

Company Registration No. 02366949

ELECTRICITY NORTH WEST LIMITED
Interim Report and Condensed Consolidated Financial Statements
for the six months ended 30 September 2025

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This interim financial report does not include all the notes normally included in an annual financial report. Accordingly, this report should be read in conjunction with the Annual Report for the year ended 31 March 2025.

Electricity North West Limited is a private company limited by shares, incorporated and domiciled in the United Kingdom. Its registered office and principal place of business is at Electricity North West Limited, Borron Street, Stockport, England, SK1 2JD.

These condensed interim financial statements were approved on 28 November 2025.

These condensed interim financial statements have been neither reviewed by an auditor nor audited.

Interim Management Report

Cautionary statement

This Interim Management Report contains certain forward-looking statements with respect to the consolidated financial condition and business of Electricity North West Limited (“ENWL” or “the Company”) and its subsidiaries (together referred to as “the Group”). Statements or forecasts relating to events in the future necessarily involve risk and uncertainty and are made by the directors in good faith based on the information available at the date of signature of this report, with no obligation to update these forward-looking statements. Nothing in this unaudited Interim Management Report should be construed as a profit forecast nor should past performance be relied upon as a guide to future performance.

Operations

The Company is the main operating company within the North West Electricity Networks (Jersey) Limited (“NWEN (Jersey)”) group of companies (the “NWEN (Jersey) Group”), part of the wider group headed by Iberdrola, S.A., one of the largest utility companies in the world and a leader in renewable energy.

The Company’s principal activity is the operation and maintenance of electricity distribution assets owned by ENWL. ENWL is one of 14 distribution network operators in the UK regulated by the Gas and Electricity Markets Authority, which operates through the Office of Gas and Electricity Markets (“Ofgem”).

There have been no significant changes to the activity of the Company or Group in the current period, nor are there any planned changes.

Financial statements

The Annual Report and Consolidated Financial Statements of the Company and Group for the year ended 31 March 2025 can be found at www.enwl.co.uk.

Change to accounting reference date

On 30 September 2025, the accounting reference date was changed from 31 March to 31 December, therefore, the next annual report will be prepared for the nine month period to 31 December 2025. This change was implemented to align the Company's financial reporting period with that of the wider group headed by its ultimate parent undertaking, Iberdrola, S.A.

Changes to accounting policies

During the current period, the Company changed certain accounting policies to align with those of the wider group headed by its ultimate parent undertaking, Iberdrola, S.A. See Note 1 for more information.

Changes to accounting estimates

During the current period, the Company changed certain accounting estimates to align with those of the wider group headed by its ultimate parent undertaking, Iberdrola, S.A. See Note 2 for more information.

Interim Management Report (continued)

Consolidated results

£m	Unaudited Six months ended 30 Sep 25	*Restated Unaudited Six months ended 30 Sep 24	*Restated Audited Year ended 31 Mar 25
Revenue	333.5	302.5	654.4
Profit/(loss) before tax and fair value movements	73.7	81.2	206.8
*Net debt	(1,456.2)	(1,463.5)	(1,446.7)

*The comparative information has been restated, see Note 1 for more details.

Revenue

Revenue in the six months to 30 September 2025 was £31.0m higher than the revenue in the same period in the prior year due to higher prices resulting from a higher level of forecast allowed revenue. The allowed revenue was higher mainly due to an increased correction factor as a result of the under recovery of prior year revenue.

The allowed revenue set by Ofgem is recovered against an estimated level of electricity demand across the network. Given the difficulty of predicting this demand, there is either an over or an under recovery against planned revenue each year. These over or under recoveries are reflected in the reported revenue for the period and will be corrected through adjustments to revenue to be received in two years' time, in accordance with Ofgem's price setting mechanism.

The revenue for the three months to the next accounting reporting date, 31 December 2025, is expected to be higher than that in the six months to 30 September 2025, on a pro rata basis, due to the seasonally higher volumes of electricity units distributed over the winter period and some seasonal charges coming into effect.

Profit/(loss) before tax and fair value movements

The profit before tax and fair value movements was £7.5m lower than the same period in the prior year. This is mainly as a result of the £31.0m higher revenue (see above) partially offset by a £36.2m increase in operating costs. Finance income and expense remain comparable between periods.

Net Debt

Net debt increased by £9.5m over the six months to 30 September 2025. This was primarily due to the combined effect of net cash outflows affecting net debt of £6.1m, the indexation of index-linked debt of £4.7m (see Note 5).

Dividends

No dividends have been paid or proposed in the six months to 30 September 2025 (30 Sep 2024: £45.4m, 31 Mar 2025: £45.4m). See Note 7 for more details.

Retirement benefit scheme

The retirement benefit surplus has increased from £56.1m to £65.4m over the six months to 30 September 2025. The increase in the surplus was mainly due to a decrease in the scheme obligations as a result of a reduction in the long-term inflation assumption, partially offset by a small decrease in the discount rate assumption and a loss on assets in excess of interest income.

Interim Management Report (continued)

Principal risks and uncertainties

An assessment of the change in risk affecting the Company and Group has been carried out and the principal risks are deemed comparable to those at the last Annual Report.

The principal trade and activities of the Group are carried out in the Company and a comprehensive review of the strategy and operating model, the regulatory environment, the resources and principal risks and uncertainties facing the Company, and ultimately the Group, are outlined in the Strategic Report in the Company's Annual Report and Consolidated Financial Statements for the year ended 31 March 2025, which are available on the website, www.enwl.co.uk.

Re-financing activity

The following changes to financing arrangements have been implemented in the six months to 30 September 2025.

In August 2025, following a review of the Group financing facilities, the external £250m revolving credit facility ("RCF") in the Company, due to expire in April 2027, was replaced with a £250m RCF from Scottish Power UK plc, a member of the wider group headed by the ultimate parent Iberdrola, S.A., also expiring in April 2027 (see Note 9).

At the date of approval of the last Annual Report, the Company and Group were covered by a letter of support provided by Scottish Power UK plc. This letter of support was originally entered into on 16 June 2025, providing NWEN (Jersey) group with a £500m commitment that would remain in place until the earlier of the NWEN (Jersey) group securing alternative financing or 16 June 2026. The letter of support was amended on 28 July 2025 to extend the commitment to the earlier of the NWEN (Jersey) group securing alternative financing or 31 December 2026 (see Note 9).

Other than the changes outlined above, there has been no change in the financing arrangements of the Company or Group.

Interim Management Report (continued)

Corporate governance

For the year ended 31 March 2025, the Company reported on its application of the UK Corporate Governance Code. The Company, as part of the NWEN (Jersey) Group, no longer applies a corporate governance code on the basis that during the period it adopted the rules and policies of the *'Governance and Sustainability System of the SP ENW Group'* (the "SP ENW GSS").

The SP ENW GSS is approved and regularly reviewed by the Company's indirect parent North West Electricity Networks (UK) Limited, a direct subsidiary of NWEN (Jersey), in accordance with the *'Foundations for the Definition and Co-ordination of the Iberdrola Group'*, all of which are based on widely recognised good governance recommendations.

The rules and policies of the SP ENW GSS, including the terms of reference of the Company's Audit and Compliance Committee and the internal control and risk management systems which govern the Company, are published at the following web address: www.enwl.co.uk/about-us/corporate-governance/governance-and-sustainability-system/.

Parent, ultimate parent and controlling party

The immediate parent undertaking is North West Electricity Networks plc ("NWEN plc"), a company incorporated and registered in the United Kingdom.

At 31 March 2024 and 30 September 2024, the ultimate parent undertaking and ultimate controlling party was NWEN (Jersey), a company incorporated and registered in Jersey.

On 22 October 2024, Scottish Power Energy Networks Holdings Limited ("SPENH"), part of the group headed by Iberdrola, S.A., acquired 88% of the shares of NWEN (Jersey), with the remaining 12% of the shares retained by KDM Power Limited.

The transaction was reviewed by the Competition and Markets Authority ("CMA") pursuant to the merger provisions of the Enterprise Act 2002 ("2002 Act"); the CMA imposed an Initial Enforcement Order ("IEO") preventing any action which might prejudice a reference by the CMA under section 22 or 68B of the 2002 Act or impede the taking of any action under the 2002 Act by the CMA including any integration until CMA approval was granted. Unconditional CMA approval was granted, and the IEO lifted, on 20 March 2025.

In the period from 22 October 2024 to 20 March 2025, despite SPENH's 88% equity ownership of NWEN (Jersey), SPENH did not control NWEN (Jersey), nor therefore the Company, due to the restrictions in the IEO. SPENH gained control of NWEN (Jersey) on 20 March 2025, when the CMA approval was granted and the IEO lifted.

At 31 March 2025 and 30 September 2025, the directors regard Iberdrola, S.A., a company incorporated and registered in Spain, as the ultimate parent undertaking and the ultimate controlling party.

Interim Management Report (continued)

Events after the Balance Sheet date

There are no events after the balance sheet date that require disclosure.

Directors

The directors who held office during the six months are given below. Directors served for the entire six months, and to the date of this report, except where otherwise indicated.

Executive Directors

- Chris Johns
- Ian Smyth (resigned 2 July 2025)
- Stephanie Trubshaw (appointed 29 July 2025)

Non-executive Directors

- Keith Anderson
- Alistair Buchanan
- Harold Hutchinson
- Charles Langan
- David Mesonero Molina
- Tetsuo Onaru (appointed 2 July 2025)
- Masahide Yamada (resigned 2 July 2025)

Alternate Directors

- Shinichiro Kitagawa (appointed 2 July 2025)
- Makoto Murata (resigned 2 July 2025)

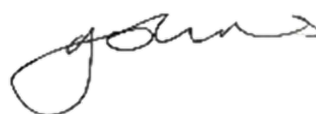
At no time during the six months did any director have a material interest in any contract or arrangement which was significant in relation to the Group's business.

Directors' responsibilities statement

The directors confirm that, to the best of their knowledge, these condensed consolidated interim financial statements:

- have been prepared in accordance with UK-adopted International Accounting Standard 34 '*Interim Financial Reporting*' (IAS 34) and the Disclosure Guidance and Transparency Rules (DTR) sourcebook of the UK's Financial Conduct Authority;
- give a true and fair view of the assets, liabilities, financial position and profit or loss of the issuer, and the undertakings included in the consolidation as a whole as required by DTR 4.2.4R; and
- the Interim Management Report includes a fair review of the information required by DTR 4.2.7 and DTR 4.2.8, including information on important events and material related-party transactions that have occurred in the six months ended 30 September 2025.

Approved by the Board and signed on its behalf by:



Chris Johns
Chief Financial Officer
28 November 2025

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 September 2025

	Note	Unaudited Six months ended 30 Sep 2025 £m	*Restated Unaudited Six months ended 30 Sep 2024 £m	*Restated Audited Year ended 31 Mar 2025 £m
Revenue	4	333.5	302.5	654.4
Employee costs		(39.2)	(40.4)	(80.0)
*Depreciation and amortisation expense		(115.5)	(77.9)	(157.6)
*Other operating costs		(61.2)	(61.4)	(134.6)
Total operating costs		(215.9)	(179.7)	(372.2)
Operating profit		117.6	122.8	282.2
Finance income		2.5	3.7	6.7
*Finance costs	5	(45.7)	(23.0)	(40.5)
Profit before income tax		74.4	103.5	248.4
Income tax expense	6	(19.0)	(25.3)	(61.9)
Profit for the period		55.4	78.2	186.5
Other comprehensive income/(expense):				
Items that will not be reclassified to profit or loss:				
Remeasurement of retirement benefit scheme		6.7	(2.1)	14.1
Deferred tax relating to these items		(1.7)	0.5	(3.5)
Other comprehensive income/(expense) for the period		5.0	(1.6)	10.6
Total comprehensive income for the period		60.4	76.6	197.1

*The comparative information has been restated, see Note 1 for more details.

The results for the current and prior periods are derived from continuing operations.

The above condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the notes, which form part of these interim financial statements.

Condensed Consolidated Statement of Financial Position

As at 30 September 2025

		Unaudited As at 30 Sep 2025 £m	*Restated Unaudited As at 30 Sep 2024 £m	*Restated Audited As at 31 Mar 2025 £m
	Note			
ASSETS				
Non-current assets				
Property, plant and equipment	8	4,094.3	3,876.3	3,998.8
*Right-of-use assets ¹		14.0	13.3	14.4
Intangible assets and goodwill		55.4	51.5	53.1
Derivative assets	10	247.4	240.0	236.0
Retirement benefit surplus	11	65.4	38.3	56.1
Total non-current assets		4,476.5	4,219.4	4,358.4
Current assets				
Inventories		67.3	53.4	56.7
Trade and other receivables		111.8	103.4	100.9
Cash and cash equivalents		120.4	84.5	132.1
Money market deposits over three months		-	30.1	-
Total current assets		299.5	271.4	289.7
Total assets		4,776.0	4,490.8	4,648.1

*The comparative information has been restated, see Note 1 for more details.

¹ Right-of-use assets have been presented as a separate line item at 30 September 2025; previously these were included in property, plant and equipment. Accordingly, the comparative amounts are also presented as a separate line item.

Condensed Consolidated Statement of Financial Position (continued)

As at 30 September 2025

		Unaudited As at 30 Sep 2025 £m	*Restated Unaudited As at 30 Sep 2024 £m	*Restated Audited As at 31 Mar 2025 £m
	Note			
LIABILITIES				
Current liabilities				
Trade and other payables		(224.2)	(177.1)	(187.3)
*Current income tax liability		(4.6)	(12.3)	(8.6)
Borrowings	9	(462.6)	(9.0)	(465.8)
*Lease liabilities ²		(3.8)	(3.8)	(4.0)
Customer contributions		(67.4)	(72.9)	(67.1)
Provisions		(2.3)	(0.5)	(2.5)
Total current liabilities		(764.9)	(275.6)	(735.3)
Non-current liabilities				
Borrowings	9	(1,095.7)	(1,551.1)	(1,094.3)
*Lease liabilities ²		(14.5)	(14.2)	(14.7)
Derivative liabilities	10	(529.1)	(541.7)	(518.3)
Customer contributions		(761.9)	(738.4)	(749.9)
*Deferred tax		(321.0)	(263.5)	(307.9)
Provisions		(1.9)	(0.2)	(1.1)
Total non-current liabilities		(2,724.1)	(3,109.1)	(2,686.2)
Total liabilities		(3,489.0)	(3,384.7)	(3,421.5)
Net assets		1,287.0	1,106.1	1,226.6
EQUITY				
Share capital		238.4	238.4	238.4
Share premium account		4.4	4.4	4.4
Revaluation reserve		67.1	69.0	68.0
Capital redemption reserve		8.6	8.6	8.6
*Retained earnings		968.5	785.7	907.2
Total equity		1,287.0	1,106.1	1,226.6

*The comparative information has been restated, see Note 1 for more details.

² Lease liabilities have been presented as a separate line item at 30 September 2025; previously these were included in borrowings. Accordingly, the comparative amounts are also presented as a separate line item.

The above condensed consolidated statement of financial position should be read in conjunction with the notes, which form part of these interim financial statements.

The interim financial statements were approved and authorised for issue by the Board of Directors on 28 November 2025 and were signed on its behalf by:



Chris Johns
Director

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 September 2025

	Share capital	Share premium account	Revaluation reserve	Capital redemption reserve	*Retained earnings	Total equity
	£m	£m	£m	£m	£m	£m
At 1 April 2024 (audited)	238.4	4.4	70.0	8.6	757.0	1,078.4
*Restatement	-	-	-	-	(3.5)	(3.5)
*Restated at 1 April 2024	238.4	4.4	70.0	8.6	753.5	1,074.9
Profit for the six months	-	-	-	-	78.2	78.2
Other comprehensive expense for the six months	-	-	-	-	(1.6)	(1.6)
Transfer from revaluation reserve	-	-	(1.0)	-	1.0	-
Total comprehensive income/ (expense) for the six months	-	-	(1.0)	-	77.6	76.6
Dividends (Note 7)	-	-	-	-	(45.4)	(45.4)
*At 30 September 2024 (unaudited)	238.4	4.4	69.0	8.6	785.7	1,106.1
*At 1 April 2024 (audited)	238.4	4.4	70.0	8.6	757.0	1,078.4
*Restatement	-	-	-	-	(3.5)	(3.5)
*Restated at 1 April 2024	238.4	4.4	70.0	8.6	753.5	1,074.9
Profit for the year	-	-	-	-	186.5	186.5
Other comprehensive income for the year	-	-	-	-	10.6	10.6
Transfer from revaluation reserve	-	-	(2.0)	-	2.0	-
Total comprehensive income for the year	-	-	(2.0)	-	199.1	197.1
Dividends (Note 7)	-	-	-	-	(45.4)	(45.4)
*At 31 March 2025 (audited)	238.4	4.4	68.0	8.6	907.2	1,226.6
Profit for the six months	-	-	-	-	55.4	55.4
Other comprehensive income for the six months	-	-	-	-	5.0	5.0
Transfer from revaluation reserve	-	-	(0.9)	-	0.9	-
Total comprehensive income for the six months	-	-	(0.9)	-	61.3	60.4
Dividends (Note 7)	-	-	-	-	-	-
At 30 September 2025 (unaudited)	238.4	4.4	67.1	8.6	968.5	1,287.0

*The comparative information has been restated, see Note 1 for more details.

The above condensed consolidated statement of changes in equity should be read in conjunction with the notes, which form part of these interim financial statements.

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 September 2025

		Unaudited Six months ended 30 Sep 2025	*Restated Unaudited Six months ended 30 Sep 2024	*Restated Audited Year ended 31 Mar 2025
	Note	£m	£m	£m
Cash flows from operating activities				
*Cash generated from operations	13	207.0	172.5	414.2
Customer contributions received		23.5	20.8	37.5
Interest paid		(27.3)	(27.5)	(79.8)
*Interest portion of lease liabilities		(0.9)	(0.8)	(1.7)
Income taxes paid		(11.7)	(28.6)	(28.6)
Net cash flows from operating activities		190.6	136.4	341.6
Cash flows from investing activities				
Interest received and similar income		2.6	3.7	6.9
Transfer to money market deposits > 3 months		-	(30.1)	-
Purchase of property, plant and equipment		(200.2)	(163.0)	(355.4)
Purchase of intangible assets		(10.4)	(6.9)	(15.2)
Proceeds from sale of property, plant and equipment		0.2	0.2	0.5
Net cash used in investing activities		(207.8)	(196.1)	(363.2)
Net cash flows before financing activities		(17.2)	(59.7)	(21.6)
Cash flows from financing activities				
Repayment of external borrowings		(4.8)	(4.6)	(9.3)
*Principal portion of lease liabilities		(1.4)	(1.2)	(2.5)
Increase in loan from parent		0.6	-	1.3
Movement on cash collateral held		11.1	5.6	19.8
Dividends paid	7	-	(45.4)	(45.4)
Net cash generated from/ (used in) financing activities		5.5	(45.6)	(36.1)
Net (decrease)/increase in cash and cash equivalents		(11.7)	(105.3)	(57.7)
Cash and cash equivalents at beginning of period		132.1	189.8	189.8
Cash and cash equivalents at end of period		120.4	84.5	132.1

*The comparative information has been restated, see Note 1 for more details.

The above condensed consolidated statement of cash flows should be read in conjunction with the notes, which form part of these interim financial statements.

Notes to the Condensed Consolidated Financial Statements

1. General information and basis of preparation

General information

Electricity North West Limited is a private company limited by shares, incorporated and domiciled in the United Kingdom. Its registered office and principal place of business is at Electricity North West, Borron Street, Stockport, England, SK1 2JD.

These condensed interim financial statements do not comprise statutory accounts within the meaning of section 434 of the Companies Act 2006. Statutory accounts for the year ended 31 March 2025 were approved by the board of directors on 16 June 2025 and have been delivered to the Registrar of Companies. The report of the auditor on those accounts was unqualified, did not contain an emphasis of matter paragraph and did not contain any statement under section 498 of the Companies Act 2006.

The financial information for the six months ended 30 September 2025, and similarly the six months ended 30 September 2024, has not been audited or reviewed by the auditor.

On 10 October 2025, the Company changed its accounting reference date from 31 March to 31 December, therefore, the next annual report will be prepared for the nine-month period to 31 December 2025. This change was implemented to align the Company's financial reporting period with that of its ultimate parent undertaking, Iberdrola, S.A.

Basis of preparation

This condensed consolidated interim financial report has been prepared in accordance with the United Kingdom adopted International Accounting Standard 34 '*Interim Financial Reporting*' (IAS 34) and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

The interim report does not include all the notes included in the audited financial statements. Accordingly, this report is to be read in conjunction with the audited financial statements for the year ended 31 March 2025.

The interim report is prepared on a going concern basis. For more information on the going concern assessment that has been undertaken, see pages 12 and 13.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except for the adoption of new and amended standards as set out below, and the changes resulting from the harmonisation of policies with those of the other relevant entities in the wider group, headed by Iberdrola, S.A. See pages 13 and 14 for more details.

The directors do not believe that the Group is affected by seasonal factors which would have a material effect on the performance of the Group when comparing the interim results to those expected to be achieved in the second half of the year, with the exception of the impact on revenue referred to in Note 4.

Notes to the Condensed Consolidated Financial Statements (continued)

1. General information and basis of preparation (continued)

Going concern

When considering whether to continue to adopt the going concern basis in preparing these condensed financial statements, the directors have taken into account a number of factors, including the following:

- The Company's electricity distribution licence includes the obligation in standard licence condition 40 to maintain an investment grade issuer credit rating, which has been met;
- Under section 3A of the Electricity Act 1989, the Gas and Electricity Markets Authority has a duty, in carrying out its functions, to have regard to the need to secure that licence holders are able to finance their activities, which are the subject of obligations imposed by or under Part 1 of the Electricity Act 1989 or the Utilities Act 2000;
- During December 2024, management prepared, and the directors have reviewed and approved, Group budgets for the year ending 31 March 2026. In addition, Group budgets for the year ending 31 December 2026 have been prepared and presented to the directors and are due to be approved in early December 2025. These budgets include profit projections and cash flow forecasts, including covenant compliance considerations. Inherent in forecasting is an element of uncertainty and key sensitivities are considered when budgets are approved;
- Management has prepared forecasts covering the current regulatory period, RIIO-ED2, which runs to 31 March 2028, reflecting the latest forecast of regulatory revenues, performance and uncertainty mechanisms. Forecasts demonstrate that there is sufficient headroom on key covenants and that there are sufficient financial resources available to the Group within the forecast period;
- Management has prepared liquidity forecasts on a monthly basis, and performed inflation sensitivities on forecasts to November 2026, being at least 12 months from the date of approval of these interim financial statements;
- Short-term liquidity requirements are forecast to be met from the Group's operating cash flows and short-term deposit balances. Also, at 30 September 2025, there was a £250m committed undrawn borrowing facility, available for at least 12 months from the date of approval of these interim financial statements (see Note 9);
- During the 12 months from the date of approval of these interim financial statements, the £450m 8.875% 2026 bond is due for repayment in March 2026, and £9.7m of scheduled repayments are due against the EIB loans. In addition to the committed, undrawn facility mentioned above, the Group is also a beneficiary of the £500m committed financial support from Scottish Power UK plc (see below). There are no further re-financing obligations due in the next 12 months;
- Though the Company is largely financed by long-term funding, any uncommitted financing has been removed from the assessment;
- Management prepared and considered key sensitivities to the business plan model when assessing going concern. These sensitivities include removal of incentive penalties, macro-economic factors including inflation at +/-1%, DUoS revenue under collection and severe weather events; and
- External factors are also considered such as, cost of living and high energy prices, interest rates, the Ukraine conflict and impact on supply chain, energy prices and supplier administration.

Notes to the Condensed Consolidated Financial Statements (continued)

1. General information and basis of preparation (continued)

Going concern (continued)

In addition to the above, the Company and Group are covered by a letter of support provided by Scottish Power UK plc. This letter of support was originally entered into on 16 June 2025, providing NWEN (Jersey) group with a £500m commitment, that could be utilised by NWEN (Jersey) or any of its subsidiaries, including the Company, and that would remain in place until the earlier of the NWEN (Jersey) group securing alternative financing or 16 June 2026. The letter of support was amended on 28 July 2025 to extend the commitment to the earlier of the NWEN (Jersey) group securing alternative financing or 31 December 2026 (see Note 9).

Based on the above, the directors have a reasonable expectation that the Company and Group have adequate resources to continue in operational existence and meet their obligations as they fall due for the foreseeable future. For the purposes of this assessment, the foreseeable future is considered to be a period of at least 12 months from the date of approval of these interim financial statements, per the Financial Reporting Council ("FRC") guidelines. Accordingly, they continue to adopt the going concern basis in preparing these interim financial statements.

Adoption of new and amended standards

In the six months ended 30 September 2025, the following amendments to IFRS Standards issued by the International Accounting Standards Board (IASB) became applicable for accounting periods beginning on or after 1 January 2025; this has not had any material impact on the disclosures or the amounts reported in these interim financial statements:

- Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates'.

The Group did not have to change its accounting policies or make retrospective adjustments as a result of these amendments.

Change to accounting policy - wayleaves

The Company enters wayleave contracts with landowners to access land to install and maintain operational assets. Within the industry, there is some diversity in the acceptable accounting treatments applied to such contracts, between executory contracts (which are expensed as incurred) and lease accounting, where the entity deems it has control of the specified asset. During the period, the directors have reviewed the policy on wayleaves and have concluded that it is appropriate that the contracts are treated as leases, which also aligns with the policy applied within the ScottishPower group, which the directors consider particularly relevant given the acquisition of 88% of the shares of the Company's parent, North West Electricity Networks (Jersey) Limited, by Scottish Power Energy Networks Holdings Limited (see page 4). Therefore, the wayleave contracts have now been accounted for in line with IFRS 16 'Leases', recognising right-of-use assets, lease liabilities and related charges for these contracts. This voluntary change in policy has been applied retrospectively and comparatives restated accordingly.

Notes to the Condensed Consolidated Financial Statements (continued)

1. General information and basis of preparation (continued)

Change to accounting policy – wayleaves (continued)

The following tables show the impact of the restatement on the affected financial statement line items, noting that the right-of-use assets and current and non-current lease liabilities are now presented as separate line items on the face of the statement of financial position:

Consolidated Statement of Financial Position	Right-of-use assets £m	Current lease liabilities £m	Non-current lease liabilities £m	Retained earnings £m
At 1 April 2024:				
Previously reported	4.8	(1.8)	(3.1)	757.0
Impact	8.7	(2.0)	(11.3)	*(3.5)
Restated	13.5	(3.8)	(14.4)	753.5
At 30 September 2024:				
Previously reported	4.6	(1.8)	(2.9)	789.2
Impact	8.7	(2.0)	(11.3)	(3.5)
Restated	13.3	(3.8)	(14.2)	785.7
At 31 March 2025:				
Previously reported	6.0	(2.0)	(3.7)	910.7
Impact	8.4	(2.0)	(11.0)	(3.5)
Restated	14.4	(4.0)	(14.7)	907.2

*The impact on retained earnings is net of a £1.1m tax credit, comprised of a £0.1m reduction in the current tax liability and a £1.0m reduction in the deferred tax liability. This reflects the spreading of the tax deduction of the adjustments to opening reserves over 10 years.

Consolidated Statement of Profit or Loss and Other Comprehensive Income	Depreciation and amortisation £m	Other operating costs £m	Finance costs £m
Six months to 30 September 2024:			
Previously reported	(77.6)	(62.4)	(22.3)
Impact	(0.3)	1.0	(0.7)
Restated	(77.9)	(61.4)	(23.0)
Year to 31 March 2025:			
Previously reported	(157.0)	(136.6)	(39.1)
Impact	(0.6)	2.0	(1.4)
Restated	(157.6)	(134.6)	(40.5)

As the adjustments through profit or loss net to nil in each period presented, there is no impact of these on current or deferred corporation tax, in either period presented.

Notes to the Condensed Consolidated Financial Statements (continued)

2. Critical accounting judgments and key sources of estimation uncertainty

The areas of critical accounting judgements and key sources of estimation uncertainty identified by management are consistent with those of the previous financial year and corresponding interim reporting period.

The judgements and estimates made by management in applying accounting policies in the preparation of these condensed consolidated interim financial statements are consistent with those applied in the annual financial statements for the year ended 31 March 2025, with the exceptions outlined below.

Change to estimate – useful economic lives

During the six months ended 30 September 2025, the Company revised the estimated useful economic life (UEL) of several asset classes in order to align better with the physical life spans of the assets and with the estimates applied within the wider ScottishPower group, which the directors consider particularly relevant given the acquisition of 88% of the shares of the Company's parent, North West Electricity Networks (Jersey) Limited, by Scottish Power Energy Networks Holdings Limited (see page 4). These changes were applied prospectively from 1 April 2025.

The impact of these changes in the period has been an increase in the depreciation charge of £33.5m and a decrease in the amortisation of customer contributions through revenue of £0.7m, reducing profit by a total of £34.2m.

Asset class	Operational structures	Non-operational land and buildings	Fixtures, equipment, vehicles and other	Software	Total
Previous estimated UELs	5-84 years	30-84 years	2-40 years	1-12 years	
Revised estimated UELs	10-60 years	50 years	4-12 years	1-8 years	
For the six months ended 30 Sep 2025:					
Increased depreciation charge	£28.8m	-	£3.2m	-	£32.0m
Increased amortisation charge	-	-	-	£1.7m	£1.7m
Decreased amortisation through revenue	£0.7m	-	-	-	£0.7m
Total impact	£29.5m	-	£3.2m	£1.7m	£34.4m

Change to estimate – capitalisation of overheads

During the six months ended 30 September 2025, the Company revised the capitalisation rate for fault costs to reflect the capitalisable work undertaken and align the rate with that applied within the wider ScottishPower group, which the directors consider **particularly** relevant given the acquisition of **88% of the shares of the Company's parent, North West Electricity Networks (Jersey) Limited**, by Scottish Power Energy Networks Holdings Limited (see page 4). This change in estimate was applied prospectively from 1 April 2025 and resulted in £4.2m more costs being capitalised in the period than would have been had the change not occurred. This has reduced the Other operating costs in the income statement by £4.2m, and increased the Property, plant and equipment in the statement of financial position correspondingly.

Notes to the Condensed Consolidated Financial Statements (continued)

2. Critical accounting judgments and key sources of estimation uncertainty (continued)

Change to estimate – retirement benefit scheme

During the six months ended 30 September 2025, the Company revised the actuarial assumptions used in determining the defined benefit obligation under IAS 19 '*Employee Benefits*'. The revised assumptions more appropriately reflect the scheme assumptions and aligns them with those used within the wider ScottishPower group, which the directors consider **particularly** relevant given the acquisition of **88% of the shares of the Company's parent, North West Electricity Networks (Jersey) Limited**, by Scottish Power Energy Networks Holdings Limited (see page 4). These changes in assumptions resulted in a £1.4m reduction in the net defined benefit surplus recognised on the statement of financial position at 30 September 2025.

The table below shows the actuarial assumptions that would have been used before alignment compared to those following alignment.

	Assumptions before alignment	Assumptions after alignment
Discount rate	5.70%	5.55%
Pensionable salary increases	3.95%	*3.80%
Pension increases (RPI)	2.95%	2.85%
Price inflation (RPI)	3.15%	3.00%
Price inflation (CPI)	2.75%	2.60%

*CPIH +1.1% (3.80%) in 2025, 2026. CPIH (2.70%) from 2027 onwards.

Due to the complexity of the exercise, further alignment of the underlying methodology and other actuarial parameters will continue into the remainder of the financial reporting period to 31 December 2025.

3. Other significant changes in the current reporting period

As the Company holds significant financial instruments measured at fair value through profit or loss, the fluctuations in market expectations of future interest rates, inflation and credit risk (own and counterparty) have had a significant impact on the carrying value of those financial instruments over the current reporting period (see Notes 5 and 10).

The Company and Group have not been exposed to significant climate change risks in the current reporting period.

4. Segment and revenue information

Predominantly all Group revenue arises from one operating segment, electricity distribution in the North West of England and the associated activities. This is regularly reviewed by the Chief Operating Officer and Executive Leadership Team.

On 30 September 2025, the accounting reference date was changed from 31 March to 31 December, therefore, the next annual report will be prepared for the nine month period to 31 December 2025. The revenue for the three months from 30 September 2025 to December 2025 is expected to be higher than that in the six months to 30 September 2025, on a pro rata basis, due to the seasonally higher volumes of electricity units distributed over the winter period and some seasonal charges coming into effect, as outlined on page 2.

Notes to the Condensed Consolidated Financial Statements (continued)

5. Finance costs

	Unaudited Six months ended 30 Sep 2025 £m	*Restated Unaudited Six months ended 30 Sep 2024 £m	*Restated Audited Year ended 31 Mar 2025 £m
Finance costs (excluding fair value movements):			
Interest on group borrowings at amortised cost (Note 12)	15.0	15.0	30.0
Interest on borrowings at amortised cost	19.9	19.7	39.3
Net interest settlements on derivatives at fair value	7.7	7.4	5.9
Indexation of index-linked debt	4.7	3.9	9.6
Accretion paid on index linked swaps	-	-	-
Inter-company loan impairment reimbursement (Note 12)	0.1	(0.1)	(0.2)
*Interest on leases	0.9	0.8	1.7
Net interest cost on pension plan	(1.6)	(1.0)	(2.1)
Amount capitalised under IAS 23 (Note 8)	(0.3)	(0.4)	(2.1)
	46.4	45.3	82.1
Fair value movements on financial instruments:			
Inter-company derivative asset (Note 12)	(4.9)	9.2	24.9
Inter-company derivative liability (Note 12)	4.9	(9.2)	(24.9)
Derivative assets	(6.7)	(3.6)	(15.3)
Derivative liabilities	6.0	(18.7)	(26.3)
	(0.7)	(22.3)	(41.6)
Finance costs	45.7	23.0	40.5

*The comparative information has been restated, see Note 1 for more details.

Details of the valuation techniques used to derive the fair values can be found in Note 10. No derivatives were entered or closed during the six months (30 Sep 2024: none, 31 Mar 2025: none).

The table below shows the accumulated accretion on the index-linked swaps, with payments scheduled five-yearly, seven-yearly and ten-yearly, with the next payment due in July 2027:

Accumulated Accretion	Five-yearly £m	Seven-yearly £m	Ten-yearly £m	Total £m
1 April 2024	14.0	3.9	46.4	64.3
Accrued in six months	2.6	5.3	3.2	11.1
Paid in six months	-	-	-	-
30 September 2024	16.6	9.2	49.6	75.4
1 April 2024	14.0	3.9	46.4	64.3
Accrued in year	4.1	8.4	5.0	17.5
Paid in year	-	-	-	-
31 March and 1 April 2025	18.1	12.3	51.4	81.8
Accrued in six months	3.9	7.9	4.8	16.6
Paid in six months	-	-	-	-
30 September 2025	22.0	20.2	56.2	98.4

Notes to the Condensed Consolidated Financial Statements (continued)

6. Income tax expense

	Unaudited Six months ended 30 Sep 2025 £m	Unaudited Six months ended 30 Sep 2024 £m	Audited Year ended 31 Mar 2025 £m
Current tax:			
Current period	7.6	22.5	18.6
Adjustments in respect of prior period	-	-	0.1
	7.6	22.5	18.7
Deferred tax:			
Current period	11.4	2.8	44.4
Adjustments in respect of prior period	-	-	(1.2)
	11.4	2.8	43.2
Income tax expense	19.0	25.3	61.9

Current tax is calculated at 25% (30 Sep 2024 25%, 31 Mar 2025: 25%) of the estimated assessable profit for the six months.

Deferred tax is calculated using the rate at which it is expected to reverse. Accordingly, the deferred tax has been calculated at 25% (30 Sep 2024: 25%, 31 Mar 2025: 25%).

7. Dividends

Amounts recognised as distributions to equity holders in the six months comprise:

	Unaudited Six months ended 30 Sep 2025 £m	Unaudited Six months ended 30 Sep 2024 £m	Audited Year ended 31 Mar 2025 £m
Final dividends for the year ended 31 March 2024 of 9.52 pence per share (paid June 2024)	-	45.4	45.4
Dividends (Note 12)	-	45.4	45.4

Notes to the Condensed Consolidated Financial Statements (continued)

8. Property, plant and equipment

During the six months to 30 September 2025, the Group had additions to property, plant and equipment of £206.9m (30 Sep 2024: £165.2m, 31 Mar 2025: £361.8m) as part of its capital programme. Included in this figure are capitalised **borrowing costs** of £0.3m (30 Sep 2024: £0.4m, 31 Mar 2025: £2.1m) (see Note 5), derived in accordance with IAS 23, using an average annual capitalisation rate of 5.01% (30 Sep 2024: 4.47%, 31 Mar 2025: 4.87%).

The Group has entered into new capital commitments for the acquisition of property, plant and equipment of £24.7m (30 Sep 2024: £16.9m, 31 Mar 2025: £75.8m).

During the period, the Group revised the estimated useful life of several of its asset classes, in order to align with the estimates applied by other relevant companies in the wider group, headed by Iberdrola, S.A.. These changes were applied prospectively from 1 April 2025. See Note 2 for more details.

Notes to the Condensed Consolidated Financial Statements (continued)

9. Borrowings

	Unaudited Six months ended 30 Sep 2025 £m	Unaudited Six months ended 30 Sep 2024 £m	Audited Year ended 31 Mar 2025 £m
Current liabilities:			
Bonds	452.9	-	456.4
Bank and other term borrowings	9.7	9.0	9.4
	462.6	9.0	465.8
Non-current liabilities:			
Bonds	203.5	655.5	201.2
Bank and other term borrowings	58.0	63.7	59.7
Amounts owed to parent undertaking (Note 12)	111.7	109.8	111.1
Amounts owed to group undertaking (Note 12)	722.5	722.1	722.3
	1,095.7	1,551.1	1,094.3
Borrowings	1,558.3	1,560.1	1,560.1

The Group's debt facilities expire between March 2026 and April 2046. All borrowings are unsecured and in sterling, and there are no formal bank overdraft facilities in place. The fair values of the Group's financial instruments are shown in Note 10.

The Group's unutilised committed borrowing facilities were as follows:

	Unaudited Six months ended 30 Sep 2025 £m	Unaudited Six months ended 30 Sep 2024 £m	Audited Year ended 31 Mar 2025 £m
£250m revolving credit facility – expiry April 2027 ¹	250.0	250.0	250.0

¹In August 2025, the external £250m revolving credit facility (RCF) was replaced with a £250m RCF with Scottish Power UK plc, also expiring April 2027.

The Company is covered by a letter of support provided by Scottish Power UK plc. This letter of support was originally entered into on 16 June 2025, providing North West Electricity Networks (Jersey) Limited and its subsidiaries (together the "NWEN (Jersey) group") with a £500.0m commitment that would remain in place until the earlier of the NWEN (Jersey) group securing alternative financing or 16 June 2026. The letter of support was amended on 28 July 2025 to extend the commitment to the earlier of the NWEN (Jersey) group securing alternative financing or 31 December 2026.

Notes to the Condensed Consolidated Financial Statements (continued)

10. Fair value measurement of financial instruments

This note provides an update on the judgements and estimates made by the Group in determining the fair values of the financial instruments since the last annual financial report.

Recognised fair value measurements

All of the financial instruments recognised at fair value in the statement of financial position are derivatives; these are measured at fair value through profit or loss and those fair value measurements occur on a recurring basis.

Fair value hierarchy

Financial instruments that are recognised in the statement of financial position at fair value are classified into three levels, as prescribed under accounting standards, based on the degree to which the inputs used in determining the fair value are observable:

- Level 1: includes financial instruments traded in an active market and the fair value is derived from quoted market prices (unadjusted);
- Level 2: includes financial instruments not traded in an active market and the fair value is determined using valuation techniques that maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs are observable, the financial instrument is included in level 2; and
- Level 3: if one or more significant inputs is not based on observable market data, the financial instrument is included in level 3. This is the case for the majority of derivatives held by the Group.

There were no transfers between levels 1 and 2 during the current period. For transfers between levels 2 and 3, see the table on page 24. Any transfers between levels are deemed to have occurred at the beginning of the reporting period.

Notes to the Condensed Consolidated Financial Statements (continued)

10. Fair value measurement of financial instruments (continued)

The following table presents the Group's financial instruments that are measured and recognised at fair value, grouped into the three levels outlined above:

At 30 September 2025	Level 1 £m	Level 2 £m	Level 3 £m	Total £m
Derivative assets:				
Inter-company derivative asset	-	-	196.9	196.9
Inflation-linked swaps	-	45.1	5.4	50.5
	-	45.1	202.3	247.4
Derivative liabilities:				
Inter-company derivative liability	-	-	(196.9)	(196.9)
Inflation-linked swaps	-	-	(297.6)	(297.6)
Interest rate swaps – fixed to floating	-	(34.6)	-	(34.6)
	-	(34.6)	(494.5)	(529.1)
Total	-	10.5	(292.2)	(281.7)

At 30 September 2024

Derivative assets:				
Inter-company derivative asset	-	-	207.9	207.9
Inflation-linked swaps	-	23.4	8.7	32.1
	-	23.4	216.6	240.0
Derivative liabilities:				
Inter-company derivative liability	-	-	(207.9)	(207.9)
Inflation-linked swaps	-	-	(296.2)	(296.2)
Interest rate swaps – fixed to floating	-	(37.6)	-	(37.6)
	-	(37.6)	(504.1)	(541.7)
Total	-	(14.2)	(287.5)	(301.7)

At 31 March 2025

Derivative assets:				
Inter-company derivative asset	-	-	192.2	192.2
Inflation-linked swaps	-	31.2	12.6	43.8
	-	31.2	204.8	236.0
Derivative liabilities:				
Inter-company derivative liability	-	-	(192.2)	(192.2)
Inflation-linked swaps	-	-	(286.7)	(286.7)
Interest rate swaps – fixed to floating	-	(39.4)	-	(39.4)
	-	(39.4)	(478.9)	(518.3)
Total	-	(8.2)	(274.1)	(282.3)

Notes to the Condensed Consolidated Financial Statements (continued)

10. Fair value measurement of financial instruments (continued)

Valuation techniques used to determine fair values

Where available, quoted market prices have been used to determine fair values (Level 1 inputs). Where not available, fair values have been calculated by discounting estimated future cash flows based on observable interest and RPI curves sourced from market available data (Level 2 inputs). In accordance with IFRS 13, an adjustment for non-performance risk (XVA) has then been made to give the fair value.

The XVA has been quantified by calculating a bilateral credit valuation adjustment (BCVA) based on the credit risk profile of the counterparty and the credit risk profile of the relevant group entity, using market-available data where possible, and stochastic modelling.

Whilst the inputs to the BCVA calculations in relation to the counterparty credit risk meet the criteria for Level 2 inputs, the inputs regarding the Group's credit risk are deemed to be Level 3 inputs, as there are no observable credit related inputs for the Group at commonly quoted intervals or otherwise interpolated for substantially the full term of the instruments. The credit risk profile of the Group has been based on a UK utility credit curve provided by a third-party data provider. It is this assumption that is deemed to be Level 3.

For certain derivatives, the Level 3 inputs form an insignificant part of the fair value and, therefore, these derivatives are disclosed as Level 2. Otherwise, the derivatives are disclosed as Level 3.

At 30 September 2025, in the statement of financial position, the net adjustment for non-performance risk as was £57.6m debit (30 Sep 2024: £77.6m debit, 31 Mar 2025: £64.0m debit), of which £58.3m debit (30 Sep 2024: £76.5m debit, 31 Mar 2025: £64.7m debit) was classed as Level 3, and £0.7m credit (30 Sep 2024: £1.1m debit, 31 Mar 2025: £0.7m credit) was classed as Level 2.

On entering certain derivatives, the valuation technique used resulted in a fair value loss. As this was neither evidenced by a quoted price nor based on a valuation technique using only data from observable markets, this loss on initial recognition was not recognised. This was supported by the transaction price of £nil. This difference is being recognised in profit or loss on a straight-line basis over the life of the derivatives. At 30 September 2025, the aggregate difference yet to be recognised was £41.5m (30 Sep 2024: £45.0m, 31 Mar 2025: £42.6m). The movement in the six months all relates to the straight-line release to profit or loss.

These valuation techniques remain consistent for all periods covered in this report.

Notes to the Condensed Consolidated Financial Statements (continued)

10. Fair value measurement of financial instruments (continued)

Fair value measurements using significant unobservable inputs (Level 3 inputs)

The following table provides a reconciliation of the fair value amounts disclosed as Level 3.

	Unaudited Six months ended 30 Sep 2025 £m	Unaudited Six months ended 30 Sep 2024 £m	Audited Year ended 31 Mar 2025 £m
Opening balance	(274.1)	(303.3)	(303.3)
Transfers into Level 3 from Level 2	-	-	-
Transfers from Level 3 into Level 2	(10.3)	-	3.2
Total gains in profit or loss:			
- On transfers into Level 3 from Level 2	-	-	-
- On instruments carried forward in Level 3	(7.8)	15.8	26.0
Closing balance	(292.2)	(287.5)	(274.1)

These fair value movements are recognised in the finance costs line in the statement of profit or loss and other comprehensive income.

The transfers were principally due to a change in the significance of the unobservable inputs used to derive the Group's credit curve for the BCVA, as described in the section above.

The following table shows the sensitivity of the fair value of derivatives to the Level 3 inputs, determined by applying a 10bps shift to the credit curve used to calculate the BCVA. These sensitivities have been performed on a portfolio basis to incorporate the effect of the credit support annexes (CSAs) in place over certain derivatives.

	Unaudited Six months ended 30 Sep 2025		Unaudited Six months ended 30 Sep 2024		Audited Year ended 31 Mar 2025	
	-10bps £m	+10bps £m	-10bps £m	+10bps £m	-10bps £m	+10bps £m
Impact on derivative portfolio	(3.0)	3.0	(3.3)	3.2	(3.0)	2.9

Notes to the Condensed Consolidated Financial Statements (continued)

10. Fair value measurement of financial instruments (continued)

Fair values of other financial instruments (unrecognised)

The Group has a number of financial instruments which are not measured at fair value in the statement of financial position. For the majority of these instruments, the fair values are not materially different to their carrying values, since the interest receivable/payable is either close to current market rates or the instruments are short-term in nature, such as cash and cash equivalents, money market deposits, trade and other receivables, and trade and other payables.

The instruments for which significant differences were identified, in either the current or prior periods, are presented in the following table.

	Unaudited Six months ended 30 Sep 2025 £m	Unaudited Six months ended 30 Sep 2024 £m	Audited Year ended 31 Mar 2025 £m
Carrying value:			
Bonds (Note 9)	(656.4)	(655.5)	(657.6)
Bank and other term borrowings (Note 9)	(67.7)	(72.7)	(69.1)
Amounts owed to group undertaking (Note 9 & 12)	(722.5)	(722.1)	(722.3)
Fair value:			
Bonds ¹	(626.8)	(642.1)	(623.6)
Bank and other term borrowings	(64.0)	(67.7)	(65.9)
Amounts owed to group undertaking ¹	(684.5)	(675.2)	(672.5)

¹These fair values are derived from quoted market prices and, therefore, meet the Level 1 criteria.

11. Retirement benefit scheme

The defined benefit surplus has been calculated based on the results of the 31 March 2022 triennial funding valuation, which has been projected forward by an independent actuary to take account of the requirements of revised IAS 19 'Employee Benefits' in order to assess the position at 30 September 2025 for the purpose of these interim financial statements. The present value of the defined benefit obligation and the related current service cost were measured using the projected unit credit method. The defined benefit plan assets have been updated to reflect their market value at 30 September 2025. The difference between the defined benefit obligation and plan assets valuation is recognised as a surplus or obligation in the statement of financial position.

A pension surplus under IAS 19 of £65.4m is included in the statement of financial position at 30 September 2025 (30 Sep 2024: £38.3m surplus, 31 Mar 2025: £56.1m surplus).

The increase in the defined benefit surplus over the six months to 30 September 2025 was mainly due to a decrease in the scheme obligations as a result of a reduction in the long-term inflation assumption, partially offset by a small decrease in the discount rate assumption and a loss on assets in excess of interest income.

Notes to the Condensed Consolidated Financial Statements (continued)

12. Related party transactions

Transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note. During the six months, the Group entered the following transactions with related parties:

Income/ (expense)	Unaudited Six months ended 30 Sep 2025 £m	Unaudited Six months ended 30 Sep 2024 £m	Audited Year ended 31 Mar 2025 £m
Recharges to:			
Electricity North West (Construction and Maintenance) Limited	1.9	1.2	1.9
Electricity North West Services Limited	1.5	0.7	1.6
Electricity North West Property Limited	0.1	-	0.1
Recharges from:			
Electricity North West (Construction and Maintenance) Limited	(1.0)	(0.4)	(1.5)
Electricity North West Services Limited	(6.1)	(4.3)	(9.6)
Interest on group borrowings:			
North West Electricity Networks plc	(2.3)	(2.3)	(4.5)
ENW Finance plc	(12.7)	(12.7)	(25.5)
Interest on group borrowings (Note 5)	(15.0)	(15.0)	(30.0)
Reimbursement of inter-company loan impairment on loan from ENW Finance plc (Note 5)	(0.1)	(0.1)	0.2
Fair value movement on inter-company derivative asset with ENW Finance plc (Note 5)	4.9	9.2	24.9
Fair value movement on inter-company derivative liability with ENW Finance plc (Note 5)	(4.9)	(9.2)	(24.9)
Dividends paid to North West Electricity Networks plc (Note 7)	-	(45.4)	(45.4)

The Group's key management personnel comprise solely of its Executive Directors. During the six months to 30 September 2025, termination payments of £1.4m (30 Sep 2024: £nil, 31 Mar 2025: £nil) were recognised as an expense with respect to the Group's Executive Directors.

On the 22 October 2024, 88% of the NWEN (Jersey) group was acquired by Scottish Power Energy Networks Holdings Limited, part of the wider group headed by its ultimate parent undertaking, Iberdrola, S.A (see page 4 for more details). During the six months to 30 September 2025, the transactions between ENWL and the companies in the Iberdrola group were in relation to sales and purchases, conducted on a business-as-usual and arm's length basis; sales amounted to £12.9m (period 22 Oct 2024 to 31 Mar 2025: £12.3m) and purchases to £1.4m (period 22 Oct 2024 to 31 Mar 2025: £1.1m). During the six months to 30 September 2025, recharges made to companies in the Iberdrola group consisted of £0.1m (period 22 Oct 2024 to 31 Mar 2025: £0.3m), of which £0.1m was outstanding as at 30 September 2025 (31 Mar 2025: £0.2m).

Notes to the Condensed Consolidated Financial Statements (continued)

12. Related party transactions (continued)

Amounts outstanding with related parties were as follows:

	Unaudited Six months ended 30 Sep 2025 £m	Unaudited Six months ended 30 Sep 2024 £m	Audited Year ended 31 Mar 2025 £m
Amounts owed by group companies:			
North West Electricity Networks plc	4.0	3.7	3.7
Electricity North West (Construction and Maintenance) Limited	0.7	0.5	1.6
Electricity North West Services Limited	0.6	0.5	0.7
Electricity North West Property Limited	-	-	0.1
North West Electricity Networks (Finance) Limited	0.1	0.1	0.1
North West Electricity Networks (Jersey) Limited	0.2	0.2	0.2
North West Electricity Networks (Holdings) Limited	0.4	0.4	0.4
North West Electricity Networks (UK) Limited	0.7	0.3	0.6
Total owed by group companies	6.7	5.7	7.4
Interest payable to group companies:			
North West Electricity Networks plc	(1.3)	(1.3)	(1.3)
ENW Finance plc	(8.5)	(8.3)	(10.4)
Other amounts payable to group companies:			
Electricity North West Services Limited	(1.6)	(0.1)	(0.9)
North West Electricity Networks (Holdings) Limited	(0.2)	(0.3)	(0.2)
North West Electricity Networks (Jersey) Limited	(0.1)	(0.2)	(0.1)
North West Electricity Networks plc	(0.2)	(0.9)	(0.2)
Electricity North West (Construction and Maintenance) Limited	-	(0.1)	(0.3)
Total in payable to group companies	(11.9)	(11.2)	(13.4)
Borrowings payable to (Note 9):			
North West Electricity Networks plc ¹	(111.7)	(109.8)	(111.1)
ENW Finance plc ²	(722.5)	(722.1)	(722.3)
Group tax relief owed by / (owed to):			
North West Electricity Networks plc	-	-	(17.1)
North West Electricity Networks (Holdings) Limited	-	-	-
North West Electricity Networks (Finance) Limited	-	-	0.4
Derivative asset with ENW Finance plc (Note 10)	196.9	207.9	192.2
Derivative liability with ENW Finance plc (Note 10)	(196.9)	(207.9)	(192.2)

¹This loan accrues weighted average interest at 4.11% (30 Sep 2024: 4.10%, 31 Mar 2025: 4.11%) and is repayable in March 2028.

²This balance relates to two loans; £299.2m (30 Sep 2024: £299.0m, 31 Mar 2025: £299.1m) accrues interest at 1.415% and matures in 2030, and £423.3m (30 Sep 2024: £423.1m, 31 Mar 2025: £423.2m) accrues interest at 4.893% and matures in 2032.

Notes to the Condensed Consolidated Financial Statements (continued)

13. Cash generated from operations

	Unaudited Six months ended 30 Sep 2025 £m	*Restated Unaudited Six months ended 30 Sep 2024 £m	*Restated Audited Year ended 31 Mar 2025 £m
*Operating profit	117.6	122.8	282.2
Adjustments for:			
Depreciation of property, plant and equipment	106.0	69.2	140.9
*Depreciation of right-of-use assets ¹	1.4	1.2	2.5
Amortisation of intangible assets	8.1	7.5	14.2
Amortisation of customer contributions	(10.5)	(10.8)	(21.8)
Profit on disposal of property, plant and equipment	(0.2)	(0.2)	(0.5)
Cash contributions in excess of pension charge to operating profit	1.2	(2.6)	(4.7)
Operating cash flows before movement in working capital	223.6	187.1	412.8
Changes in working capital:			
Increase in inventories	(10.5)	(4.1)	(7.5)
(Increase)/decrease in trade and other receivables	(12.5)	(1.0)	2.9
Increase/(decrease) in trade and other payables	6.4	(9.5)	6.0
Cash generated from operations	207.0	172.5	414.2

*The comparative information has been restated, see Note 1 for more details.

¹Depreciation of right-of-use assets has been presented as a separate line item at 30 September 2025; previously this was included in depreciation of property, plant and equipment. Accordingly, the comparative amounts are also presented as a separate line item, with a corresponding reduction in depreciation of property plant and equipment.