business

During the year to 31 March 2025, the windfarm site was completed with the official opening of the site taking place in May 2024. The official opening event was attended by local politicians, community leaders and supply chain representatives. The year to 31 March 2025, is the first full year of successful commercial operation of the site.

The weather is an important contributor to business performance. During the financial year, wind speed and volumes saw electricity output from the wind farm of 65GWh (41GWh) and operational revenue of €6,360k (2024: €3,238k).

Lenalea Wind Farm Designated Activity Company

Directors' Report for the Year Ended 31 March 2025 (continued)

Principal risks and uncertainties

The principal risks facing the Company are lower wind speeds than anticipated, resulting in less electricity generation; no off-take for electricity produced resulting in lower sales; and technical issues with plant and machinery, resulting in down-time of turbines. To mitigate against electricity off-take risk, Power Purchase Agreements (PPAs) are in place which guarantee sales of electricity to an external third party. To reduce unplanned plant outage, the Company has access to a team of experienced operators who are responsible for monitoring windfarm performance and carrying out regular maintenance, including the availability of adequate stocks of essential replacement parts.

The directors have assessed that the Company's exposure to price risk, credit risk and liquidity risk are relatively low due to the nature of the operations. As the windfarm is in operation, the Company is exposed to market price fluctuations, though the Company has limited variable costs to mitigate against. The Company is also less exposed to credit risk as electricity sales are made to a third party and liquidity risk as purchases costs are low.

Key performance indicators

Under Irish company law, the Company is required to give a description of the key performance indicators used to monitor performance. The directors believe that the following indicators will provide shareholders with sufficient information to assess how effectively the Company is performing. Achievement of these key performance indicators is driven by business specific key performance indicators.

The company's key financial and other performance indicators during the year were as follows:

	2025	2024
	€ 000	€ 000
Revenue	6,360	3,238
Profit/(loss) before taxation	5,755	(1,808)
Total Assets	55,260	51,079
Net assets	15,073	10,272

Political and charitable donations

During the year, the Company made no political or charitable donations (2024: €Nil)

Going concern

The Directors consider that the Company has adequate resources to continue in operational existence for the period to 28 February 2027. The financial statements are therefore prepared on a going concern basis. In making their assessment the Directors have considered the future financial plans of the Company, including a cash flow and profit forecast to 28 February 2027, 23 months from the balance sheet date. The Directors have considered sensitivities to the future cash flow projections, including the impact of price and volume volatility, which are the key underlying drivers of the Company's performance. In performing this assessment, the Directors have concluded that the Company has sufficient headroom to continue as a going concern after applying the stress testing sensitivities.

From November 2025, the Company is a wholly owned subsidiary of SSE Renewables Wind Farms (Ireland) Limited, which is ultimately owned by SSE Plc. A parental letter of support from SSE plc has been provided following the change in ownership.

Based on this assessment the Directors have concluded that the Company has sufficient resources to continue as a going concern and the financial statements have therefore been prepared on a going concern basis.

Future developments

The Company's priorities in 2025/26 and beyond is to continue generating renewable power from its 30MW (installed capacity) wind farm in the Republic of Ireland.

Lenalea Wind Farm Designated Activity Company

Directors' Report for the Year Ended 31 March 2025 (continued)

Events since the statement of financial position date

In March 2025, the shareholders entered a share purchase agreement under which SSE Renewables Wind Farms (Ireland) Limited agreed to purchase FEI Development Holdings DAC 50% shareholding in the Company. The transaction completed in November 2025. As at 31 March 2025, the Company remained as a joint venture and is treated as a wholly owned subsidiary of SSE Renewables Wind Farms (Ireland) Limited from November 2025.

Accounting records

The measures taken by the directors to ensure compliance with the requirements of section 281 to 285 of the Companies Act 2014 with regard to keeping of accounting records, are the employment of appropriately qualified accounting personnel and the maintenance of computerised accounting systems. The company accounting records are maintained at the company registered office at:

Red Oak South
South County Business Park
Leopardstown
Dublin 18
Ireland

Disclosure of information to the auditor

We, the directors of the company who held office at the date of approval of these financial statements as set out above each confirm, so far as we are aware, that:

- there is no relevant audit information of which the company's auditors are unaware; and
- we have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Reappointment of auditors

The auditors, Ernst & Young, Chartered Accountants, will continue in office in accordance with section 383(2) of the Companies Act 2014.

Approved by the Board on 24 February 2026 and signed on its behalf by:

J Dunne
.....
J Dunne
Director

M Ryan
.....
M Ryan
Director

Lenalea Wind Farm Designated Activity Company

Directors' Responsibility Statement

The directors acknowledge their responsibilities for preparing the Directors' Report and financial statements for the year ended 31 March 2025 in accordance with applicable law and regulations.

Irish company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with the Companies Act 2014 and International Financial Reporting Standards (IFRSs). Under Irish company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the company as at the financial year end date and the profit or loss of the company for that financial year and otherwise comply with the Companies Act 2014.

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

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable adopted International Financial Reporting Standards (IFRSs) have been followed, subject to any material departures disclosed and explained in the financial statements; 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 ensuring that the company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the company, enable at any time the assets, liabilities, financial position and profit or loss of the company to be determined with reasonable accuracy, enable them to ensure that the financial statements and directors' report comply with the Companies Act 2014 and enable the financial statements to be audited.

They are also 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 responsible for the maintenance and integrity of the corporate and financial information included on the company's website.

Approved by the Board on 24 February 2026 and signed on its behalf by:

J Dunne
.....
J Dunne
Director

M Ryan
.....
M Ryan
Director



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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LENAlea WIND FARM DESIGNATED ACTIVITY COMPANY

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Lenalea Wind Farm Designated Activity Company ('the Company') for the year ended 31 March 2025, which comprise the Income Statement, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows and notes to the financial statements and notes to the financial statements, including the material accounting policy information set out in note 2. The financial reporting framework that has been applied in their preparation is Irish Law and International Financial Reporting Standards ('IFRS') as adopted by the European Union.

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the company as at 31 March 2025 and of its profit for the year then ended;
- have been properly prepared in accordance with IFRS as adopted by the European Union; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) 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 Company in accordance with ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), 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 Company's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.



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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LENAlea WIND FARM DESIGNATED ACTIVITY COMPANY (Continued)

Other information

The directors are responsible for the other information. The other information comprises the information included in the Directors report other than the financial statements and our auditor's report thereon. 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in 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 in this regard.

Opinions on other matters prescribed by the Companies Act 2014

In our opinion, based solely on the work undertaken in the course of the audit, we report that:

- the information given in the directors' report for the financial year ended for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report, other than those parts relating to sustainability reporting where required by Part 28 of the Companies Act 2014, has been prepared in accordance with applicable legal requirements.

We have obtained all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit.

In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited and the financial statements are in agreement with the accounting records.

Matters on which we are required to report by exception

Based on the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

The Companies Act 2014 requires us to report to you if, in our opinion, the disclosures required by sections 305 to 312 of the Act, which relate to disclosures of directors' remuneration and transactions are not complied with by the Company. We have nothing to report in this regard.



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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LENAlea WIND FARM DESIGNATED ACTIVITY COMPANY (Continued)

Respective responsibilities

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 5, the directors are responsible for the preparation of the financial statements in accordance with the applicable financial reporting framework that give a true and fair view, and 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 management either intends to liquidate the Company or to cease operations, or has 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 (Ireland) 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 IAASA's website at: https://iaasa.ie/wp-content/uploads/docs/media/IAASA/Documents/audit-standards/Description_of_auditors_responsibilities_for_audit.pdf. This description forms part of our auditor's report.

The purpose of our audit work and to whom we owe our responsibilities

Our report is made solely to the Company's members, as a body, in accordance with section 391 of the Companies Act 2014. 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.

Karl O'Donnell
for and on behalf of
Ernst & Young Chartered Accountants and Statutory Audit Firm

Waterford

Date: 25 February 2026

Lenalea Wind Farm Designated Activity Company

Income Statement for the Year Ended 31 March 2025

	Note	2025 € 000	2024 € 000
Revenue	4	6,360	3,238
Cost of sales	5	<u>4,301</u>	<u>(3,251)</u>
Gross profit/(loss)		10,661	(13)
Administrative expenses		<u>(3,380)</u>	<u>(1,145)</u>
Operating profit/(loss)	6	7,281	(1,158)
Finance income	9	32	-
Finance costs	9	<u>(1,558)</u>	<u>(650)</u>
Profit/(loss) before tax		5,755	(1,808)
Income tax (expense)/credit	10	<u>(954)</u>	<u>122</u>
Profit/(loss) for the year		<u><u>4,801</u></u>	<u><u>(1,686)</u></u>

The above results were derived from continuing operations.

There was no other comprehensive income during the current period, therefore a separate statement of other comprehensive income is not prepared.

Lenalea Wind Farm Designated Activity Company

(Registration number: 666425)

Statement of Financial Position as at 31 March 2025

	Note	2025 € 000	2024 € 000
Assets			
Non-current assets			
Property, plant and equipment	11	45,965	45,918
Deferred tax assets	10	-	122
Derivative financial assets	20	1,741	-
		47,706	46,040
Current assets			
Trade and other receivables	12	138	941
Cash and cash equivalents	13	7,416	4,098
		7,554	5,039
Total assets		55,260	51,079
Current liabilities			
Current portion of long term lease liabilities	15	(200)	(170)
Trade and other payables	14	(2,922)	(2,364)
Loans and borrowings	16	(16,439)	-
Income tax liability		(8)	-
		(19,569)	(2,534)
Equity and liabilities			
Non-current liabilities			
Long term lease liabilities	15	(1,816)	(1,809)
Loans and borrowings	16	(16,439)	(31,528)
Provisions	17	(1,539)	(1,595)
Deferred tax liabilities	10	(824)	-
Derivative financial liabilities	20	-	(3,341)
		(20,618)	(38,273)
Equity			
Capital contribution		(11,996)	(11,996)
Retained earnings	19	(3,077)	1,724
Total equity		(15,073)	(10,272)
Total liabilities		(40,187)	(40,807)
Total equity and liabilities		(55,260)	(51,079)

The notes on pages 14 to 35 form an integral part of these financial statements.

Lenalea Wind Farm Designated Activity Company
(Registration number: 666425)
Statement of Financial Position as at 31 March 2025 (continued)

Approved by the Board on 24 February 2026 and signed on its behalf by:

J Dunne
.....
J Dunne
Director

M Ryan
.....
M Ryan
Director

Lenalea Wind Farm Designated Activity Company

Statement of Changes in Equity for the Financial Year Ended 31 March 2025

	Share capital € 000	Capital contribution € 000	Retained earnings € 000	Total € 000
At 1 April 2023	-	4,591	(38)	4,553
Loss for the year	-	-	(1,686)	(1,686)
Other capital redemption reserve movements	-	7,405	-	7,405
At 31 March 2024	<u>-</u>	<u>11,996</u>	<u>(1,724)</u>	<u>10,272</u>

	Share capital € 000	Capital contribution € 000	Retained earnings € 000	Total € 000
At 1 April 2024	<u>-</u>	<u>11,996</u>	<u>(1,724)</u>	<u>10,272</u>
Profit for the year	-	-	4,801	4,801
At 31 March 2025	<u>-</u>	<u>11,996</u>	<u>3,077</u>	<u>15,073</u>

Shareholder loans provided to the Company were non-interest bearing and therefore in line with IFRS 9 an effective interest rate of 4.5% was applied.

A discounted loan value is calculated on the cash flows of the loan with the difference between the discounted loan value and the principal being accounted for as a capital contribution.

Lenalea Wind Farm Designated Activity Company

Statement of Cash Flows for the Financial Year Ended 31 March 2025

	Note	2025 € 000	2024 € 000
Cash flows from operating activities			
Profit/(loss) for the year		4,801	(1,686)
Adjustments to cash flows from non-cash items			
Depreciation	6	1,797	887
Financial instrument net gains (losses) through profit and loss	5	(4,657)	-
Finance income	9	(32)	-
Finance costs	9	1,558	1,298
Income tax expense/(credit)	10	954	(122)
		4,421	377
Working capital adjustments			
Decrease/(increase) in trade and other debtors	12	803	(930)
Increase in trade and other payables	14	210	706
Net cash flow from operating activities		5,434	153
Cash flows from investing activities			
Interest received	9	32	-
Acquisitions of property plant and equipment		(2,006)	(20,249)
Net cash flows used in investing activities		(1,974)	(20,249)
Cash flows from financing activities			
Proceeds from bank borrowing draw downs		-	23,150
Payments to finance lease creditors		(142)	-
Net cash flows (used in)/ from financing activities		(142)	23,150
Net increase in cash and cash equivalents		3,318	3,054
Cash and cash equivalents at 1 April		4,098	1,044
Cash and cash equivalents at 31 March		7,416	4,098

The notes on pages 14 to 35 form an integral part of these financial statements.

Lenalea Wind Farm Designated Activity Company

Notes to the Financial Statements for the Financial Year Ended 31 March 2025

1 General information

The company is a private company limited by share capital, incorporated and domiciled in Ireland.

The address of its registered office is:

Red Oak South
South County Business Park
Leopardstown
Dublin 18
Ireland

2 Accounting policies

Statement of compliance

The company financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the EU including standards and interpretations issued by the International Accounting Standards Board and Irish statute comprising of the Companies Act 2014.

New standards and interpretations issued, but not yet adopted by the Company

Other interpretations and amendments

There are a number of other interpretations, amendments and annual improvement project recommendations that have been issued but not yet adopted by the Company because application is not yet mandatory or because adoption by the EU remains outstanding at this point in time. These are not anticipated to have a material impact on the Company's financial statements.

IFRS18

On 9 April 2024, subsequent to the balance sheet date, the IASB issued IFRS 18 'Presentation and Disclosure in Financial Statements'. The Company will assess the expected impact of the adoption of the standard during the forthcoming year. A number of other standards, amendments and interpretations have been issued but not yet adopted by the Company within these financial statements, because application is not yet mandatory or because EU adoption remains outstanding at the date the financial statements were authorised for issue. These amendments are not anticipated to have a material impact on the Company's financial statements.

IFRS 9 "Financial Instruments" and IFRS 7 "Financial Instruments: Disclosures"

Amendments to IFRS 9 "Financial Instruments" and "Financial Instruments: Disclosures" in relation to the classification and measurement of financial instruments have been issued. An additional amendment has also been made to both standards in relation to contracts referencing nature-dependent electricity. These amendments will be effective from 1 January 2026 (1 April 2026 for the Company). While the impact of adoption is continuing to be assessed, it is not expected the amendments will have a material impact on the Company's financial statements.

Lenalea Wind Farm Designated Activity Company

Notes to the Financial Statements for the Financial Year Ended 31 March 2025 (continued)

2 Accounting policies (continued)

Summary of material accounting policies and key accounting estimates

The material accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The company applies accounting estimates to the following areas:

(i) Decommissioning costs - estimation uncertainty

The Company holds decommissioning provisions for its Renewable generation assets. The calculation of the Company's decommissioning provision involves the estimation of quantum and timing of cash flows to settle the obligation. The Company via SSE Renewables, as the managed service provider, engages independent valuation experts to estimate the cost of decommissioning its operating wind farm assets, with the last independent assessment being performed in the year to 31 March 2025. Further detail of the calculation basis, key assumptions used, the resulting movements in decommissioning provisions, and the sensitivity of key assumptions to the decommissioning provision is disclosed at note 17. While the carrying value is considered to be appropriate, changes in future decommission costs and economic conditions could lead to a change in the level of decommissioning provision.

(ii) Tax provisioning - estimation uncertainty

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the statement of financial position date.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not there will be suitable profits from which future reversals of the underlying temporary differences can be deducted.

Basis of preparation

The financial statements of the company have been prepared on a going concern basis under the historical cost convention with the exception of derivative financial instruments, which are stated at their fair value. The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and their interpretations issued by the International Accounting Standards Board (IASB) as adopted by the EU and those parts of the Companies Act 2014 which are applicable to companies reporting under IFRS. They have been prepared under the assumption that the company operates on a going concern basis.

The functional currency of the Company and the presentational currency of the financial statements is the Euro. The accounts have been prepared in thousands.

Lenalea Wind Farm Designated Activity Company

Notes to the Financial Statements for the Financial Year Ended 31 March 2025 (continued)

2 Accounting policies (continued)

Going concern

The Directors consider that the Company has adequate resources to continue in operational existence for the period to 28 February 2027. The financial statements are therefore prepared on a going concern basis. In making their assessment the Directors have considered the future financial plans of the Company, including a cash flow and profit forecast to 28 February 2027, 23 months from the balance sheet date. The Directors have considered sensitivities to the future cash flow projections, including the impact of price and volume volatility, which are the key underlying drivers of the Company's performance. In performing this assessment, the Directors have concluded that the Company has sufficient headroom to continue as a going concern after applying the stress testing sensitivities.

From November 2025, the Company is a wholly owned subsidiary of SSE Renewables Wind Farms (Ireland) Limited, which is ultimately owned by SSE Plc. A parental letter of support from SSE plc has been provided following the change in ownership.

Based on this assessment the Directors have concluded that the Company has sufficient resources to continue as a going concern and the financial statements have therefore been prepared on a going concern basis.

Revenue recognition

The Company's turnover is derived from the sale of wind generated electricity to an external third party. Turnover is stated net of value added tax. Revenue from contracts with customers is recognised to the extent that it reflects the expected consideration for goods or services provided to the customer under contract over the performance obligations they are being provided. For each separable performance obligation identified, the Company determines whether it is satisfied at a 'point in time' or 'over time' based upon an evaluation of the receipt and consumption of benefits, control of assets and enforceable payment rights associated with that obligation. If the criteria for 'over time' recognition are not met, the performance obligation is deemed to be satisfied at a 'point in time'. Revenue from the sale of the physical generation of electricity is recognised 'point in time', as generated, as are ancillary services.

Property, plant and equipment

Owned assets

Items of property, plant and equipment are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The cost of self-constructed assets includes the cost of materials, direct labour and other direct attributable costs.

Decommissioning assets

The Company presents decommissioning assets separately within property, plant and equipment, in relation to the Operating windfarm assets class, to enhance understanding of the Company's financial position. The assets are recognised and valued as disclosed within the Company's provisions policy.

Right of use assets

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred and lease payments made at or before the commencement date less any lease incentives received. Where a modification to a lease agreement decreases the scope of the lease, the carrying amount of the right of use asset is adjusted and a gain or loss is recognised in proportion to the decrease in scope of the lease. All other modifications to lease agreements are accounted for as a reassessment of the lease liability with a corresponding adjustment to the right of use asset. The right of use assets relates to the land leased by the company. Depreciation of these assets will commence when the wind assets become power generating.

Lenalea Wind Farm Designated Activity Company

Notes to the Financial Statements for the Financial Year Ended 31 March 2025 (continued)

2 Accounting policies (continued)

Intangible assets

Expenditure on development activities is capitalised as intangible assets if the project or process is considered to be technically and commercially feasible and the company intends to complete the project or process for use or for sale.

Costs capitalised as development intangibles represent the costs incurred in bringing the windfarm project to the consented stage. Costs associated with reaching the consent stage include options over land rights, planning application costs and environmental impact studies. These may be costs incurred directly or part of the fair value exercise on acquisition of an interest in a project. At the point that the project reaches the consent stage and is approved by the Board, the carrying value of the project is transferred to property, plant and equipment as assets under construction.

Once in operation, depreciation will be charged over the expected useful life of the asset. The asset is derecognised on disposal, or when no future economic benefits are expected to arise.

Impairment

The carrying amount of the Company's other fixed assets is reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable, or where there are indications that a previously recognised impairment loss has reduced. For assets that have previously been identified as exhibiting indications of impairment, the review of impairment will be performed annually until there is sufficient evidence to confirm that any potential impairment loss has been appropriately recognised, or until previously recognised impairment losses have been fully written back.

For assets subject to impairment testing, the asset's carrying value is compared to the asset's recoverable amount. The recoverable amount is determined to be the higher of the fair value less costs to sell (FVLCS) and the value-in-use (VIU) of the asset. For financial assets measured at amortised cost the impairment is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate.

If the carrying amount of the asset exceeds its recoverable amount, an impairment charge will be recognised immediately in the income statement. Reversals of previous impairment charges are recognised if the recoverable amount of the asset significantly exceeds the carrying amount. Previous impairments of goodwill are not reversed.

Value in use (VIU) calculations require the estimation of future cash flows to be derived from the respective assets and the selection of an appropriate discount rate in order to calculate their present value. The VIU methodology is consistent with the approach taken by management to evaluate economic value and is deemed to be the most appropriate for reviews of other intangible assets. The methodology is based on the pre-tax cash flows arising from the specific assets or underlying assets, and discounted using a pre-tax discount rate based on the Company's cost of funding and adjusted for any specific risks. The estimation of the timing and value of underlying projected cash flows and the selection of appropriate discount rates involves management judgement. Subsequent changes to these estimates or judgements may impact the carrying value of the assets.

The fair value less costs to sell methodology also uses a present value technique, unless there is a quoted price in an active market for that asset. The methodology is based on the post-tax cash flows arising from the specific assets or underlying assets, and discounted using a post-tax discount rate determined in the same manner as the rates used in the VIU calculations, adjusted for the relevant taxation rate.

Lenalea Wind Farm Designated Activity Company

Notes to the Financial Statements for the Financial Year Ended 31 March 2025 (continued)

2 Accounting policies (continued)

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Land and buildings	Period of lease
Operating wind farm assets	25
Decommissioning assets	25

Finance income and costs policy

Interest income and costs are recognised in the income statement as they accrue, on an effective interest method.

Interest on the funding attributable to major capital projects is capitalised during the period of construction and depreciated as part of the total cost over the useful life of the asset.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Trade receivables

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade receivables is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

All borrowings are initially recorded at the amount of proceeds received, net of transaction costs. Interest is recognised on the basis of the effective interest method and is capitalised during the construction phase. Post full operations being achieved, interest is charged to the income statement over the relevant borrowing period.

Interest expense is recognised on the basis of the effective interest method and is included in finance costs

Borrowings are classified as current liabilities unless there is an unconditional right to defer settlement of the liability for at least 12 months after the reporting date

Lenalea Wind Farm Designated Activity Company

Notes to the Financial Statements for the Financial Year Ended 31 March 2025 (continued)

2 Accounting policies (continued)

Provisions

A provision is recognised in the statement of financial position when the Company has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Decommissioning

The Company engages independent experts to estimate the cost of decommissioning its Renewable assets every three years. In the intervening years, management updates the external valuation based on factors arising since the last formal valuation date. Provision is made for the net present value of the estimated cost of decommissioning wind farms at the end of the useful life of the facilities. This includes development assets, where if a present obligation exists, provision is recognised during construction and prior to commencement of operations from the site. The estimates are based on technology and prices at the balance sheet date and excludes any salvage value related to those assets. A corresponding decommissioning asset is recognised and is included within property, plant and equipment when it gives access to future economic benefits, and is depreciated on a straight-line basis over the expected useful life of the asset. Changes in these provisions are recognised prospectively. The unwinding of the discount on the provision is included in finance costs.

Leases

Definition

The company initially recognises a lease liability for the obligation to make lease payments and a right-of-use asset for the right to use the underlying asset for the lease term. The lease liability is measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments, purchase options at exercise price (where payment is reasonably certain), expected amount of residual value guarantees, termination option penalties (where payment is considered reasonably certain) and variable lease payments that depend on an index or rate.

The right-of-use asset is initially measured at the amount of the lease liability, adjusted for lease prepayments, lease incentives received, the company's initial direct costs (e.g., commissions) and an estimate of restoration, removal and dismantling costs.

Interest on the lease liability during the construction phase is capitalised into assets under construction. The related right-of-use asset is accounted for using the Cost model in IAS 16 and depreciated and charged in accordance with the depreciation requirements of IAS 16 Property, Plant and Equipment as disclosed in the accounting policy for Property, Plant and Equipment.

Lenalea Wind Farm Designated Activity Company

Notes to the Financial Statements for the Financial Year Ended 31 March 2025 (continued)

2 Accounting policies (continued)

Lease modifications

If a lease is modified, the modified contract is evaluated to determine whether it is or contains a lease. If a lease continues to exist, the lease modification will result in either a separate lease or a change in the accounting for the existing lease.

The modification is accounted for as a separate lease if both:

(a) The modification increases the scope of the lease by adding the right to use one or more underlying assets; and

(b) The consideration for the lease increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

If both of these conditions are met, the lease modification results in two separate leases, the unmodified original lease and a separate lease. The company then accounts for these in line with the accounting policy for new leases.

If either of the conditions are not met, the modified lease is not accounted for as a separate lease and the consideration is allocated to the contract and the lease liability is re-measured using the lease term of the modified lease and the discount rate as determined at the effective date of the modification.

For a modification that fully or partially decreases the scope of the lease (e.g., reduces the square footage of leased space), IFRS 16 requires a lessee to decrease the carrying amount of the right-of-use asset to reflect partial or full termination of the lease. Any difference between those adjustments is recognised in profit or loss at the effective date of the modification.

For all other lease modifications which are not accounted for as a separate lease, IFRS 16 requires the lessee to recognise the amount of the re-measurement of the lease liability as an adjustment to the corresponding right-of-use asset without affecting profit or loss.

Short term and low value leases

The company has made an accounting policy election, by class of underlying asset, not to recognise lease assets and lease liabilities for leases with a lease term of 12 months or less (i.e., short-term leases).

The company has made an accounting policy election on a lease-by-lease basis, not to recognise lease assets on leases for which the underlying asset is of low value.

Lease payments on short term and low value leases are accounted for on a straight line bases over the term of the lease or other systematic basis if considered more appropriate. Short term and low value lease payments are included in operating expenses in the income statements.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Lenalea Wind Farm Designated Activity Company

Notes to the Financial Statements for the Financial Year Ended 31 March 2025 (continued)

2 Accounting policies (continued)

Tax

Taxation on the profit for the year comprises current and deferred tax. Taxation is recognised in the income statement unless it relates to items recognised directly in equity, in which case it is recognised in other comprehensive income. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates taxable income. Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is probable to be recovered based on current or future taxable profit. The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Financial instruments

Initial recognition

Financial assets and financial liabilities comprise all assets and liabilities reflected in the statement of financial position, although excluding property, plant and equipment, investment properties, intangible assets, deferred tax assets, prepayments, deferred tax liabilities and employee benefits plan.

The company recognises financial assets and financial liabilities in the statement of financial position when, and only when, the company becomes party to the contractual provisions of the financial instrument. Financial assets are initially recognised at fair value. Financial liabilities are initially recognised at fair value, representing the proceeds received net of premiums, discounts and transaction costs that are directly attributable to the financial liability.

All regular way purchases and sales of financial assets and financial liabilities classified as fair value through profit or loss ("FVTPL") are recognised on the trade date, i.e. the date on which the company commits to purchase or sell the financial assets or financial liabilities. All regular way purchases and sales of other financial assets and financial liabilities are recognised on the settlement date, i.e. the date on which the asset or liability is received from or delivered to the counterparty. Regular way purchases or sales are purchases or sales of financial assets that require delivery within the time frame generally established by regulation or convention in the market place.

Subsequent to initial measurement, financial assets and financial liabilities are measured at either amortised cost or fair value.

CPPA arrangements are classified as derivative financial instruments and are measured at fair value on initial recognition. Where unobservable market data or inputs are significant in determine the fair value at inception or the contract, the initial gain or loss at inception is not recognised in the income statement immediately but is deferred and recognised over the life of the instrument. At each balance sheet date the fair value of the derivative financial instrument is assessed with any movement in fair value recognised in the income statement in the period it arises.

Lenalea Wind Farm Designated Activity Company

Notes to the Financial Statements for the Financial Year Ended 31 March 2025 (continued)

2 Accounting policies (continued)

Classification and measurement

Financial assets at fair value through the profit or loss (FVTPL)

Financial assets not otherwise classified above are classified and measured as FVTPL.

Financial liabilities at fair value through the profit or loss

Financial liabilities not measured at amortised cost are classified and measured at FVTPL. This classification includes derivative liabilities.

3 Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. It should be noted that the impact of variation in some assumptions, judgements and estimates can have a particularly material impact on the reported results. These include, but are not limited to the estimated cost of decommissioning at the end of the useful lives of property, plant and equipment assets. These are reviewed periodically, with a full reassessment by an independent decommissioning consultant performed in the year to 31 March 2025. Provision is made for the estimated discounted cost of decommissioning at the balance sheet date, and excludes any salvage value related to those assets (see note 17).

4 Revenue

The analysis of the company's revenue for the year from continuing operations is as follows:

	2025	2024
	€ 000	€ 000
Electricity generation	6,312	3,238
Other revenue	48	-
	<u>6,360</u>	<u>3,238</u>

5 Cost of sales

Included within cost of sales for the year:

	2025	2024
	€ 000	€ 000
Fair value derivative	<u>4,657</u>	<u>(3,030)</u>

A long-term CPPA with an external third party has been entered by the Company. The CPPA is linked to market prices and if the market prices are below the level set out in the CPPA the Company receives income, over and above the CPPA. If market prices are above the level in the CPPA, then the Company pays the differential. The underlying CPPA is accounted for as a fair value derivative and at 31 March 2025 the derivative was in an overall asset position, compared to an overall liability position in the prior period. The movement in the underlying derivative has been recorded through cost of sales in both the current and prior period.

Lenalea Wind Farm Designated Activity Company

Notes to the Financial Statements for the Financial Year Ended 31 March 2025 (continued)

6 Operating profit/(loss)

Arrived at after charging

	2025	2024
	€ 000	€ 000
Depreciation expense	1,797	887

7 Directors' remuneration

The Company had no employees during the period.

The directors did not receive remuneration in respect of their services to the Company in the current or prior year. Directors were remunerated via another Group company in the year. A value of services to the Company for these directors cannot be determined.

8 Auditors' remuneration

The audit fee in the period was €45,000 (2024: €42,000).

9 Finance Costs

	2025	2024
	€ 000	€ 000
Finance income		
Interest income on bank deposits	(32)	-
Total finance income	(32)	-
Finance Costs		
Interest on loans	1,352	1,217
Lease obligations - unwind of discount rate	98	46
Interest capitalised	-	(648)
Foreign exchange gains	1	1
Provisions - unwind of discount	107	34
	1,558	650

Lenalea Wind Farm Designated Activity Company

Notes to the Financial Statements for the Financial Year Ended 31 March 2025 (continued)

10 Income tax

Tax charged/(credited) in the income statement

	2025	2024
	€ 000	€ 000
Current taxation		
Corporation tax for the period	8	-
Deferred taxation		
Arising from origination and reversal of temporary differences	946	(122)
Tax expense/(credit) in the income statement	954	(122)

The tax on profit before tax for the year is higher than the standard rate of corporation tax in the Republic of Ireland (2024 - lower than the standard rate of corporation tax in the Republic of Ireland) of 12.5% (2024 - 12.5%).

The differences are reconciled below:

	2025	2024
	€ 000	€ 000
Profit/(loss) before tax	5,755	(1,808)
Corporation tax at standard rate	719	(226)
Decrease from effect of tax incentives	4	-
Other tax effects for reconciliation between accounting profit and tax expense (income)	231	104
Total tax charge/(credit)	954	(122)

Lenalea Wind Farm Designated Activity Company

Notes to the Financial Statements for the Financial Year Ended 31 March 2025 (continued)

10 Income tax (continued)

Deferred tax

Deferred tax assets and liabilities

Deferred tax movement during the year:

	At 1 April 2024 € 000	Recognised in income € 000	At 31 March 2025 € 000
Losses Utilised	592	(536)	56
Property, plant & equipment	(470)	(410)	(881)
	122	(946)	(824)

Deferred tax movement during the prior year:

	At 1 April 2023 € 000	Recognised in income € 000	Recognised in equity € 000	At 31 March 2024 € 000
Losses Utilised	-	592	-	592
Property, plant & equipment	-	(470)	-	(470)
	-	122	-	122

Ireland has introduced legislation to implement the OECD BEPS Pillar 2 which provides that income of large scale multination and domestic groups (i.e. Groups with a global consolidated turnover of in excess of €750 million in two of the preceding four years) is taxed at a minimum effective tax rate of 15% on a jurisdictional basis. The legislation came into force for accounting periods commencing on or after 1 January 2025. In this case, Pillar 2 applies in the first instance from the year ended 31 March 2025.

The Company is a joint venture owned 50:50 between SSER and FEI and the results of the Company are recorded by shareholders using the equity accounting method i.e. the Company is not consolidated in either shareholder annual results. The Company forms its own group as at 31 March 2025 for Pillar Purposes and the Company has not exceeded the revenue thresholds of €750m in two of the last four accounting periods. On this basis, the Company does not fall within the scope of Pillar 2 and as a result no disclosures are required in the financial statements for the period ending 31 March 2025.

Lenalea Wind Farm Designated Activity Company

Notes to the Financial Statements for the Financial Year Ended 31 March 2025 (continued)

11 Property, plant and equipment

	ROU asset € 000	Assets under construction € 000	Decomm asset € 000	Operating windfarm equipment € 000	Total € 000
Cost or valuation					
At 1 April 2023	1,673	23,273	1,024	-	25,970
Additions	49	20,249	538	-	20,835
Transfers	-	(41,993)	-	41,993	-
At 31 March 2024	<u>1,722</u>	<u>1,529</u>	<u>1,562</u>	<u>41,993</u>	<u>46,805</u>
At 1 April 2024	1,722	1,529	1,562	41,993	46,805
Additions	74	1,932	-	-	2,006
Reduction in decommissioning	-	-	(163)	-	(163)
Transfers	-	(3,461)	-	3,461	-
At 31 March 2025	<u>1,796</u>	<u>-</u>	<u>1,399</u>	<u>45,454</u>	<u>48,649</u>
Depreciation					
At 1 April 2023	-	-	-	-	-
Charge for the year	33	-	28	826	887
At 31 March 2024	<u>33</u>	<u>-</u>	<u>28</u>	<u>826</u>	<u>887</u>
At 1 April 2024	33	-	28	826	887
Charge for the year	72	-	60	1,665	1,797
At 31 March 2025	<u>105</u>	<u>-</u>	<u>88</u>	<u>2,491</u>	<u>2,684</u>
Carrying amount					
At 31 March 2025	<u>1,691</u>	<u>-</u>	<u>1,311</u>	<u>42,963</u>	<u>45,965</u>
At 31 March 2024	<u>1,689</u>	<u>1,529</u>	<u>1,534</u>	<u>41,167</u>	<u>45,918</u>

The reduction in the decommissioning assets relates to the reduction in the associated decommissioning provision.

Interest capitalised to assets under construction during the year was €nil (2024: €648k). As the project has achieved full operations, interest no longer qualifies to be capitalised. Interest in the period has been expensed to the income statement. Interest previously capitalised forms part of the operating windfarm assets and is depreciated.

Lenalea Wind Farm Designated Activity Company

Notes to the Financial Statements for the Financial Year Ended 31 March 2025 (continued)

12 Trade and other receivables

	2025	2024
Current	€ 000	€ 000
Accrued income	21	795
Prepayments	6	-
Other receivables	111	146
	<u>138</u>	<u>941</u>

The trade and other receivables classified as financial instruments are disclosed below (note 20). The company's exposure to credit and market risks, including maturity analysis, relating to trade and other receivables is disclosed in the financial risk review note.

13 Cash and cash equivalents

	2025	2024
	€ 000	€ 000
Cash at bank	<u>7,416</u>	<u>4,098</u>

14 Trade and other payables

	2025	2024
	€ 000	€ 000
Trade payables	100	260
Accrued expenses	2,460	1,740
Other payables	362	364
	<u>2,922</u>	<u>2,364</u>

Lenalea Wind Farm Designated Activity Company

Notes to the Financial Statements for the Financial Year Ended 31 March 2025 (continued)

15 Leases

Leases included in creditors

The present values of future finance lease payments are analysed as follows:

	2025	2024
	€ 000	€ 000
Current liabilities	200	170
Non current liabilities	1,816	1,809
	<u>2,016</u>	<u>1,979</u>

Lease liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate (IBR). The following amounts are recognised within the income statement: depreciation €72k, interest expense €98k and expenses relating to short term leases €nil. No additional values have been recognised within other comprehensive income. The weighted average rate applied was 5.06%.

Cash outflows on leases during the year were €142k (2024: €nil).

Lenalea Wind Farm Designated Activity Company

Notes to the Financial Statements for the Financial Year Ended 31 March 2025 (continued)

15 Leases (continued)

Lease liabilities maturity analysis

	2025	2024
	€ 000	€ 000
Within one year	200	170
Between one and five years	466	456
After five years	3,427	3,561
Less: future finance charge	<u>(2,077)</u>	<u>(2,208)</u>
Present value of lease obligations	<u><u>2,016</u></u>	<u><u>1,979</u></u>

16 Loans and borrowings

	2025	2024
	€ 000	€ 000
Current borrowings		
Amounts due to FuturEnergy Ireland Development Holdings DAC	<u>16,439</u>	<u>-</u>
Non-current loans and borrowings		
Amounts due to SSE Renewables Wind Farms Ireland Limited	16,439	15,764
Amounts due to FuturEnergy Ireland Development Holdings DAC	<u>-</u>	<u>15,764</u>
	<u><u>16,439</u></u>	<u><u>31,528</u></u>

Shareholder loans provided by SSE Renewables Wind Farms Ireland Limited (SSER) and FutureEnergy Ireland Development Holdings DACs (FEI) were executed on a non-interest bearing basis and therefore in line with IFRS 9 an effective interest rate of 4.5% was applied. There is no fixed repayment profile for the amounts disclosed and it has been confirmed by SSER and FEI that the amounts will not be called upon within the next twelve months. Capital contributions were recognised associated with the interest free loans. There were no principal loan repayments in the current or prior period.

17 Provisions

	Decommissioning costs	Total
	€ 000	€ 000
At 1 April 2023	1,024	1,024
Increase (decrease) in existing provisions	538	538
Increase due to passage of time or unwinding of discount rate	<u>33</u>	<u>33</u>
At 31 March 2024	<u>1,595</u>	<u>1,595</u>
At 1 April 2024	1,595	1,595
Increase (decrease) in existing provisions	(163)	(163)
Increase due to passage of time or unwinding of discount rate	<u>107</u>	<u>107</u>
At 31 March 2025	<u><u>1,539</u></u>	<u><u>1,539</u></u>

Lenalea Wind Farm Designated Activity Company

Notes to the Financial Statements for the Financial Year Ended 31 March 2025 (continued)

17 Provisions (continued)

In accordance with the Company's accounting policy a provision has been made for the decommissioning of the Company's wind farm assets. An inflation rate of 1.39% (2024: 1.7%) has been applied to inflate the base cost of the decommissioning provision to future value and a discount rate of 4.39% (2024: 3.82%) has been applied to discount the decommissioning cost provision to present values. The unwinding of discount rate in relation to decommissioning costs is charged to finance costs in the income statement.

Sensitivity analysis

The key assumptions made when calculating the decommissioning provision centre around cost estimate and discount rate applied at 100% ownership:

An increase of 0.5% in the discount rate would result in a decrease to the provision of €0.1m

A decrease of 0.5% in the discount rate would result in an increase to the provision of €0.1m

An increase of 10% in the cost estimate for decommissioning would result in an increase to the provision of €0.1m and a corresponding adjustment to the decommissioning assets.

A decrease of 10% in the cost estimate for decommissioning would result in a decrease to the provision of €0.1m and a corresponding adjustment to the decommissioning assets.

18 Called-up share capital presented as equity

Authorised shares

	2025		2024	
	No.	€	No.	€
Authorised share capital of €1 each	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>

Allotted, called-up and fully paid shares

	2025		2024	
	No.	€	No.	€
Issued share capital of €1 each	<u>20</u>	<u>20</u>	<u>20</u>	<u>20</u>

Lenalea Wind Farm Designated Activity Company

Notes to the Financial Statements for the Financial Year Ended 31 March 2025 (continued)

19 Reserves

	Retained earnings € 000	Capital contribution € 000	Total € 000
At 1 April 2023	(38)	4,591	4,553
Loss for the year	<u>(1,686)</u>	<u>-</u>	<u>(1,686)</u>
Total comprehensive income	(1,686)	-	(1,686)
Other capital redemption reserve movements	<u>-</u>	<u>7,405</u>	<u>7,405</u>
At 31 March 2024	<u><u>(1,724)</u></u>	<u><u>11,996</u></u>	<u><u>10,272</u></u>

	Retained earnings € 000	Capital contribution € 000	Total € 000
At 1 April 2024	(1,724)	11,996	10,272
Profit for the year	<u>4,801</u>	<u>-</u>	<u>4,801</u>
Total comprehensive income	<u>4,801</u>	<u>-</u>	<u>4,801</u>
At 31 March 2025	<u><u>3,077</u></u>	<u><u>11,996</u></u>	<u><u>15,073</u></u>

20 Financial Instruments

(i) Risk

Foreign currency risk

Foreign currency risk derives from the company's exposure to changes in foreign currency rates and its impact on financial obligations. However, as the majority of project expenditure is in locally currency this risk is deemed suitably low.

Liquidity risk

Liquidity risk derives from the risk the company will not be able to meet its financial obligations as they come due.

Commodity risk

The Company is exposed to commodity risk, specifically power price volatility. The Company has a fixed price CPPA to secure a route to market and hedge against fluctuations in the electricity market prices.

The following are the contractual cash flows of financial liabilities, including derivatives and estimated interest payments.

Lenalea Wind Farm Designated Activity Company

Notes to the Financial Statements for the Financial Year Ended 31 March 2025 (continued)

20 Financial Instruments (continued)

	2025 Carrying amount €'000	2025 Contractual cash flows €'000	2025 1 year or less €'000	2025 1 to < 2 years €'000	2025 2 to < 5 years €'000	2025 5 years and over €'000
Financial Assets						
Financial derivative asset	<u>1,741</u>	<u>3,339</u>	<u>(546)</u>	<u>30</u>	<u>98</u>	<u>3,758</u>
Financial liabilities						
Shareholder loans	32,877	41,818	20,909	1,673	5,152	14,084

The shareholder loan provided by SSE Renewables Wind Farms (Ireland) Ltd and FuturEnergy Ireland Development Holdings DAC are non-interest bearing and have no set repayment profile. As such, the repayment cash flows above have been determined based on expected payment profiles as agreed by the board, however is subject to change.

The financial derivative positions relate to the long term CPPA. The agreement is treated as derivative under IFRS 9 with the marked to market position recorded as a financial asset at 31 March 2025. The marked to market position has moved from a liability to asset position in the year to 31 March 2025. The contractual cash flows have been split between financial assets and liabilities. There were no financial derivative assets in the prior period.

	2024 Carrying amount €'000	2024 Contractual cash flows €'000	2024 1 year or less €'000	2024 1 to < 2 years €'000	2024 2 to < 5 years €'000	2024 5 years and over €'000
Financial liabilities						
Shareholder Loans	31,528	41,818	-	3,098	9,293	29,427
Financial derivative liability	<u>3,341</u>	<u>3,341</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,341</u>
	<u>34,869</u>	<u>45,159</u>	<u>-</u>	<u>3,098</u>	<u>9,293</u>	<u>32,768</u>

Lenalea Wind Farm Designated Activity Company

Notes to the Financial Statements for the Financial Year Ended 31 March 2025 (continued)

20 Financial Instruments (continued)

(ii) Fair values

Basis of determining fair value

Shareholder loan

The fair value of the shareholder loan is calculated by using the average funding rate achieved over the life of the Project to discount the loan.

CPPA

The fair value of the CPPA was determined using the income approach with reference to future market prices which are beyond the liquid period in the forward market.

The CPPA was issued for €nil consideration, being the deemed transaction price. The CPPA had a fair value on date 1, being the difference between the strike price per the contract and the forward market spot price. The valuation is based on unobservable inputs which are significant in determining fair value and is considered judgemental. Key assumptions applied when deriving the fair value are related to discount rates, electricity volumes, and electricity prices. In line with IFRS 9, the initial gain or loss on inception is not recognised in the income statement immediately but is deferred and recognised over the life of the instrument, once the windfarm site has achieved commercial operations. The fair value measurement impact in the income statement attributed to Level 3 CPPA was €0.2m, gain position. The Company has no other derivatives during the year to 31 March 2025.

The fair values of the primary financial assets and liabilities together with their carrying values are as follows:

	2025 Carrying value €000	2025 Fair value €000
Financial assets		
Cash and cash equivalent	7,416	7,416
Trade and other debtors	138	138
Financial derivative asset	1,741	1,741
	<u>9,295</u>	<u>9,295</u>
Financial liabilities		
Shareholder loans	(32,877)	(32,877)
Provisions	(1,539)	(1,539)
Trade and other payables	(2,922)	(2,922)
	<u>(37,338)</u>	<u>(37,338)</u>

Lenalea Wind Farm Designated Activity Company

Notes to the Financial Statements for the Financial Year Ended 31 March 2025 (continued)

20 Financial Instruments (continued)

	2024 Carrying value €000	2024 Fair value €000
Financial assets		
Cash and cash equivalent	4,098	4,098
Trade and other debtors	941	941
	5,039	5,039
Financial liabilities		
Shareholder Loans	(31,528)	(31,528)
Trade and other payables	(2,364)	(2,364)
Provisions	(1,595)	(1,595)
Financial derivative liability	(3,341)	(3,341)
	(38,828)	(38,828)

Unless otherwise stated, carrying value approximates fair value.

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into levels 1 to 3 based on the degree to which fair value is observable.

Level 1 fair value measurement are those derived from unadjusted quoted market prices for identical assets or liabilities.

Level 2 fair value measurements are those derived from inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3 fair value measurements are those derived from valuation techniques that include inputs for the assets or liability that are not based on observable market data.

	2025 Level 1 €000	2025 Level 2 €000	2025 Level 3 €000	2024 Level 1 €000	2024 Level 2 €000	2024 Level 3 €000
Financial liabilities						
Shareholder loans	-	(32,877)	-	-	(31,528)	-
Financial derivative liabilities	-	-	-	-	-	(3,341)
Financial derivative asset	-	-	1,741	-	-	-
	-	(32,877)	1,741	-	(31,528)	(3,341)

There were no significant transfers out of level 1 into level 2 and out of level 2 into level 1 during the year ended 31 March 2025.

Lenalea Wind Farm Designated Activity Company

Notes to the Financial Statements for the Financial Year Ended 31 March 2025 (continued)

21 Commitments

Capital commitments

The total amount contracted for but not provided in the financial statements was €Nil (2024 - €667,973).

22 Related party transactions

	Loans due to 2025 € 000	Loans due to 2024 € 000	Creditors outstanding 2025 €000	Creditors outstanding 2024 €000
SSE Renewables Wind Farms (Ireland) Ltd	16,439	15,764	-	-
FuturaEnergy Ireland Development Holdings DAC	16,439	15,764	-	-
	<u>32,878</u>	<u>31,528</u>	<u>-</u>	<u>-</u>

During the year the Company transacted with SSE Renewables Wind Farms (Ireland) Limited, in relation to a Management Services Agreement between the entities. This relates to the recharge of time spent by SSE Renewables (Ireland) Limited's employees, working the Lenalea Project. The costs for the year being €127k (2024: €478k). There were no creditors outstanding with SSE Renewables (Ireland) Limited at the year end in relation to this contract.

23 Parent and ultimate parent undertaking

Relationship between entity and parents

The Company is a joint venture between SSE Renewables Wind Farms (Ireland) Limited (Registered office: Red Oak South, South County Business Park, Leopardstown, Dublin 18, Ireland), a subsidiary of SSE plc and FuturaEnergy Ireland Development Holdings DAC, 27/28 Herbert Place Dublin, 2 D02 DC97, a joint venture between Coillte and ESB.

24 Non adjusting events after the financial period

In March 2025, the shareholders entered a share purchase agreement under which SSE Renewables Wind Farms (Ireland) Limited agreed to purchase FEI Development Holdings DAC 50% shareholding in the Company. The transaction completed in November 2025. As at 31 March 2025, the Company remained as a joint venture and is treated as a wholly owned subsidiary of SSE Renewables Wind Farms (Ireland) Limited from November 2025.