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Annual Report and Financial Statements
31 March 2025



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1. Corporate Information

Directors:

Non-executive	Nicole Shamier (Chairperson) Russell Yon Paul Cherrett (Resigned 28/02/2025) Russell Harrison (Resigned 17/02/2026) Phil Sharman (Resigned 15/04/2025) Happyman Makamure (Appointed 01/03/2025) Tinashe Mupfudze (Appointed 01/09/2025) Happymore Mbiza (Appointed 01/09/2025)
Executive	Phanual Shangwa, Interim Chief Executive Officer (Appointed 06/10/2025) Janet Lawrence, Chief Executive Officer (Resigned 17/10/2025) Lawrence Muranganwa, Technical Director-Water (Resigned 02/08/2024)
Company Secretary	Clare Harris (Up to February 2025) Callie Leo (From March 2025)
Auditors	Azets Audit Services Quay 2 139 Fountainbridge Edinburgh EH3 9QG
Bankers	Bank of Saint Helena Market Street, Jamestown Saint Helena STHL 1ZZ Crown Agents Bank St. Nicholas House St. Nicholas Road Sutton Surrey United Kingdom SM1 1EL
Solicitors	Falkland Legal Services Atlantic House, Philomel Street Stanley, Falkland Islands FIQQ 1ZZ
Registered Office	Seales Corner, Jamestown Saint Helena STHL 1ZZ

2. Strategic Report

2.1 Overview of the Business

The economic climate in 2024/25 remained challenging, with high inflation and global fuel prices. The increase in costs has been worsened by a declining resident population, which has dropped by 11% since March 2020. Notably, between March 2024 and November 2024, according to St Helena Government statistics, the resident population fell by 4%. This trend is concerning for Connect Saint Helena Ltd (the Company), as it indicates an ongoing decline in the customer base.

The effects mentioned were somewhat mitigated by a rise in visitor numbers during the summer months, which led to a slight increase in demand for services during this time. Additionally, OneWeb began its operations in late 2024, resulting in increased demand, although it fell short of the expected levels anticipated at the project's initiation. Furthermore, a tariff increase took effect on July 1, 2024, which included a 15% rise in electricity charges and a 10% increase in water charges. These combined factors resulted in a 26% increase in turnover for the 2024/25 period.

As the Company approaches the 2025/26 fiscal year, there is increasing concern about its ability to maintain the current turnover growth. The tariff increase implemented in July 2024 closely followed the increasein January 2024. While tariff rates are still considerably below the full cost recovery levels for each service area, the rise in overdue debtors is concerning, primarily due to economic hardships.

Sun Development Lda Business completed the Demand Forecast Modelling for renewable energy as part of the Modelling and Design Consultancy (Phase 1). This work enabled the Renewable Energy Project to determine the necessary scale of renewable energy resources. After the contract with Sun Development Lda Business ended, a dispute arose regarding the consultancy services provided for the project, as Connect disagreed with some of the outcomes. In response, Sun Development filed a claim for £28,073.81. A settlement agreement was reached on 5 August 2025, whereby the company agreed to pay £14,000 in exchange for a complete release from any further liability. Since this settlement occurred after 31 March 2025, no provision has been recognised in the financial statements.

In 2024/25, the Company marked its second full year operating under a rollover licence. This arrangement provides only a twelve-month outlook, which poses challenges for the Company's operations. This is especially problematic given the emphasis on long-term initiatives like the Energy Delivery Plan and the Water Resources Management Plan.

The Company has had to make decisions without taking into account the duration of the license. The St Helena Government (SHG) has responded by commissioning a review of the regulatory environment, which will include an assessment of the Connect Licence. However, this review is not expected to be completed until 2025/2026.

Strategic Commitments

Our Commitment To…

The Connect *Strategic Plan 2023/24 – 2027/28* sets out our commitment to:



OUR COMMUNITY



OUR ENVIRONMENT



BEST PRACTICE

… Our Community

COMMUNITY CONCERNS

Tariffs

Once again, the main issue raised within the community during 2024/25 related to tariff increases. There was a general comment that the increase in July 2024 was too soon after the increase in January 2024. These were the first tariff increases since 2021 for water and wastewater and since 2016 for electricity, and were understandably met with reluctance.

The Empty Properties Standing Charge

Feedback was received from some customers on the Empty Properties Standing Charge. This charge was approved by the URA in November 2024 and is applied in cases where customers consume less than 10kWh of electricity in a quarter. The standing charge assists with recovering the cost of services to properties in cases where electricity consumption (and the revenue recovered from the per unit tariff) is low.

A process for exemptions was put in place to recognise some of the circumstances around low usage. For example, there were cases where the property was empty as the occupants were overseas on medical grounds. These exemptions were welcomed by consumers.

However, overall, the Empty Properties Standing Charge proved to be a very emotive subject. Some customers expressed the view that this charge should be targeted solely at persons not normally resident on St Helena but who remain connected to the electricity grid. It was felt that customers residing full-time on St Helena and who have been able to reduce their electricity consumption are being penalised when they do in fact contribute revenue.The purpose of the charge is to ensure that the costs of operating and maintaining the grid (regardless of electricity use) are shared fairly across all customers, not to target any particular group of customers.

At the end of 2024/25, the Empty Properties Standing Charge had been in place for just one quarter. Further time is needed for the system to settle before drawing any firm conclusions from the feedback received. Connect will continue to monitor the impact of this charge in 2025/26.

COMMUNITY ENGAGEMENT

Throughout the year, Connect engaged actively with the community via local newspapers and social media, covering topics such as tariffs, water and electricity saving measures.

In addition, Connect trialled opening the Annual General Meeting (AGM) of the Connect Board of Directors to the public. Members of the public were invited to observe the AGM and a separate question and answer session was then held. This initiative was welcomed,with calls for more face-to-face engagement, which will be followed up in 2025/26.

CORPORATE SOCIAL RESPONSIBILITY

The Company made modest cash allocations to community initiatives under our Corporate Responsibility Scheme. These were supplemented by a variety of in-kind contributions, for example, providing power boxes, installing lighting and bunting for events such as St Helena's Day, and loaning vehicles for use in float parades.



… ***Our Environment***

No environmental incidents were recorded in 2024/25.

There was 100% compliance for all staff to undergo and complete environmental awareness training as part of induction to the Company.

Once again, the single area of non-compliance with the Environmental Protection Ordinance (2016) was in relation to the sewage outfalls at Half Tree Hollow (HTH) and Jamestown which discharge directly into the ocean. These are historic issues inherited by the Company upon divestment. During 2024/25, SHG signed a contract with MPAMOT to undertake the HTH and Jamestown Wastewater Treatment Project to address these issues. Good progress is being made and further details are provided under the Wastewater Section of this report.

By the end of 2024/25, the Company was committed to reaching the goal of 80% electricity generation from renewable energy by 2027/28, which directly supports climate change targets.

… Best Practice

STAFFING

Turnover

At the close of 2024/25 Connect employed 69 staff, with a staff turnover rate of 12%.



69

staff employed



12%

staff turnover rate

The Company continued to face difficulties in recruiting from overseas. This reflects both the skilled and specialist nature of the work carried out by the Company and ongoing competing demands worldwide for skills, particularly in the renewable energy sector, the closer we get to the 2030 climate change targets. Alongside this, there are competing pressures for local staff amidst the general population decline reported above.

During the year, it was still not possible to fill vacancies within the GIS Team, despite further rounds of recruitment and more innovative attempts to attract suitable candidates. Vacancies arose within the Projects sector, but recruitment was delayed until decisions were taken around where the Company's capital programme would be targeted: recruitment exercises for these posts will be advertised in 2025/26.

Following repeated rounds of recruitment, a candidate was selected as the Instrumentation and Control Engineer (ICT), but will not take up the post until 2025/26. In the interim, only part-time cover has been possible for this critical role.

Two key posts in the electricity sector, the Electricity Generation Engineer and the Senior Renewable Energy Engineer, were successfully filled in 2024/25 following repeated rounds of recruitment. Unfortunately, the Senior Renewable Energy Engineer left the company on 31 May 2025.

The Company settled a constructive dismissal claim with a former employee on 11 July 2025. The settlement is not accrued in the financial statements as of 31 March 2025, as the conditions leading to the claim did not exist at the balance sheet date, making it a non-adjusting post balance sheet event.

Gender

Of the 69 staff members in post at the end of 2024/25, 54 (78%) were male, whilst the remaining 15 (22%) were female. There continued to be a noticeable gender prevalence towards males, which is a trend that is generally consistentwith the utilities sector.



22%

female staff



78%

male staff

HR Information Management

Connect has invested in SenseHR, a human resources information management software. The system went live in the final quarter of 2024/25.

Salary Review

It is considered best practice to carry out a salary review at least every five years, as changes over time can distort salary structures. No such review had been carried out in Connect since the Company's inception. Work therefore commenced in 2024/25 to address this. Additionally, there has been no inflationary increase in salaries since 2022.

The focus of the review was on developing a structured salary scale and mapping all posts against this. An Interim Salary Scale was introduced on 1 April 2025. Work will continue in 2025/26 to evaluate all job descriptions to ensure that these are fit for purpose and consider inflation within pay rates.

HEALTH AND SAFETY

There were no health and safety incident reports during the year. This is shown in the table below:

Health and Safety Reporting

	2021/22	2022/23	2023/24	2024/25
No. Incidents	3	2	2	0
Lost Time Injury Rate	80.36	14.30	14.30	0

Governance



Nicole Shamier
Chairperson

Phil Sharman
Non-Executive Director/SHG Representative

Russell Yon
Non-Executive Director

Russell Harrison
Non-Executive Director

Happyman Makamure
Non-Executive Director

Janet Lawrence
Chief Executive Officer

Connect, through its Board of Directors, is committed to ensuring that the highest standards of corporate governance, particularly integrity, transparency and accountability, are observed and complied with in the conduct of its business operations. It acknowledges that an integral part of these values is to promote ethical, legal and transparent behaviour in all its business dealings. The Company endeavours to comply with and apply the corporate governance principles set out in the UK Corporate Governance Code (the Code) and the State Ownership Policy. The Company is also regulated by the St Helena Utilities Regulatory Authority. Management maintains regular contacts with the regulator, the objective being to ensure the Company's full compliance with the relevant laws and regulations. The Company follows the requirements of both the UK Corporate Governance Code (the Code) and other applicable laws and regulations.

We have complied with all aspects of the relevant provisions of the Code throughout the year. For part of the year, neither the Audit and Risk Committee nor the Remuneration Committee were composed entirely of independent Non-Executive Directors, with one Non-Executive Director representing the shareholder sitting on each of the Committees. The Board is satisfied that this arrangement met the code standard of having an independent majority, and did not compromise the activities of those Committees. In addition, the Audit and Risk Committee benefited from the participation of two independent members who are not directors.

The Board Responsibilities

It is the Board's responsibility to put in place governance structures and systems which safeguard our business, ensure that we are sustainable and that we create and preserve value for both the Company and its stakeholders. This is an ongoing and dynamic process, with the Board continually scanning the legal, regulatory and governance landscape to ensure that we keep abreast of changes, trends and emerging risks.

The Board's aim is to be at the forefront of governance evolution, ensuring that the interests of all stakeholders are protected. It asserts its commitment to governance that is robust, responsive and firmly anchored on international best practice and applicable laws. Collectively, the Board is accountable and responsible for the Company's vision, strategic direction, values, and governance.

The Board has delegated responsibility for implementing strategy and day-to-day operations to the Chief Executive Officer (CEO). At the same time, the Board remains committed to ensuring that a strong governance framework operates throughout the Company, recognising that good corporate governance is a vital component to support management in their delivery of the Company's strategic objectives and to operate a sustainable business for the benefit of all stakeholders.

Board Composition

The Board's composition changed during the year to 31 March 2025, following the resignation of Mr Lawrence Muranganwa on 2 August 2024. The Board now has seven members, made up of one executive director, one St Helena Government Representative and five independent non-executive directors. The Board composition is compliant with Section 61 of the Companies Ordinance 2004. The Chair of the Board is an independent non-executive Director.

At the end of February 2025, Mr Paul Cherrett completed his tenure with the Connect Board of Directors and was succeeded by Mr Happyman Makamure, who took up post in March 2025. The Chief Executive Officer, Miss Janet Lawrence, departed from the organisation on 17 October 2025. Mr Phanual Shangwa has since been appointed as the Interim Chief Executive Officer until a permanent candidate is selected.

The offices of the Chair and Chief Executive Officer are separate, this distinction is recognised as essential to good corporate governance. This separation ensures that the Chief Executive Officer focus on operational issues while the Chair and non-executive directors concentrate on the oversight role. This clear division of responsibilities enables the Board Chairto exercise effective leadership of the Board.

The non-executive directors are drawn from a wide range of fields, thus ensuring that the Board has the right balance of skills and experience.

Board Committees

To exercise its responsibilities effectively and efficiently, the Board has delegated authority to several Committees. This enables the Board to respond to the ever-changing corporate landscape, market opportunities, regulatory changes and emerging risks with agility and vision.

Each Committee operates under its own terms of reference, which are reviewed and updated as appropriate to ensure alignment with current legislation and best practice. The Committees report to the Board, with updates provided at Board meetings. The roles, membership and activities of these Committees are described in more detail below.

Audit and Risk Committee

This Committee supports the Board in monitoring decisions and processes aimed at safeguarding the integrity of financial reporting, the independence and effectiveness of external auditors, and the efficacy of internal controls and risk management. It reviews the key judgments involved in applying accounting standards and preparing the Group's financial statements. Additionally, the Committee assesses the narrative reporting related to the financial statements to ensure transparency and integrity.

The Committee oversees and collaborates closely with the Group's internal audit function to maintain adequate internal controls and risk management measures. The Committee also manages the relationship with the Group's external auditors, ensuring they maintain their independence and effectiveness in fulfilling their audit responsibilities. Recognising that external auditors can provide

non-audit services alongside statutory audits, the Committee's duty is to ensure such services do not compromise their independence and objectivity.

The Chair of the Committee reports to the Board after each meeting regarding the issues discussed. Following Mr Russell Yon's appointment as Chair of the Remuneration Committee, Mr Tinashe Mupfudze was appointed Chair of the Audit Committee. The Committee'scurrent members are: Mr Tinashe Mupfudze (Chair), Mr Russell Harrison, and Mr Happyman Makamure (SHG Representative). Mrs Josephine George serves as an independent member.

Remuneration Committee

This Committee oversees and monitors the Company's remuneration policy and practices. Its responsibility is to ensure that the Company makes every effort to reward its employees fairly and to ensure the Company's compliance with applicable requirements relating to remuneration issues. The Committee recognises that the business requires skilled personnel capable of managing and growing the Company, thereby generating superior returns for the shareholders. This entails attracting and retaining people with the required skills. The approach to remuneration is thus geared towards achieving this goal, and it is the Committee's responsibility to see that it is achieved.

One of the tools used by the Committee to ensure the competitiveness of the remuneration offered by the business, is to benchmark the Group's remuneration policies against those of comparable entities, enabling it to assess fairness and adequacy of compensation to the Group's employees. The Committee also oversees the engagement of independent remuneration consultants to provide advice on the remuneration of employees. During the year, the Committee participated in the job evaluation exercise, which resulted in the development of an interim pay scale.

Following the resignation of Mr Paul Cherrett from the board, Mr Russell Yon was appointed Chair of the Remuneration Committee. The Committee's current members are as follows: Mr Russell Yon (Chair), Mr Happyman Makamure and Mr Russell Harrison.

Technical Committee

The Technical Committee was recently established by the Board to provide oversight and assurance on the Company's engineering, energy, water, and wastewater operations. Its responsibilities include reviewing asset management and infrastructure performance, monitoring major technical projects and capital investments, and ensuring compliance with statutory, environmental, and safety standards. The Committee also oversees technical risk management, digital systems, and innovation initiatives, supporting the Board in making evidence-based decisions on sustainability and renewable energy programmes. This newly established committee aligns with the technical nature of the Company's operation. Following his appointment to the Board on 1 September 2025, Mr Happymore Mbiza was appointed Chair of the Technical Committee.

2.2 Electricity

2.2.1 Key Outcomes for the Year

Maintenance

Regular scheduled maintenance continued across both the Electricity Distribution and Electricity Generation Sections.



The Electricity Distribution Section encountered resourcing challenges during the year. In addition to the regular preventative maintenance programme, the Section is also required to support several large projects (e.g. expanding services to accommodate the OneWeb connection as well as service installations to support the Rupert's port development). These demands, together with an extended bad weather period with multiple faults, meant that the Electricity Distribution Section found itself in a more reactive mode than was ideal. Aspects of the scheduled maintenance programme were delayed until 2025/26 to allow focus on immediate service needs. All faults were promptly rectified.

Project Work

By March 2025, the installations required for the Rupert's port development had been agreed, and work was well underway, with target completion in June 2025.

The connection for OneWeb was complete and initial operations had commenced.

The Energy Delivery Plan

Existing Infrastructure

A key aspect of the Energy Delivery Plan is ensuring that the existing renewables remain operational until such time that the Renewable Energy Project is in place. To this end:

Wind Turbines

As outlined in the annual report for 2023/24, Connect was unable to recover spares/funds following the liquidation of the wind turbine manufacturer. This resulted in a write-off to the value of £172k at the year-end.



Six of the wind turbines are being overhauled with the target date for completion in 2025/26. The remaining six wind turbines, which are past the end of their life, are being decommissioned, with useful parts being used in the overhaul.

Solar Farm

Maintenance requirements at the solar farm increased during the year, reflecting the natural ageing of the infrastructure. Despite this, the solar farm continued to make a valuable contribution to renewable energy generation.



Future Planning

The Modelling and Design Consultancy (Phase 1) successfully completed the Demand Forecast Modelling for renewable energy. This has allowed the Renewable Energy Project to scale the renewables required. Work is now taking place to determine the energy mix and the optimum combination of wind, solar and battery energy storage for the island. Once this assessment is complete, the next step shall be to procure and fund the equipment and services needed.

2.2.2 Key Performance Indicators

Generation and Consumption Data

In 2024/25

Connect generated

10.7GWh

9.2 GWh

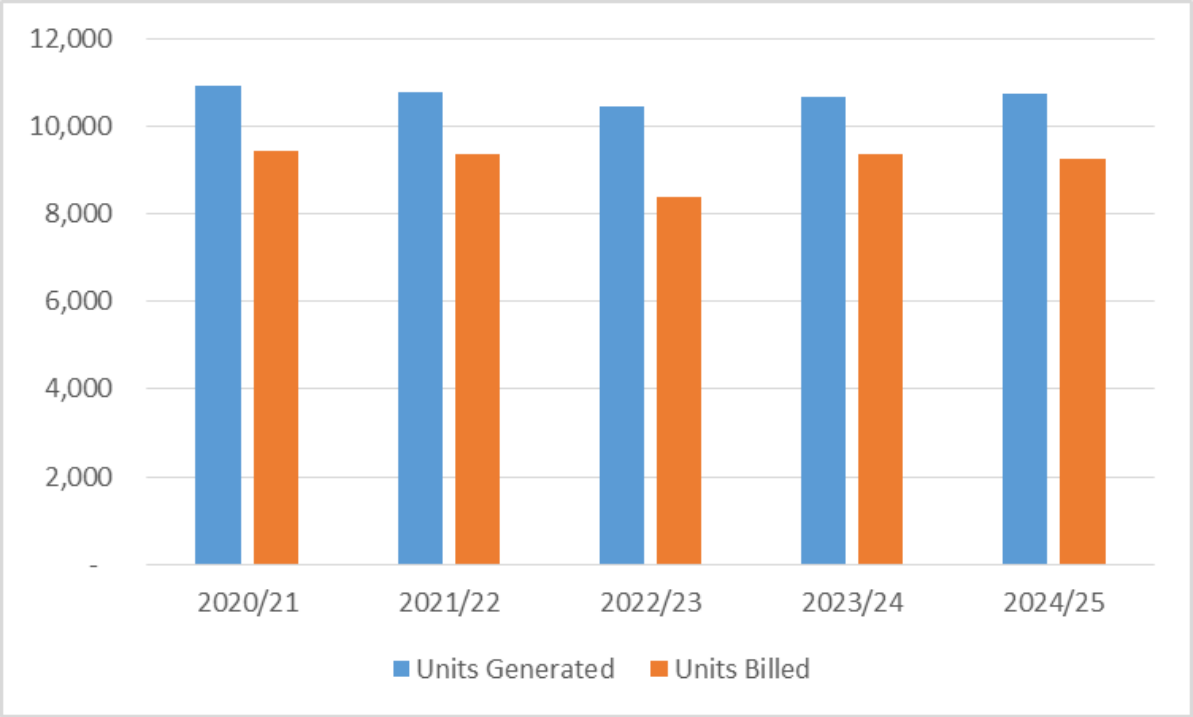
was billed to

2,700

customers approx.

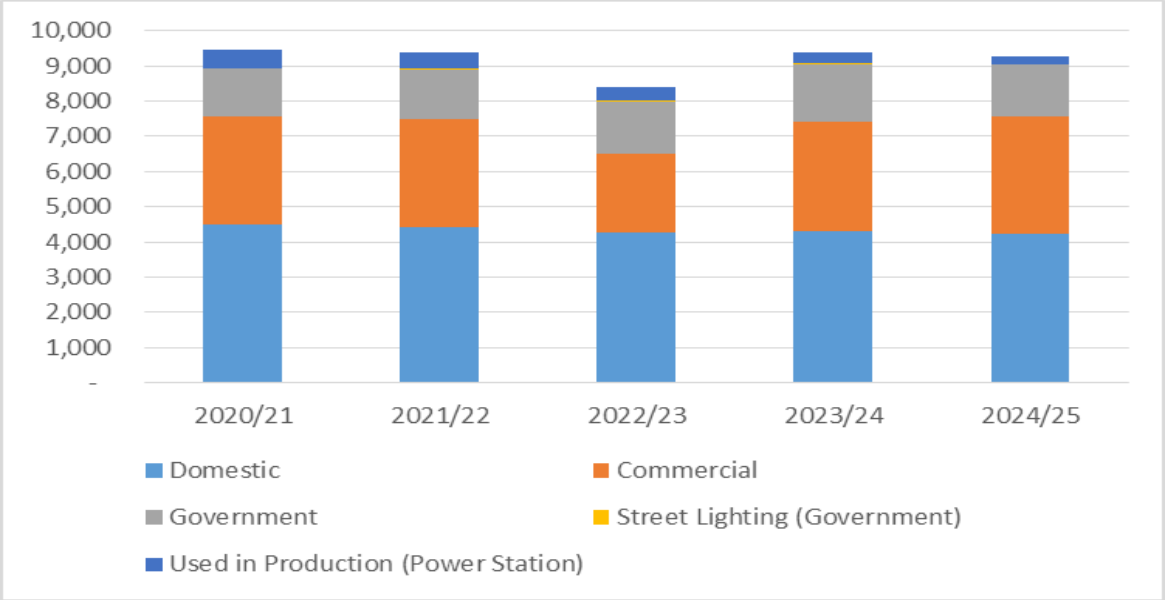


Electricity Generated and Billed 2020/21 – 2024/25 (MWh)



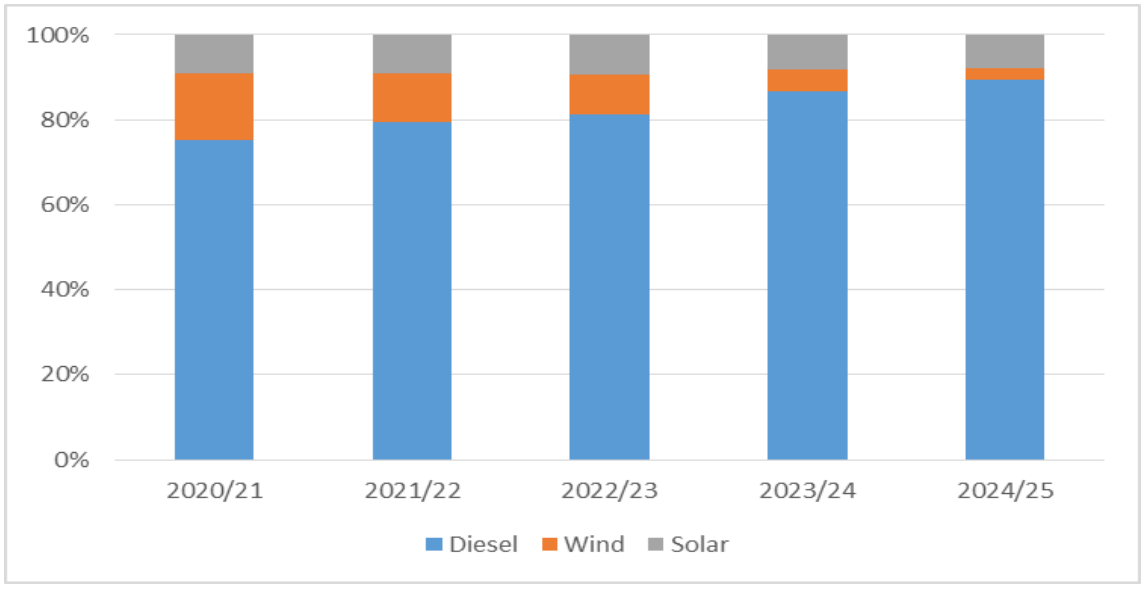
There was little change in electricity demand by consumer category. At the end of 2024/25, the addition of OneWeb had made a small difference in demand: a further small uplift is anticipated in 2025/26 once OneWeb has completed its testing phase.

Units Billed by Consumer Group



During 2024/25 the use of renewable energy sources was at its lowest. This was as a result of the ongoing overhaul of the wind turbines. It is expected that this position will be reversed in 2025/26.

Units Generated by Source of Generation



<u>Electricity Faults</u>

A total of 72 electricity faults were recorded during 2024/25, an increase over the prior year. This was particularly noticeable during the bad weather periods when issues were observed along the distribution network (e.g. fallen trees).



Number of Electricity Faults 2021/22 – 2024/25

	2020/21	2021/22	2022/23	2023/24	2024/25
Number of faults	72	59	61	58	72

The single largest cause of unplanned power outages in 2024/25 related to hardware faults on the low voltage network. Review of the fault report indicates that this category includes incidents where branches made contact with overhead lines. However, instances where trees fell onto lines (i.e. breaking the lines) these are categorised separately.

Electricity Faults by Cause 2024/25

	HV hardware Faults	Trees falling onto HV Lines	Self clearing HV fault	LV hardware faults	Trees falling onto LV lines	Power Station Fault	Total
Number of faults	9	9	6	44	3	1	72
% of Total	15%	12%	8%	59%	4%	1%	100%

Time taken to perform an electricity connection

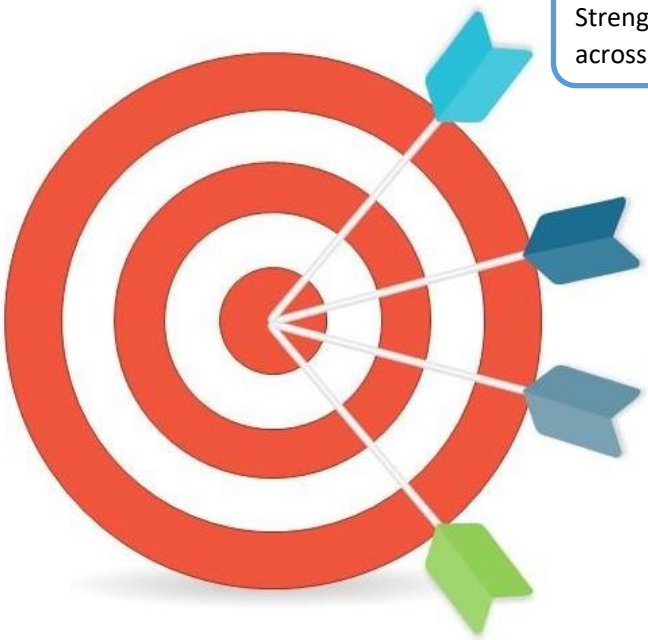
The time taken to perform an electricity connection is shown in the table below. There was an increase in 2024/25 due to higher than normal workload in the Electricity Distribution Section and resource constraints.

Time taken to perform an electricity connection

	2020/21	2021/22	2022/23	2023/24	2024/25
Days Required	14	1	9	7	18

2.2.3 Key Performance Indicators

Work in 2025/26 will focus on:



Building capacity
Strengthening internal capabilities and resilience across teams.

Preventative maintenance
Enhancing system reliability through proactive infrastructure care.

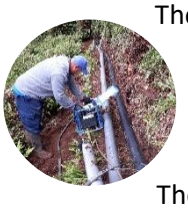
Wind Energy
Maintenance of the remaining six wind turbines to commence in 2026.

Energy Delivery Plan
Particularly completion of the design for a hybrid energy solution. Connect anticipates that infrastructure procurement will be underway by Q4 2026

2.3 Water

2.3.1 Key Outcomes for the Year

Maintenance and monitoring



The water network maintenance programme continued throughout the year, encompassing both planned preventative maintenance activities and support for capital projects, including the Casons replacement tank and other proposed water network upgrades.

The ongoing water quality testing programme, undertaken in conjunction with the Public Health Laboratory confirmed that 100% of samples met microbiological requirements for safe drinking water.

In July 2024, there was an incident in Jamestown where chlorine levels were recorded outside of recommended WHO levels. This was due to a malfunctioning sensor at the Water Treatment Works, which had been reading the chlorine levels at lower than actual and repeatedly dosing the system. The fault was identified within hours, after which work immediately took place to flush the system and repair the faulty sensor. An advisory was issued to the public to boil their water until the system had returned to normal. The incident was resolved within 24 hours.

Turbidity levels are still reading high on the Jamestown network. Although readings have improved compared with the prior year, they continue to exceed the recommended WHO levels and remain a cause for concern. The Company is investigating this with a view to introduce corrective measures by means of the installation of a Flocculator/Clarifier Unit. Regrettably the Company's preferred supplier no longer manufactures such units and it took time to identify a replacement supplier. Alongside this, planning permission will be required to house the unit and this is likely to be challenging. Investigations are continuing, with design expected to be completed in 2025/26 and implementation in 2026/27.



A borehole monitoring programme continued throughout the year. The boreholes were dipped monthly to monitor the water levels. In addition, a camera was purchased in the prior year and was used to survey several of the boreholes during the year. The information gathered through these inspections are useful in assessing the status of each borehole and planning future works.

The inspection of all tanks were completed. The tank cleaning programme continued as planned with all zones completed except Jamestown. The Jamestown network is currently experiencing ongoing high daily demand to supply water for the projects taking place in Rupert's (e.g. the Rupert's port development). Taking any of the Jamestown tanks offline for maintenance at this time would make it difficult to meet demand. A decision was therefore taken to defer the tanks maintenance in Jamestown until 2026/27.

The Unaccounted-for Water Programme

The Unaccounted-for Water Programme continued throughout the year. The key components are detailed below.

Bulk Metering

The bulk meter maintenance programme continued in 2024/25. A faulty meter was replaced at Rupert's Battery Tank during the financial year. Additionally, two new bulk meters were installed at Blackfield and Longwood at the end of the previous financial year, which were not captured in last year's report.

Pressure Management

In 2024/25, data loggers were implemented to monitor pressure across different areas of the network, with a primary focus on Half Tree Hollow. Following pressure assessments, two pressure-reducing valves were installed between Harlyn and Cow Path to mitigate frequent callouts and resolve pressure issues near the Three Tanks site and downstream areas.

GIS Field Capture

No progress was made in 2024/25 with walk-the-line surveys or network mapping, due to continued unfilled vacancies within the GIS department.

Infrastructure

In 2024/25, the Unaccounted for Water Programme supported the identification and implementation of the Hutts Gate to Rose Hill pump main upgrade. This project was initiated to address performance issues within that section of the network. The upgrade has now been completed, and the area is currently under observation to ensure system stability and performance. No issues have been reported so far.

Water Audits

The table below shows the water audit, with final figures for the period 2017/18 to 2023/24 and preliminary data for 2024/25. The figure previously reported for 2023/24 has been revised after a full audit of data was undertaken.

Table 1: Water Audit 2017/18 – 2024/25

Financial Year	Physical Losses (%)	Commercial Losses (%)	Unbilled Authorised Consumption (%)	Total Non-Revenue Water (%)
2017/18	Breakdown not available			53
2018/19				50
2019/20				49
2020/21				47
2021/22	39	5	1	45
2022/23	43	5	1	49
2023/24	39	7	1	47
2024/25	41	7	1	49

There was a 1% increase in physical losses, which is attributed to an increased number of faults experienced in the Levelwood to Sandy Bay network. Investment is planned in 2025/26 to address the issues identified within these networks.

Overall non-revenue water comprised 48% in 2024/25 and the Infrastructure Leakage Index was 1.15.

Drought Preparedness

The Company maintained its Drought Management Plan, which underwent annual review with advice from the SHG Emergency Planning Section. The island did not enter a drought scenario during 2024/25.

Connect maintains equipment at key points around the island as part of its drought preparedness programme. It was recently discovered that the engine to the generator at Sharks Valley had gone missing. The matter was referred to the Police for investigation. Should it become necessary to extract water from Shark's Valley, Connect has replacement equipment available that can be despatched to the site. The support from Darwin Funding for water resilience is ongoing through the Cloud Forest Project.

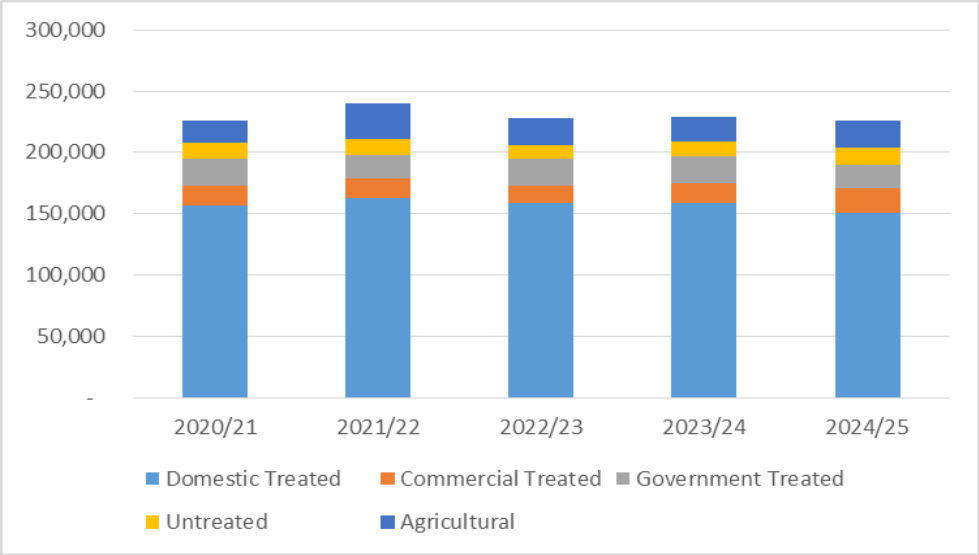
2.3.2 Key Performance Indicators

Demand Data

Units Billed

There was a 2% decline in sales of water in 2024/25. This is likely attributable to the tariff increases and customers being more conservative with water usage coupled with declining a declining population.

Cubic Metres of Water Billed



Number of Consumers

There was a 2% increase in 2024/25 in the total number of water consumers connected to the network. This, together with the 2% decrease in sales of water, gave rise to noticeable decreases in the average consumption by domestic and government users. The average rate of consumption increased for commercial users, likely as a result of a few large projects, e.g. the Rupert's port development, and there were small increases in average consumption by untreated and agricultural water users.

Number of consumer meters (as a proxy for the number of consumers)

	2020/21	2021/22	2022/23	2023/24	2024/25
No. consumer meters	3,140	2,664	2,628	2,528	2,576

Quality of Service

Water Quality

All microbiological targets were successfully met throughout the year, as highlighted in the section on the PUDP. However, challenges regarding turbidity within the Jamestown water network persisted. To address these issues, we have scheduled repairs and cleaning of all catchments, aiming for completion by 31 March 2026, which will enhance overall water quality. Additionally, we plan to renew the filter media across all treatment plants to further improve the quality of the water. We also anticipate the installation of catch pits following the monitoring of catchment repairs in the 2026/27 period, which will help in reducing turbidity levels.

The number of faults on the water network continued to decline in 2024/25.

Number of faults on the Water Network

	2020/21	2021/22	2022/23	2023/24	2024/25
Number	1,243	1,214	1,010	964	893

Leaks continued to be the biggest cause of reported faults, as shown by the breakdown below.

Water Faults by Cause 2024/25

	Burst pipe	***Leaking pipe***	***Blockage***	***Air locked***	***Tank empty***	***Discoloured Water***	***Mechanical problems***
Number of Faults	*85*	*729*	*7*	*5*	*7*	*17*	*43*
Percentage of Total	*10%*	*82%*	*1%*	*1%*	*1%*	*2%*	*5%*

The preventative maintenance programme progressed according to plan, which contributed to the positive results for the year. However, it is recognised that Connect is not keeping pace with the replacement of ageing infrastructure and that more can be done to support long-term planning. The Water Resource Management Plan (WRMP), led by SHG with input from Connect, is intended to address this need. Results are expected in 2025/26.

Time Taken to Perform a Water Connection

The time taken to perform a water connection was maintained in 2024/25. In comparison to the Electricity Section, the Water Section was better resourced.

Table 2: Time taken to perform a water connection

	2020/21	2021/22	2022/23	2023/24	2024/25
Days required	2	1	5	4	3

2.3.3 Looking Ahead

Plans for 2025/26 include:

					
PLANNED MAINTENANCE	**CAPITAL PROGRAMME**	**REACTIVE MAINTENANCE**	**UNACCOUNTED FOR WATER**	**HIGH WATER LOSS**	**DAM SAFETY ASSESSMENT**
Ongoing planned maintenance programme	Ongoing support to the capital programme	Ongoing reactive maintenance	Ongoing investment in the Unaccounted-for Water Programme	Rectification of high water loss in the Levelwood to Sandy Bay	The Dam Safety Assessment (assessment of all dams/reservoirs to assess safety and inform future maintenance)

2.4 Wastewater

2.4.1 Key Outcomes for the Year

The planned preventative maintenance programme was successfully completed during the year. This rolling programme of preventative maintenance works to ensure that the network remains in a good state of repair.

Like the water network, the Company inherited wastewater assets that have exceeded their useful life. The limited funding available cannot keep pace with the improvements required.

There continues to be a constraint on development in Half Tree Hollow (HTH) and Jamestown, where the existing infrastructure cannot accommodate additional demand. SHG signed a contract with MPAMOT to undertake the design feasibility for the HTH and Jamestown Wastewater Project to upgrade the infrastructure. This project is progressing well and by the end of the financial year, the inception report was largely completed and preliminary design discussions had commenced. Funding for the project has not yet been confirmed by the Economic Development Investment Programme.

Similarly, early discussions were had with SHG and related stakeholders regarding an upgrade in the Bottom Woods area to accommodate planned development from the Prison Project and the Comprehensive Development Area.

The Rupert's Sewage Treatment Plant (STP) underwent cold and hot commissioning in 2023/24. However, it will only be brought online once the related infrastructure in Rupert's is commissioned to ensure sufficient throughput for the STP to function effectively. The plant was formally commissioned in October 2025. Due to the limited number of connections, the Company continues to incur additional costs to monitor and maintain the STP without being able to cost recover.



2.4.2 Key Performance Indicators

All service requests were responded to promptly, generally on the same day of receiving a request, to minimise the risk of environmental health nuisances.

The preliminary statistics published for 2023/24 were revised during the course of the year. The table below presents final data up to 2023/24 and preliminary data for 2024/25. There was little movement in the number of sewerage connections.

Number of Sewerage Connections

	2020/21	2021/22	2022/23	2023/24	2024/25
Domestic	1,177	1,192	1,199	1,202	1,196
Commercial	97	91	96	105	102
Government	60	51	51	51	50
Total	1,334	1,334	1,346	1,358	1,348

2.4.3 Looking Ahead

Plans for 2025/26 include:

- Continuation of the preventative maintenance programme, including scheduled jetting works in Longwood, Jamestown and lower HTH.
- Final commissioning and operationalisation of the Rupert's Sewerage Treatment Plant.
- Continued support to the HTH and Jamestown Wastewater Project and the wastewater component of the Prison Project.

2.5 Capital Programme

2.5.1 Key Outcomes for the Year

Infrastructure development plays a significant part in improving service delivery. Capital comes from two sources: SHG capital grants and money generated by the Company. The capital contribution for acquired and fully completed assets during the financial year was from internal sources only. The following table shows where capital funds were spent.

Asset Class	Grant Funded (£)	Company Funded (£)	Total (£)
Electricity infrastructure	-	-	-
Motor Vehicles and Equipment	-	-	-
Lands and Buildings	-	-	-
Water and Sewerage infrastructure	-	294,942	294,942
Total	**-**	**294,942**	**294.942**

A total of £295k was invested from internal resources towards acquiring and completing assets during the year under review.

One of the key projects completed during the year was the upgrade of the Field Road water main. The previous distribution network had reached the end of its operational life and had deteriorated significantly over the years, resulting in leaks and frequent bursts in the area. The newly installed water network will provide higher flows, taking into account development and future growth in the area. Pressure reducing valves were incorporated into the upgraded system to minimise the effects caused by excess pressures, which will minimise damage to mains and subsequent leaks and bursts. The post implementation monitoring has shown positive results.

There was a concerted effort during the year to identify new funding sources, particularly to fund the Renewable Energy Project. The Company explored various sources of grant and concession financing, but with little success. A key constraint was the lack of a long-term Licence and the ability to demonstrate that the Company will continue beyond the current one-year outlook under the rollover Licence. A funding strategy has been developed that explores various funding sources, with the Economic Development Investment Programme (EDIP) and other loan funding options remaining key.

The funding for the year 2025/26 will be mainly focused on the ugrading of the water network and the replacement of the ageing vehicle fleet. The replacement of the ageing vehicle fleet will help towards the reduction of maintenance and running costs. Under the Energy Delivery Plan, the completion of the design for a hybrid energy solution remains a priority for the year. Connect anticipates that infrastructure procurement will be underway by the end of 2025.

2.6 Public Utilities Development Plan

Key Outcomes for the Year

The Utilities Regulatory Authority (the Authority) assesses the Company's performance against the agreed Public Utilities Development Plan (PUDP), which shows a series of measures for Reliability, Quality and Customer Service. The Authority publishes a report annually detailing its assessment of how well the Company has performed against these targets and our agreed Codes of Practice. The table below shows the current position.

Mar-25		**WHERE DO WE WANT TO BE?**	**WHERE ARE WE NOW?**	
Performance Measure	**Prior Year 2023/24**	**Target 2024/25**	**Actual 2024/25**	
1. Reliability				
Overall reliability of the electricity network	58	60	72	
Overall reliability of the water network	964	950	893	
2. Quality				
Appearance of treated water in CSH network Redhill (NTU)*	2.51	5.00	2.62	
Appearance of treated water in CSH network Hutts Gate (NTU)	3.11	5.00	2.97	
Appearance of treated water in CSH network Levelwood (NTU)	1.74	5.00	1.91	
Appearance of treated water in CSH network Jamestown (NTU)	7.83	5.00	7.38	
Microbiological integrity of treated water in CSH Network	100%	95.5%	100%	
Microbiological integrity of treated water at Consumer Meter	100%	95.5%	100%	
3. Customer Service				
Time taken to perform Electricity Connection	7 days	7 Days	18 days	
Time taken to perform Water Connection	4 days	5 Days	3 days	
Total Customer Complaints handled within Code of Practice parameters	100%	100%	88%	
4. Efficiency KPI				
Overall Fuel Efficiency (l/kWh)	0.2062	0.2102	0.2056	

* NTU - Nephelometric Turbidity unit

There was a significant increase in the number of faults on the electricity grid during the year. This was attributed to poor weather conditions, resulting in faults along the distribution network. In each case, Connect responded promptly to rectify the fault.

In the Jamestown water network, turbidity issues were ongoing. This is expected given the absence of a reservoir to assist with sedimentation. While there was also an improvement in turbidity readings compared to the prior year, the Company continues to investigate ways to resolve this issue.

It is stressed that there was 100% compliance with microbiological integrity requirements for drinking water, indicating no risk of ill health from drinking tap water from Connect.

Fuel efficiency for electricity generation was better than anticipated, which assisted the Company in managing costs. This is an improvement over the prior year; however, targets around the proportion of electricity generated from renewables were not met due to delays in the overhaul of the wind farm.

The target time for completing an electricity connection was not achieved due to capacity constraints.

2.7 Principal Risks and Uncertainties

The Directors have carried out a robust assessment of the key risks facing the Company, including those that would threaten its business model, future performance, solvency or liquidity, and have identified risks that could:

- Adversely impact the safety or security of the Company's employees,customers and assets;
- Have a material impact on the financial or operational performance of the Company;
- Impede achievement of the Company's strategic objectives and financial targets; and/or
- Adversely impact the Company's reputation or stakeholder expectations.

The table does not comprise all the risks that the Company may face, and these are not presented in order of importance. The nature and profile of these risks are updated quarterly at Board meetings to reflect the changing risk landscape. This year sees twelve Key Risks being reported. There may be additional risks that emerge in the future and management undertakes regular horizon scanning to identify and report these to the Board. The key risks and measures in place to manage them are discussed as follows:

<table>
<tr><th colspan="2">Political, legislative and regulatory</th></tr>
<tr><th>What is the risk?</th><th>What are we doing to manage the risk?</th></tr>
<tr><td>Failure to protect our business from developments in the regulatory, legislative and political environments could materially impact our business operations, leading to new unfunded obligations or non-compliance with regulatory or legal requirements and significant reputational damage.

The recent elections, which brought in new elected members, may delay the issuance of a long-term licence and affect the Company's operations.</td><td rowspan="2">The Company continues to engage with the government on issues that affect the provision of utilities on the island, in particular, the renewal of the operating Licence for a further 10 years. Several submissions have been made to the Minister (Environment, Natural Resources and Planning) in this regard.

The Company has contributed towards the regulatory review of the utility sector.

Engagement is ongoing with the Utilities Regulatory Authority.

Ongoing engagement with government officials, ministers, councillors and other stakeholders to anticipate any issues and address them at the earliest opportunity.</td></tr>
<tr><th>What does this mean for us?</th></tr>
<tr><td>Changes in ordinances may affect the future delivery of utilities on the island and the renewal of the operating licence. The Company's 10-year Licence under the Utility Services Ordinance 2013 expired on 31 March 2023.

In the absence of a further long-term Licence, the Company currently operates on a rolling 12-month Licence. This impacts long-term operations and going concern considerations. It is a particular constraint on the Company's ability to bid for alternative sources of finance.

Potentially significant investment over that originally anticipated in the Company's strategy could be required to address the unfunded obligations or non-compliances.</td></tr>
</table>

<table>
<tr><th colspan="2">Reputational/ Customer Perception</th></tr>
<tr><th>What is the risk?</th><th>What are we doing to manage the risk?</th></tr>
<tr><td>We may be unable to improve and maintain the level of customer service sufficient to deliver what our customers demand.</td><td rowspan="2">Prompt handling of customer queries through a dedicated Business Support department.

Customer engagement through open days with customers visiting our Water Treatment Plants and Power Station to appreciate and understand our operations.

Delivery of service to meet the target set in the Public Utilities Development Plan, which distils down to a series of measures for Reliability, Quality and Customer Service.</td></tr>
<tr><th>What does this mean for us?</th></tr>
<tr><td>We are a regulated utility Company providing essential services to our customers. We recognise that our customers increasingly expect more from us and demand an improved and more consistent service.

Failure to deliver the service that customers expect will lead to customer dissatisfaction and a negative perception. This may damage the Company’s reputation or result in penalties from the Regulator and even litigation.</td><td></td></tr>
<tr><th colspan="2">Information Technology and Cyber Security</th></tr>
<tr><th>What is the risk?</th><th>What are we doing to manage the risk?</th></tr>
<tr><td>Our continued focus on digitalising our business processes, and our increasing dependence on information technology (IT) systems for our core operations, mean that we are heavily reliant on secure, affordable and resilient IT services.

We operate Critical National Infrastructure and hold personal data for our customers and employees.</td><td rowspan="2">There is currently a dedicated IT Officer tasked with improving the Company’s IT business continuity, resilience and security.

The Company continues to work closely with the government on Cybersecurity and Data Protection issues.

All employees participated in Cyber Security Awareness training conducted by the government IT department.</td></tr>
<tr><th>What does this mean for us?</th></tr>
<tr><td>Any failure could have a significant impact on our reputation, ability to operate, and the resilience of our operational assets. A serious event could result in disruption to our corporate, operational and customer systems and services.

Failure to protect our data and assets against internal and external threats could result in disruptions to our business operations due to loss of critical business systems or data. This could affect our ability to provide safe drinking water, and electricity or respond to our customer's needs.</td><td></td></tr>
</table>

Fuel Price	
What is the risk?	**What are we doing to manage the risk?**
The Company's electricity generation is mostly from diesel which is affected by volatile global fuel prices.	Currently, a risk-sharing arrangement for fuel is in place with SHG, which limits the risk of fuel price volatility.
What does this mean for us?	The Energy Delivery Plan has been developed to promote the increase of renewable energy generation to reduce the fuel price volatility risk.
The cost of electricity generation increases, resulting in high electricity tariffs . This further results in an unstable cost base for electricity.	
Environmental	
What is the Risk?	**What are we doing to manage the risk?**
The probability and consequence of damaging the environment through business activities and/or incidents. This could be through deficiencies in waste management and disposal, water abstraction and unintended pollution, our construction activities or our overall failure to reduce reliance on diesel for electricity generation.	All employees are trained on environmental protection and this is offered as part of the induction to new employees. Commitment to increasing renewable energy generation through the Energy Delivery Plan aimed at reducing our dependence on fossil fuels and carbon emissions.
What does this mean for us?	The Company is collaborating with SHG to secure funding through the Economic Development Investment Programme (EDIP) for projects aimed at improving the sewerage systems, especially the outfalls, in Half Tree Hollow and Jamestown. Expressions of interest are being requested for the design feasibility of this project.
Our process must adhere to the current environmental ordinance and all staff must be kept aware of the specific requirements. Non-compliance may result in penalties.	
Extreme Weather	
What is the risk?	**What are we doing to manage the risk?**
We are unable to deal with the impact of extreme and unpredictable weather events on our assets and infrastructure and/or are unable to successfully plan for future water resource supply and demand due to climate change.	The Company's Drought Management Plan incorporates lessons learnt from the 2016 water shortage. Our Plan is used as the basis for SHG's Drought Major Incident Plan which was last reviewed in March 2019.
What does this mean for us?	Working with the government to develop a Water Resources Management Strategy that aims to increase the island's water stock and improve drought resilience. Now the Company will take the lead in the development of a Water Resources Management Plan.
Extreme weather could result in the inability to meet customer demand, lower reservoir levels, decrease the quality of raw water and increase raw water abstraction costs. Extreme weather conditions may also result in damage to critical infrastructure such as the electricity distribution network (extreme winds) or flooding.	Currently collaborating with SHG on the Saint Helena Climate Change and Drought Warning Network project, funded by Darwin Plus. The project aims to support drought planning and enhance water sustainability.

Human Resources	
What is the risk?	**What are we doing to manage the risk?**
The risk is that we do not have enough skilled or capable people to run our business and deliver on our goals. The engagement and wellbeing of employees, and the creation of an inclusive workforce, are central to our culture. **What does this mean for us?** The Company may fail to attract and retain employees with the right skills, compromising service delivery. Delays in implementing crucial projects or programs due to the lack of individuals with suitable skills.	Succession plans are being considered for key roles. Unfortunately, some positions still lack an identified successor. The Company has policies aimed at promoting staff well-being, and the training and development policy ensures the availability of skilled personnel. Salary reviews to ensure that the Company remuneration remains competitive.
Inflation and Economic downturn	
What is the risk?	**What are we doing to manage the risk?**
Failure to adapt our cost base to changes in inflation, economic downturns, or business inability to generate sufficient operating cash flow could result in material financial losses. **What does this mean for us?** The current general increase may strain the Company's financial position. This will in future affect liquidity. This could lead to re-prioritisation of capital projects, impacts on operational performance and reduced service levels.	Efficiencies are being explored to minimise the impact of the current price increases. Periodic review of tariffs to ensure that revenue is matched with the cost base. Performance management processes to analyse and initiate action to improve cost base and cash collection performance.
Failure of Critical Infrastructure	
What is the risk?	**What are we doing to manage the risk?**
Failure of key infrastructure or processes may result in the inability to provide a continuous supply of electricity and clean water. **What does this mean for us?** The failure of key electricity and water infrastructure will result in major disruptions to our operations and service delivery.	Contingency plans are in place to deal with the failure of key infrastructure and have been integrated with the island's resilience plans. Inspection of key infrastructure and a well-developed preventative and capital maintenance programme is in place to reduce the incidence of infrastructure failure and improve resilience. Offline chlorine production was commissioned to mitigate against the possible simultaneous failure of the automatic systems.

<table>
<tr><th colspan="2">Supply Chain Management</th></tr>
<tr><th>What is the risk?</th><th>What are we doing to manage the risk?</th></tr>
<tr><td>Market conditions can cause supply chain shortages and resource security pressure, increasing commodity prices globally.

The Company is dependent on foreign suppliers who may be impacted by ongoing global matters.</td><td rowspan="3">Improved stock and procurement management practices are now in place to mitigate the effects of supply chain challenges.

Buffer stock for critical components was increased, with managers working closely with the procurement team to increase stock holding.

Attendance of key personnel to trade shows to develop new relationships with suppliers and the use of wider networks (such as Board Members of FCDO networks) to introduce new networks.</td></tr>
<tr><th>What does this mean for us?</th></tr>
<tr><td>We may be unable to effectively deliver day to day services, capital, operational or change programmes without a sustainable, resilient, cost-effective supply of goods and services, due to supply chain challenges caused by shipping delays and other global disruptions.</td></tr>
<tr><th colspan="2">Ageing Infrastructure</th></tr>
<tr><th>What is the risk?</th><th>What are we doing to manage the risk?</th></tr>
<tr><td>Most of the Company’s infrastructure is old, which may result in high incidences of breakdowns.</td><td rowspan="3">The Company has a long-term asset capital programme in place, which targets the replacement and upgrading of all ageing assets.

The Depreciation Fund has been established to provide financial resources for replacing assets.</td></tr>
<tr><th>What does this mean for us?</th></tr>
<tr><td>This results in costly infrastructure maintenance and replacements. Utility disruptions and equipment breakdowns caused by outdated infrastructure could force businesses to temporarily halt service delivery and experience prolonged downtime.</td></tr>
<tr><th colspan="2">Counterparty</th></tr>
<tr><th>What is the risk?</th><th>What are we doing to manage the risk?</th></tr>
<tr><td>The likelihood of a party involved in a transaction defaulting on its contractual obligation is especially high when dealing with foreign suppliers requiring advance payments. This increases within the current uncertain global operating environment.</td><td rowspan="3">The Company uses suppliers on the recommended list to establish long-term working relationships with suppliers.

Suppliers are vetted when signing new contracts, and the procurement regulations make provision for the request of performance guarantees or bonds for certain contracts. Use of Escrow accounts for large payments.</td></tr>
<tr><th>What does this mean for us?</th></tr>
<tr><td>This may result in the loss of funds if a supplier fails to deliver for any reason after payment for goods or services in advance.

Failure to deliver on strategic objectives if suppliers fail to deliver key raw materials or other goods. This results in a loss of reputation and management focus.</td></tr>
</table>

In addition to the principal risks identified, the Board and management remain vigilant in their efforts to monitor the external and internal environments. This proactive approach allows them to identify any emerging risks that may arise over time. These risks could potentially have a significant adverse impact on the Company's operations, financial performance, or overall strategy. By keeping a close eye on market trends, regulatory changes, and other relevant factors, the Board and management can take timely action to mitigate these risks. This ongoing assessment not only helps safeguard the Company's interests but also ensures that it remains resilient and adaptable in a rapidly changing landscape. Ultimately, this commitment to risk management serves to protect stakeholders and promote long-term sustainability for the Company.

3. Financial Performance

3.1 Financial Highlights

The Company recorded a loss of £116,430 for the 2024/25 financial year, compared to a loss of £80,067 recorded in the previous year. This position was influenced by the decommissioning of six wind turbines that were nearing the end of their lifespan. Additional write-offs were made for Ruston generator spares and for the advance payment made to Wind Energy Solutions prior to its liquidation.

The year was marked by high fuel prices coupled with low renewable energy yields. Despite high fuel prices, they remained stable at £1.36 per litre throughout the year, with the Fuel Risk Sharing Arrangement with SHG not being utilised during the year. Starting 1 July 2025, the electricity tariff will be adjusted based on fluctuations in fuel prices. Expenditure continued to be affected by supply chain challenges and inflationary pressure.

The key financial and other performance indicators were as follows:

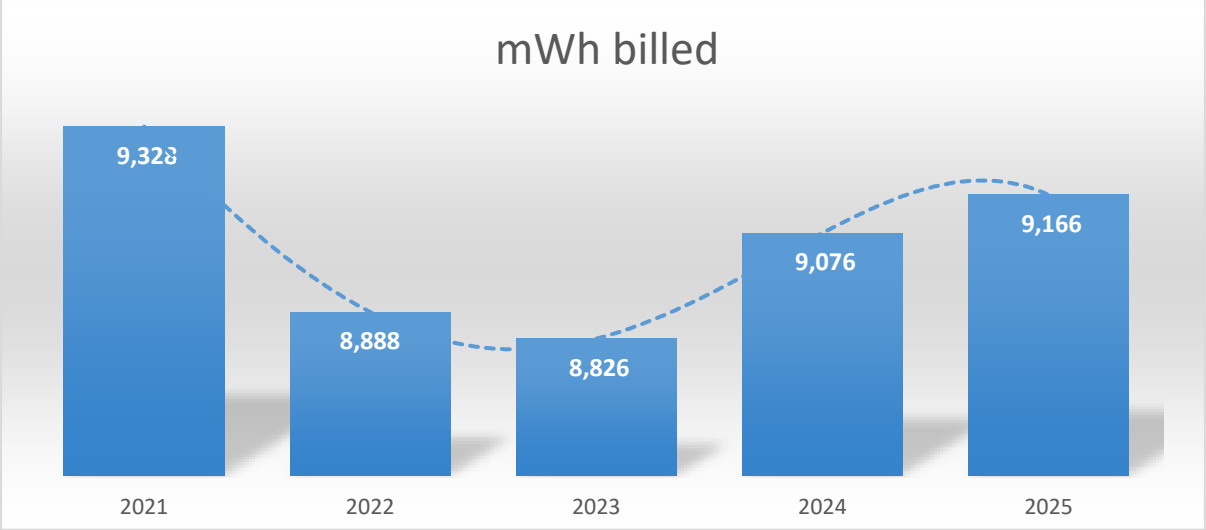
	2025 £	2024 £	Change
Turnover	5,695,738	4,501,414	27%
Gross Loss	(547,757)	(1,277,392)	-57%
Loss on ordinary activities before taxation	(78,330)	(84,922)	-8%
Loss for the financial year after tax	(116,430)	(80,067)	45%
Trade Receivables	682,398	457,646	49%
Cash and bank balances	2,210,679	1,845,937	20%
Shareholders' funds	15,152,406	14,676,544	3%
Current assets as % of current liabilities	7	6	17%
Average number of employees	71	74	-4%

3.1.1 Turnover

Electricity

The electricity tariff income at £4.371 million recorded a 26% growth compared to last year's £3.465 million. The 26% growth in electricity tariff income can be attributed to the approved tariff increases that came into effect in January and July 2024, coupled with a 3% growth in consumption.

The Company billed 9,166MWh during the financial year, representing a 3% growth from 9,076 MWh in the previous year. The growth was mainly driven by favourable tourism and visitor numbers during peak periods, as well as the connection of One Web, which further improved consumption. However, low economic activity and a declining resident population had an offsetting impact on electricity consumption during the year. This, coupled with the high cost of living, made it difficult to reach pre-COVID consumption levels. Consumption for the past five years is shown by the following graph:

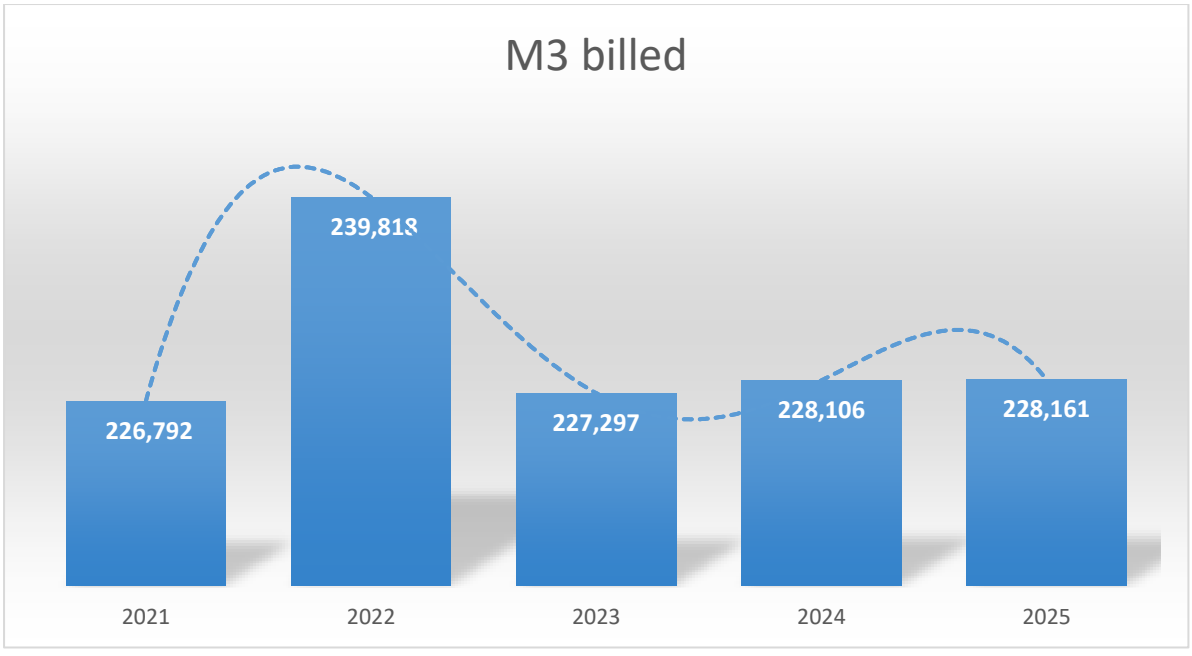


Water

The total water tariff income at £656,657 recorded a growth of 11% when compared to the prior year's £591,337. The 11% growth in water tariff income was mainly due to the 10% increase in tariffs implemented in January and July 2024. As with electricity, revenue growth was mainly attributed to the increase in tariffs, while consumption remained subdued.

Water consumption increased primarily due to a shift in water usage patterns, influenced by higher visitor numbers during peak tourism season and the festive period. However, the consumption growth was moderated by the declining resident population.

A third water tariff band for quarterly consumption above 25 units remained in place as part of effective demand management interventions aimed at encouraging water saving. Water units billed this year increased slightly to 228,161m^3 from 228,106m^3 billed last year. The water consumption is shown in the following graph:



3.1.2 Cost of Sales

The total sales cost increased by 8% to £6.243 million, compared to the £5.779 million recorded in the previous year. Expenditure on electricity generation fuel, which is the primary efficiency target, increased by 7% to £3.237 million from £3.014 million. This increase was mainly due to low renewable energy yields, while fuel prices remained stable throughout the year. Renewable yields averaged 11%, with performance affected by various factors such as bad weather, crane availability, and staffing issues. These challenges hindered maintenance activities, resulting in only one operational wind turbine.

The maintenance costs increased by 18% to £0.971 million from £0.826 million. This increase is mainly due to the planned overhaul of the six remaining wind turbines, which commenced towards the end of the financial year. Additionally, a 9,000-hour generator service was completed during the year, contributing to the higher maintenance spend.

	2025	2024	
	£	£	
Electricity Generation Fuel	3,237,385	3,014,219	7%
Maintenance, Materials and Parts	970,538	825,624	18%
Depreciation	1,079,175	1,089,548	-1%
Contracted out services	83,030	84,890	-2%
Employees	873,367	764,525	14%
	6,243,495	**5,778,806**	8%

3.1.3 Divisional Performance

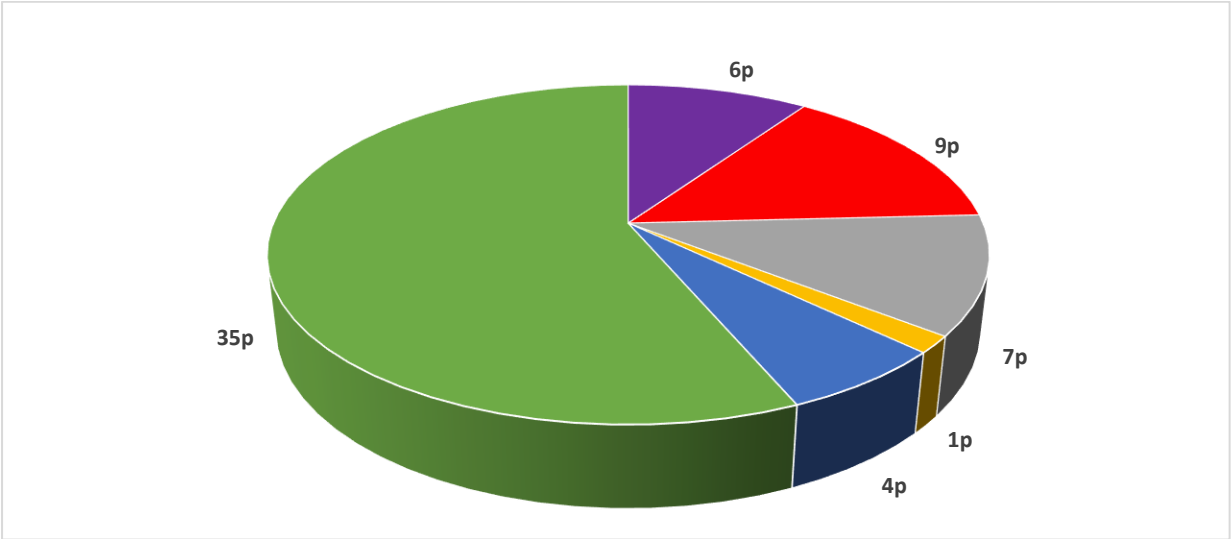
The Company's performance by segment is shown by the following segmental report:

	Electricity	Water	Sewage	Internal Charges	Corporate	Consolidated
	£	£	£	£	£	£
Unit Charges tariff	4,557,563	665,739	-	(195,417)	-	5,027,885
Service charges	17,960	220,792	130,461	(2,540)	-	366,673
Other service income	206,390	30,911	51,484	-	12,396	301,181
Turnover	**4,781,913**	**917,442**	**181,945**	**(197,957)**	**12,396**	**5,695,739**
Cost of sales	(4,984,099)	(1,318,189)	(139,164)	197,957	-	**(6,243,495)**
Gross profit	**(202,186)**	**(400,747)**	**42,781**	**-**	**12,396**	**(547,756)**
Administrative expenses	(729,591)	(569,272)	(54,024)	-	-	(1,352,887)
Loss on disposal of assets	(129,600)	-	-	-		(129,600)
Revenue grant-Subsidy	758,500	758,500	-	-	-	1,517,000
Amortized grants	139,028	208,980	19,510	-	-	367,518
Operating (Loss)/Profit	**(163,849)**	**(2,539)**	**8,267**	**-**	**12,396**	**(145,725)**
Revaluation Gains	-	-	-	-	66,368	66,368
Interest receivable	-	-	-	-	4,417	4,417
Finance costs	-	-	-	-	(3,390)	(3,390)
Net (Loss)/Profit Before Tax	**(163,849)**	**(2,539)**	**8,267**	**-**	**79,791**	**(78,330)**

Electricity

The electricity segment incurred a loss of £163,849 after factoring in amortised grants and subsidies. The loss occurred due to high fuel costs and low renewable yields, as the tariff did not sufficiently cover operating expenses. Additionally, the low renewable yields also added to the operating costs.

The average tariff per kWh billed of £0.50 was adverse when compared to the average cost per billed kWh of £0.62. The average price of electricity exceeds the average tariff, making renewable energy essential for reducing electricity costs. The analysis of the £0.62 is shown below:



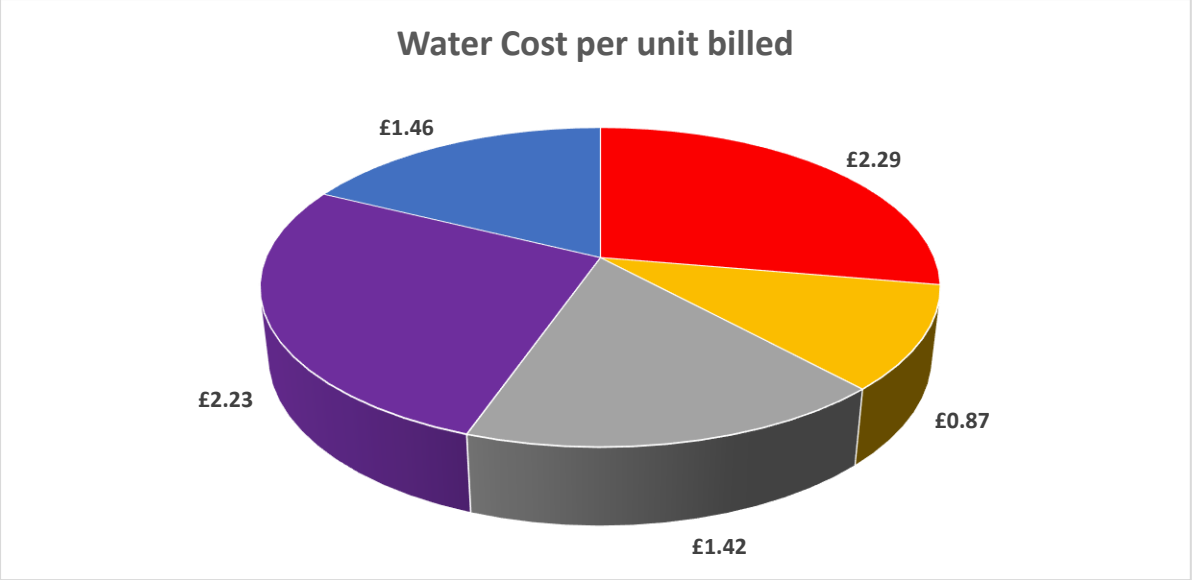
Maintenance		**7p**		**Administrative Costs**	**4p**
Depreciation Charges		**6p**		**Power Station Diesel**	**35p**
Employee Costs		**9p**		**Premises Costs**	**1p**

Water

Water continued to make a loss; the loss before grants and subsidies for water was £0.970 million. This was 2% lower than the previous year's loss of £0.992 million, mainly due to the increase in tariffs and a slight increase in consumption.

During the financial year, the average cost to collect, treat, distribute and bill a cubic meter of water was £8.27 based on units billed for the year. This is more than double the average tariff of £3.89 per cubic metre billed, indicating the ongoing need to better align tariffs with costs while striving to manage and reduce expenses.

The cost per cubic metre increased by 5% (£0.36) compared with the previous year, rising from £7.91 to the £8.27 for the financial year under review. The cost of water has been affected by a general increase in raw materials. The breakdown of the £8.27 unit cost is shown in the following graph:

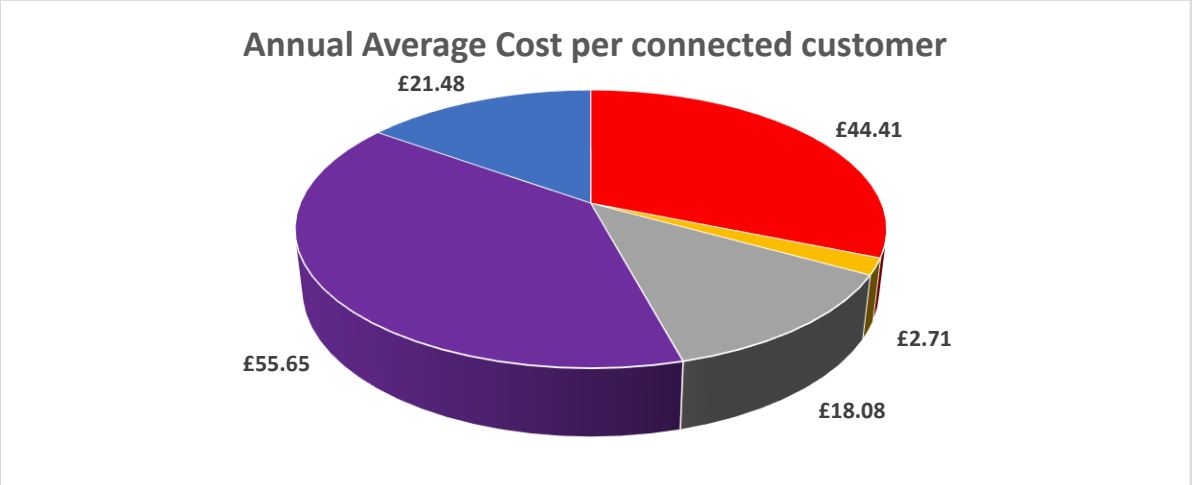


Maintenance		£1.42		Administrative Costs	£1.46
Depreciation Charges		£2.23		Premises Costs	£0.87
Employee Costs		£2.29			

Sewerage

The sewerage operation made a profit of £8,267 for the year. Service charge income of £181,945 together with the amortised grant of £19,510 were able to cover the costs of providing the service which amounted to £193,188.

The sewerage division benefits from low and routine overheads which are easy to manage. However, costs are expected to increase in future due to the additional costs associated with running Rupert's Sewerage Treatment Plant. Depreciation remains the largest cost component, accounting for 39% of the total costs. The annual service income per connected customer is £96.78 whilst the annual cost per connected customer is £142.33. The chart below shows an analysis of the cost to provide the service.



Maintenance		£18.08		Administrative Costs	£21.48
Depreciation Charges		£55.65		Premises Costs	£ 2.71
Employee Costs		£44.41			

3.2 Financial Position

The Company's financial position remained healthy during the year, enabling it to comfortably settle its liabilities without affecting service delivery. Current assets increased by £406k to £7.315million in comparison to the previous year's £6.909million. The current ratio, or the number of times the current assets cover current liabilities remains healthy at 7 times. The high cost of fuel and the increasing cost of other critical materials continue to be a threat to the Company's financial position.

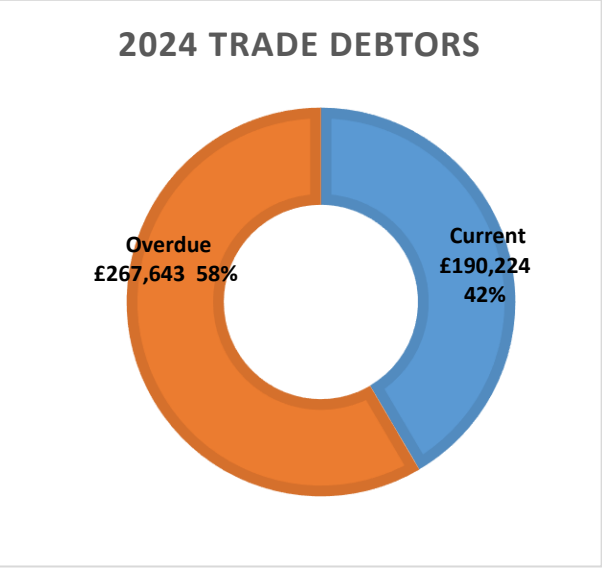
Liquidity increased by £365k to £2.211 million from the previous year's £1.846 million.

Trade debtors increased by £224,752 to close the year at £682,398 compared to the previous year's £457,646, as most debtors delayed payment of their bills due to economic hardships. Cash collections increased to £5.472 million compared to £4.421 million collected in the prior year due to tariff increases in January and July 2024.

DEBTORS AND INCOME COLLECTION	**2025** £000	**2024** £000
Opening Debtors Balance	458	378
Turnover	5,696	4,501
Total Turnover and Debtors for Collection	**6,154**	**4,879**
Closing Debtors	**682**	**458**
Collected Cash	**5,472**	**4,421**
Collected Cash as percent of total Turnover & Debtors	89%	91%
Collection Efficiency Ratio	94%	95%

The overdue debtors have decreased from the previous year's 58% to 48%.





Stock

Efforts to reduce and minimise inventory holdings continued to be hampered by the long supplier lead times. These delays require the Company to hold and maintain stocks necessary for critical maintenance and repairs, to ensure continuous service delivery.

Dividend

Directors are not recommending the payment of any dividend in light of the need to build up cash resources, in line with the asset replacement strategy.

Events since the Balance Sheet Date

The Board of Directors are not aware of any subsequent matters that could be of material importance to Connect Saint Helena Ltd's financial position.

Going Concern

The absence of a long-term operating licence is currently a major concern for the Company. After the ten-year license expired on 31 March 2023, the Company continued to operate under a one-year rolling license. Although this licence is a rolling one, terminating it requires either party to provide 12 months' notice. Since no such notice had been issued at the time of approving these financial statements, the license is considered to remain in effect for at least 12 months from the approval date of the financial statements for the year ending 31 March 2025. However, the Company continues to engage with the government to obtain a long-term operating licence.

The Company's business activities, together with the factors likely to affect its future development, its financial position, principal risks and uncertainties are described in the strategic report on pages 2 to 37. Despite operating under a rolling licence, the Company has sufficient resources to operate. As a consequence, the directors believe that the Company is well-placed to manage its business risks successfully despite the risks highlighted in the strategic report. After making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

Disclosure of Information to the Auditors

So far as each director in office at the date of approving this report is aware, there is no relevant audit information of which the auditor of the Company is unaware. Additionally, each director has taken all the necessary steps that they ought to have taken as a director to make themselves aware of all relevant audit information and to establish that the auditor of the Company is aware of that information.

Directors' Liability Insurance

During the year and at the time of this report, the Company maintained a directors' liability insurance policy. This policy provides cover for possible damages, legal fees, and other civil costs and expenses in the event of a breach of duty, breach of trust, neglect, error, omission, misstatement, misleading

statement, or other act committed or attempted individually or otherwise, solely in their status as a director, secretary or officer in the course of their duties for the Company.

Appointment of the Auditors

In accordance with s.137 of the Companies Ordinance 2004, a resolution is to be proposed at the Annual General Meeting for the appointment of Audit St Helena as auditor of the Company in place of Azets Audit Service, who will cease to hold office at the conclusion of the meeting.

By order of the Board



Nicole Shamier
Chair, Board of Directors

4. Directors' Responsibility Statement

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

The Companies Ordinance 2004 requires the directors to prepare the financial statements for each financial year. Under that Ordinance, the directors are required to prepare financial statements in accordance with Financial Reporting Standard 102 (FRS 102). Under company law, the directors must not approve the accounts unless they are satisfied that they give a true and fair view of the Company's financial position and the profit or loss of the Company for that period.

In preparing the Company's financial statements, the directors are required to:

i) select suitable accounting policies and apply them consistently,
ii) make judgements and accounting estimates that are reasonable and prudent,
iii) state whether applicable Financial Reporting Standards have been followed subject to any material departures disclosed and explained in the financial statements, and
iv) 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 keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Ordinance. 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. Legislation on St Helena Island governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

We confirm that to the best of our knowledge:

- the financial statements, prepared in accordance with the relevant financial reporting framework, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company; and

- the strategic report includes a fair view of the development and performance of the business and the position of the Company together with a description of the principal risks and uncertainties that they face.



Phanual Shangwa
Interim Chief Executive Officer



Nicole Shamier
Chair, Board of Directors

5. Independent Auditor's Report to the Shareholders of Connect Saint Helena Limited

Opinion

We have audited the financial statements of Connect Saint Helena Limited (the 'Company') for the year ended 31 March 2025, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Cash Flows, the Statement of Changes in Equity and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2025 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with

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

We have nothing to report in this regard.

Responsibilities of the directors

As explained more fully in the directors' responsibilities statement set out on page 38, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in 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 is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the Company, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the Company that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- reviewing minutes of meetings of those charged with governance;

- assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the Company through enquiry and inspection;
- reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Use of our report

This report is made solely to the entity's members, as a body, in accordance with the terms of our engagement. Our audit work has been undertaken so that we might state to the entity'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 entity and the entity's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Azets Audit Services

David MacCallum (Senior Statutory Auditor)
For and on behalf of Azets Audit Services, Chartered Accountants Statutory Auditor
Quay 2
139 Fountainbridge
Edinburgh
EH3 9QG

Date: 27 February 2026

Connect Saint Helena Limited

6. Financial Statements for the year ended 31 March 2025

6.1 Statement of Comprehensive Income for the year ended 31 March 2025

	2025	2024	Notes
	£	£	
Turnover	5,695,738	4,501,414	3.
Cost of sales	(6,243,495)	(5,778,806)	
Gross Loss	**(547,757)**	**(1,277,392)**	
Administrative expenses	(1,352,886)	(1,028,757)	
Loss on disposal of assets	(129,600)	-	9.1.
Other Operating Income	1,884,518	2,218,277	4.
Operating Loss	**(145,725)**	**(87,872)**	5.
Revaluation Gains	66,368	-	
Interest receivable	4,418	5,491	
Finance costs	(3,391)	(2,541)	
Loss on Ordinary Activities Before Taxation	**(78,330)**	**(84,922)**	
Deferred tax movements	(38,100)	4,855	14.
Loss for the financial year	**(116,430)**	**(80,067)**	
Other comprehensive income for the year			
Revaluation of tangible assets	789,723	-	
Deferred tax on revaluation of tangible assets	(197,431)	-	15.
Total Other Comprehensive Income for the year	**592,292**	**-**	
Total Comprehensive Income for the year	**475,862**	**(80,067)**	

Loss for the financial year is all attributable to the owners of the entity.
Total comprehensive income for the financial year is all attributable to the owners of the entity.

Connect Saint Helena Limited

6.2 Statement of Financial Position as of 31 March 2025

	31-Mar-25	31-Mar-24 As Restated	Notes
	£	£	
Non-Current Assets			
Assets under construction	512,116	467,501	8.
Property, Plant and Equipment	15,377,636	15,476,609	9.
Intangible Asset	-	614	9.2
	15,889,752	**15,944,724**	
Current Assets			
Inventories	2,832,027	2,980,467	10.
Receivables:			
Amounts falling due within one year	1,893,817	1,620,045	11.
Amounts falling due after one year	378,438	462,618	11.
Cash and Bank Balances	2,210,679	1,845,937	
	7,314,961	**6,909,067**	
Payables: amounts falling due within one year	(1,031,099)	(1,091,393)	12.
Net current assets	**6,283,862**	**5,817,674**	
Total assets less current liabilities	**22,173,614**	**21,762,398**	
Non-Current Liabilities			
Provisions for other payables and charges	(1,325,109)	(1,076,322)	18.
Retention funds	(7,682)	(23,352)	12.
Deferred Government Grants	(5,927,120)	(6,224,883)	19.
Total Non-Current Liabilities	(7,259,911)	(7,324,557)	
Net assets	**14,913,703**	**14,437,841**	
Capital and Reserves			
Share Capital	14,585,598	14,585,598	23.
Revaluation Reserve	1,309,235	716,943	
Accumulated Deficit	(981,130)	(864,700)	
Total Shareholders Equity	**14,913,703**	**14,437,841**	

The notes on pages 46 to 62 form an integral part of these financial statements.

The financial statements were approved and authorised for issue on 24 February 2026 by the Board of Directors.

Signed on behalf of the Board of Directors

Phanual Shangwa-Interim Chief Executive Officer

Nicole Shamier–Chair, Board of Directors

Connect Saint Helena Limited

6.3 Statement of Cash Flows

	2025 £	2024 £	Notes
Net cash flows from operating activities	**683,935**	**701,842**	16.
Cash flows from investing activities			
Acquisition and construction of non-current assets	(339,557)	(373,196)	
Net cash used in investing activities	**(339,557)**	**(373,196)**	
Cash flows from financing activities			
Government Grants received	20,364	-	
Net cash used in financing activities	**20,364**		
Net increase (decrease) in cash and cash equivalents	**364,742**	**328,646**	
Cash and cash equivalents at the beginning of year	1,845,937	1,517,291	
Cash and cash equivalents at end of year	**2,210,679**	**1,845,937**	

The notes on pages 46 to 62 form an integral part of these financial statements.

Connect Saint Helena Limited

6.4 Statement of Changes in Equity

As restated for the period ended 31 March 2024:	Share Capital	Revaluation reserve	Retained Earnings	Total Equity	Notes
	£	£	£	£	
At 1 April 2023	14,585,598	955,646	(784,633)	**14,756,611**	
Prior year Adjustment		(238,703)	-	**(238,703)**	22.
As restated	**14,585,598**	**716,943**	**(784,633)**	**14,517,908**	
Year ended 31 March 2024:					
Loss for the financial year	-	-	(80,067)	**(80,067)**	
Balance at 31 March 2024	**14,585,598**	**716,943**	**(864,700)**	**14,437,841**	
Year ended 31 March 2025:					
Revaluation Gains	**-**	592,292	**-**	**592,292**	
Loss for thefinancial year	**-**	**-**	(116,430)	**(116,430)**	
At 31 March 2025	**14,585,598**	**1,309,235**	**(981,130)**	**14,913,703**	

The notes on pages 46 to 62 form an integral part of these financial statements.

Connect Saint Helena Limited

6.5 Notes to the Financial Statements

1. General Information

Connect Saint Helena Limited (the Company) is a private Company, limited by shares, which is incorporated on the British Overseas Territory of St Helena Island. The ultimate controlling party is the St Helena Government (SHG). The address of its registered office and principal place of business is Seales Corner, Jamestown, St. Helena Island, South Atlantic Ocean, STHL 1ZZ. The Company's principal activities are the provision of electricity, water and sewerage services on the island.

2. Accounting Policies

a) Basis of preparation and accounting policies

These financial statements have been prepared in accordance with the applicable standards including Financial Reporting Standard 102 *The Financial Reporting Standard Applicable in the UK and the Republic of Ireland (FRS102)* and the Companies Ordinance 2004. They are presented in St Helena Pounds (SHP), the currency of St Helena that is pegged at par with the British Pound Sterling.

These financial statements have been prepared under the historical cost convention and amounts are rounded to the nearest pound.

Judgements and key sources of estimation uncertainty

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

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

The key sources of estimation uncertainty in applying accounting policies in the financial statements are:

- Valuation of tangible assets
- Depreciation of tangible assets
- Useful economic lives of intangible and tangible assets
- Residual values of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in estimated useful economic lives and residual values of assets. The useful economic lives and residual values are assessed annually and amended when necessary to reflect current assets, based on

technological advances, future investments, economic utilisation and the physical condition of the assets.

Valuation of land and buildings is based on external professional valuations undertaken periodically. The last such valuation was undertaken in the year to 31 March 2025. Valuation is inherently subjective, but particularly so given the constraints of operating in a remote location, in an embryonic service sector and given a lack of transactional evidence. This results in a greater degree of uncertainty as a result of greater interpretation of the factors affecting valuation.

b) Going concern

The Company relies on continued support from the St Helena Government (SHG) in the form of subsidies, which are agreed annually in advance. The Company is forecasting operating losses before subsidy for the next financial year and since the expiry of the original 10-year licence on 31 March 2023, the company has been operating on a rolling licence. The licence renews automatically unless 12 months written notice is served by either party and, as written notice has not been served as at the date of approval of the financial statements, it is deemed to continue for at least 12 months from this date. However, renewal negotiations for a long-term licence with the St Helena Government are ongoing and are expected to yield positive results.

Despite operating on a rolling licence and projections showing an operating loss before subsidy, the forecast shows a strong cash position with the Company able to meet its current liabilities. After reviewing the Company's forecasts and projections, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company, therefore, continues to adopt the going concern basis in preparing its financial statements.

c) Revenue

Revenue is measured at a fair value of the consideration received or receivable net-off trade discounts. Electricity, water and wastewater revenue is recognised when the service is provided and includes an estimate of unbilled consumption at the end of the year. The accrual is estimated using a defined methodology based on historical consumption levels of the unbilled consumer groups and average tariff.

d) Tangible Assets

Tangible assets are stated at cost (or deemed cost) less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price, costs directly attributable to bringing the asset to its working condition for its intended use, dismantling and restoration costs. The capitalisation threshold used during this financial year is £5,000 or above.

Land and buildings are measured using the revaluation model. These assets are stated at fair value on the date of the latest revaluation, less subsequent accumulated depreciation and

any impairment losses, where applicable. Valuations are undertaken every five years to ensure that the carrying amount of these assets do not differ materially from their fair value.

For the year ending 31 March 2025, professional valuers were engaged to carry out a revaluation of all buildings owned by SHG, including buildings owned by the Company and other SHG-owned companies. Following the valuer's report, all buildings are carried at a revalued fair amount, and their useful remaining lives were revised.

Plant and machinery and fixtures, fittings, tools and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Freehold land is not depreciated. All other tangible assets have been depreciated. Depreciation is calculated on a'straight-line' basis, based on their useful economic life and charged to the Comprehensive Income Statement in the year. The following table shows the range of estimated economic useful lives of each class of asset, disclosed in these financial statements:

Class of Asset	**Estimated Useful Economic Life (Years)**
Infrastructure electricity	25
Infrastructure water	10-50
Buildings	10-60
Plant, machinery and equipment	10
Furniture and fittings	10-50
IT networks and equipment	5
Motor vehicles	5-10

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period. The effect of any change is accounted for prospectively.

Subsequent costs, including major inspections, are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that economic benefits associated with the item will flow to the Company and the cost can be measured reliably.

The carrying amount of any replaced component is derecognised. Major components are treated as separate assets where they have significantly different patterns of consumption of economic benefits and are depreciated separately over their useful lives.

Repairs, maintenance and minor inspection costs are expensed as incurred.

Tangible assets are derecognised on disposal or when no future economic benefits areexpected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in profit or loss.

e) Revaluations

Revaluations apply to the Lands & Buildings class of assets. A revaluation was carried out for office buildings and for buildings used in the energy and water infrastructure. The valuation was carried out by DM Hall.

The frequency of valuation of assets carried at revalued amounts will be five years.

Revaluation increases are credited directly to the revaluation reserve, while revaluation decreases are charged to the profit and loss account. However, a revaluation increase is recognised in the profit and loss account, to the extent that it reverses decreases previously charged to the profit and loss account for the same asset. Revaluation decreases are charged to the revaluation reserve to the extent that they reverse increases previously credited to the revaluation reserve for that particular asset.

f) Impairment of Assets

At each reporting date, property, plant and equipment are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss, unless the asset is carried at a revalued amount, where the impairment loss is a revaluation decrease.

g) Assets under Construction

Assets under construction are property, plant and equipment that are currently being constructed and not yet available for their final intended purpose or installation of substantially incomplete assets. Work in progress on capital projects is included in the Statement of Financial Position within Assets under Construction. Assets under construction are stated at cost. These assets are not depreciated until they are available for use and are reviewed for impairment at each reporting date.

These assets, once completed, are transferred to property, plant and equipment and depreciated overtheir useful economic life.

h) Inventories

Raw materials and service parts are stated at cost less any provision necessary to recognise damage and obsolescence. Other Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the weighted average cost method. Cost includes the purchase price, including duties and freight and handling directly attributable to bringing the inventory to its present location and condition.

The Water inventory is classified as raw water (untreated) and treated water and is quantified within the production process. Raw water quantities are determined within the abstraction activity and related infrastructure (reservoirs) storage capacity. Treated water inventory quantities are determined with the storage network as per the related storage capacity. All

direct costs, such as raw water, raw materials, direct labour and other direct costs, will determine the valuation of water throughout the production process.

i) Provisions

Provisions are recognised where there is a present obligation as a result of a past event, there will probably be an outflow of economic benefits to settle this obligation, and a reliable estimate of this amount can be made.

j) Income Tax

The income tax expense represents the sum of the tax currently payable and deferred tax. The tax currently payable is based on taxable profit for the year.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and their corresponding tax bases (known as temporary differences). Deferred tax liabilities are recognised for all temporary differences that are expected to increase taxable profits in the future. Deferred tax assets are recognised for all temporary differences that are expected to reduce taxable profit in the future, and any unused tax losses or unused tax credits. Deferred tax assets are measured at the highest amount that, based on current or estimated future taxable profit, is more likely than not to be recovered.

The net carrying amount of deferred tax assets is reviewed at each reporting date and is adjusted to reflect the current assessment of future taxable profits. Any adjustments are recognised in profit or loss. Deferred tax is calculated at the tax rates that are expected to apply to the taxable profit (tax loss) of the periods in which the Company expects the deferred tax asset to be realised or the deferred tax liability to be settled, based on tax rates that have been enacted or substantively enacted by the end of the reporting period.

k) Trade and Other Receivables

Most sales are made based on normal credit terms, and the receivables do notbear interest. Where credit is extended beyond normal credit terms, receivables are measured at amortised cost using the effective interest method. At the end of each reporting period, the carrying amounts of trade and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, the debt is recognised as a bad debt expense in the Statement of Comprehensive Income.

l) Trade and Other Payables

Trade and other payables are obligations based on normal credit terms and do not bear interest. Trade payables denominated in a foreign currency are translated into SHP using the exchange rate at the reporting date. Foreign exchange gains or losses are included in other income or other expenses.

m) Government Grants

Government grants are recognised when it is reasonable to expect that the grants will be received and that all related conditions will be met, usually on the submission of a valid claim for payment.

Government grants in respect of capital expenditure are credited to a deferred income account and are released to profit over the expected useful lives of the relevant assets by equal annual instalments.

Grants of a revenue nature are credited to income, to match them with the expenditure to which they relate.

n) Basic Financial Instruments

Financial instruments are recognised where a contract gives rise to a financial asset or financial liability to the entity. Basic financial assets, including trade and other receivables, cash and bank balances, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party, or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Basic financial liabilities, including trade and other payables, and bank loans, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

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. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled or expires.

The Basic Financial Instruments are recorded at transaction cost, less repayments of the principal amounts.

o) Employee Benefits

The Company operates a defined contribution pension scheme for employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into aseparate entity and has no further payment obligations.

The annual contributions payable are charged to the Statement of Comprehensive Income in the period to which they relate. Amounts due but unpaid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from theCompany in independentlyadministered funds.

p) Intangible Assets

Intangible assets acquired separately are initially measured and recognised at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised, and expenditure is charged to profit or loss in the year in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised over their useful economic lives and are assessed for impairment whenever there is an indication that the intangible assets are impaired. The amortisation expense and impairment losses on intangible assets are recognised in profit or loss in the period in which they occur. The Company's intangible assets relate mainly to IT systems and software, which meet the capitalisation threshold.

q) Cash and cash equivalents

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

In the statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Company's cash management.

3. Turnover

Turnover, analysed by category was as follows:	2025 £	2024 £
Unit Charges-Water	656,657	591,337
Unit Charges-Electricity	4,371,227	3,465,163
Service Charges	366,673	318,715
Other Service Income	301,181	126,199
	5,695,738	**4,501,414**

4. Other Operating Income

Other Operating Income includes subsidies from the Saint Helena Government to support the Company's revenues in light of the current subdued population-based consumer base and the cost of service delivery.

	2025 £	2024 £
Government Revenue Grants	1,517,000	1,854,309
Amortisation of Government Grants	367,518	363,968
Total Other Income	**1,884,518**	**2,218,277**

5. Operating Loss

The Operating loss is incurred after charging the following:

	2025 £	2024 £
Wages and Salaries	1,166,042	1,062,147
Pension Costs	142,638	130,685
Other Employee Costs	63,524	39,849
Total Staff Costs	**1,372,204**	**1,232,681**
Electricity Generation Fuel	3,237,385	3,014,219
Maintenance, Materials and Parts	970,538	825,624
Depreciation	1,120,405	1,131,783
Office and other administrative costs	695,864	327,191
Loss on Disposal of Assets	129,600	-
Contracted out services	83,030	84,890
Audit Fees	33,900	35,286
Premises Related Costs	31,326	32,950
Provisions for Doubtful Debts	51,115	115,572
Amortisation of intangible assets	614	7,367
	7,725,981	**6,807,563**

6. Employees

The average monthly number of employees, including the executive directors, during the year was as follows:

	2025 No.	2024 No.
Electricity	28	27
Water	25	22
Administration	18	25
	71	**74**

7. Directors' remuneration

The directors' remuneration was as follows:

	2025 £	2024 £
Directors' remuneration	124,613	148,812
Pension	12,842	16,775
	137,455	**165,587**

Key management includes the directors and members of senior management. The compensation paid or payable to key management for employee services is shown below:

	2025 £	2024 £
Salaries and directors' fees	242,585	256,405
Pension	27,853	31,328
	270,438	**287,733**

8. Assets under Construction

Assets under Construction include significant ongoing water, electricity and sewerage infrastructural projects valued at a cost that will result in long-term assets, the value of which will be transferred to tangible fixed assets and start being depreciated once they are commissioned and are available for the intended use.

	Land and Buildings	Electricity Infrastructure	Water and Sewage Infrastructure	Total
Cost	**£**	**£**	**£**	**£**
01 April 2024	-	3,903	463,598	**467,501**
Additions	-	124,886	209,388	**334,274**
Completed Assets Transferred	-	-	(289,659)	**(289,659)**
31 March 2025	**-**	**128,789**	**383,327**	**512,116**

9. Property, Plant and Equipment

Property, Plant and Equipment includes significant investment in power stations, water treatment plants, water storage assets and buildings. All assets are depreciated over their useful economic lives.

	Land and Buildings	Equipment and Vehicles	Electricity Infrastructure	Water and Sewage Infrastructure	Total
Cost or Valuation	**£**	**£**	**£**	**£**	**£**
01 April 2024	**2,207,948**	**1,558,946**	**18,876,885**	**18,143,215**	**40,786,994**
Completed Construction Assets	-	-	-	289,659	289,659
Additions	-	-	-	5,283	5,283
Revaluation	580,363	-	-	-	580,363
Disposals	-	-	(720,000)	-	(720,000)
31 March 2025	**2,788,311**	**1,558,946**	**18,156,885**	**18,438,157**	**40,942,299**
Accumulated Depreciation					
01 April 2024	217,378	1,347,335	12,623,602	11,122,070	25,310,385
Disposals	-	-	(590,400)	-	(590,400)
Revaluation	(275,727)	-	-	-	(275,727)
Charge for the year	58,349	95,239	484,256	482,561	1,120,405
31 March 2025	**-**	**1,442,574**	**12,517,458**	**11,604,631**	**25,564,663**
Carrying Amounts					
At 31 March 2025	**2,788,311**	**116,372**	**5,639,427**	**6,833,526**	**15,377,636**
At 31 March 2024	**1,990,570**	**211,611**	**6,253,283**	**7,021,145**	**15,476,609**

Freehold land and buildings are stated at their revalued amount less any subsequent accumulated impairment losses. Freehold land is not depreciated. The entity's land and buildings were revalued by an independent Chartered Surveyors as at 31 March 2025. The directors consider this valuation to represent a fair value as at 31 March 2025.

9.1 Disposal and Derecognition of Property, Plant and Equipment

Decommissioned/ Disposed Assets	**Land and Buildings**	**Equipment and Vehicles**	**Electricity Infrastructure**	**Water and Sewage Infrastructure**	**Total**
Cost	-	-	720,000	-	720,000
Accumulated Depreciation	-	-	590,400	-	590,400
Loss on Disposal Recognised	**-**	**-**	**(129,600)**	**-**	**(129,600)**

During the year, six wind turbines, which were approaching the end of their lives, were decommissioned.

9.2 Intangible Assets

Intangible assets pertain to the access dimensions software upgrades. The software upgrade has an estimated useful life of three years.

	Access Dimension Software
Cost	**£**
1 April 2024	**22,100**
Additions	-
31 March 2025	**22,100**
Amortisation	
1 April 2024	**21,486**
Charge for the year	**614**
31 March 2025	**22,100**
Carrying Amount	
31 March 2025	**-**
31 March 2024	**614**

10. Inventories

Inventories represent assets, held at cost, that the Company intends to use in future electricity generation and water treatment or to replace parts worn out on infrastructural assets. The bulk of these assetsincludes spares and parts, items such as electricity cables, poles and fittings and water pipework and fittings held for repairs and replacements.

	2025	2024
	£	£
Electricity Generation Inventories	613,763	794,023
Electricity Distribution Inventories	881,607	824,655
Water Treatment, and Distribution Inventories	998,793	938,497
Inventories held for assets under construction	94,006	100,876
Fuel	51,718	59,099
Other Inventories	192,140	263,317
Total Inventories	**2,832,027**	**2,980,467**

11. Trade and Other Receivables

Trade and other receivables include accrued income and amounts our customers owe for goods delivered or services provided by the Company. These balances are the valued net of expected irrecoverable debts. Fuel duty refunds due from SHG represent duty rebates for electricity generation diesel, refundable to the Company under Saint Helena law.

	2025	2024
	£	£
Trade Receivables	682,398	457,646
Accrued tariffs receivable	570,950	512,777
Fuel duty refunds due from Saint Helena Government	80,111	81,362
Other Receivables and Prepayments	853,977	810,765
	2,187,436	1,862,550
Less: Provision for credit losses	(293,619)	(242,505)
Amounts falling due within one year	**1,893,817**	**1,620,045**
Amounts falling due after more than one year:		
Other Debtors	-	88,640
Deferred tax assets	378,438	373,978
Total Receivables	**2,272,255**	**2,082,663**

Provision for credit losses		
Balance at 1 April	242,504	126,932
Charged during the year	51,115	115,572
Closing balance at 31 March	**293,619**	**242,504**

12. Trade and Other Payables

Trade and other payables include accruals and are principally amounts the Company owes to suppliers.

	2025	2024
	£	£
Trade Payables	523,176	452,386
Accruals and deferred Income	138,790	269,874
Other Payables	1,615	1,615
Total Trade and Other Payables	**663,581**	**723,875**
Deferred Government Grants: falling due within one year	367,518	367,518
Amounts falling due within one year	**1,031,099**	**1,091,393**
Amounts falling due after more than one year:		
Retention Funds	7,682	23,352
Total Payables	**1,038,781**	**1,114,745**

13. Financial Risk Management

The Company faces three main types of financial risk - credit risk exposure, foreign exchange currency exposure and liquidity risk. Having no debt, the Company's interest rate risk is only limited to bank interest income on bank balances which are not considered a significant risk.

a) Credit Risk

Credit risk lies in the collection of debts incurred by the Company's utilities consumers who are billed for services consumed in arrears. This risk is managed via the Company's Credit Control policy and a debtors report is tabled at each Board meeting as part of the key performance indicators. The Credit Control policy guides management from initial risk assumption when a customer's ability to pay is assessed before connection through to timeous billing, follow-ups on outstanding balances through to disconnection and legal debt recovery procedures.

b) Foreign Exchange Risk

Foreign exchange risk is borne by the Company each time materials and supplies are ordered abroad. The majority of the materials and parts used in the operations of the Company are imported from South Africa and the United Kingdom (UK). While imports from the UK do not present any exchange risk, those from South Africa present exchange risk. This risk is managed through performance bonds when payments are made before delivery and through payment terms where the supplier is exposed to the currency risk rather than the Company. Currently, over 70% of the electricity generated by the Company is through the diesel generator-powered power station. While the Company does not directly import the diesel and is therefore not directly exposed to foreign exchange risk, this risk is however, manifested in price variability caused by both international oil prices and the strength or weakness of sterling against the United States dollar ($). This price risk affects the cost at which the Company produces electricity, which cannot immediately be passed on to consumers due to regulated tariffs. To reduce the impact this might have on the Company and the island at large, the Company has invested in renewable energy infrastructure and will continue to do so.

c) Liquidity Risk

The objective of the Company in managing liquidity risk is to ensure that it can meet its financial obligations as and when they fall due. While the Company expects to meet its financial obligations through operating cash flows, this ability is currently reliant upon government subsidies, which the Company receives in compensation for lower than otherwise economic tariffs the Company would have to levy to fully recover costs given the current subdued population-based consumption.

14. Income Tax on Profit on Ordinary Activities

	2025 £	2024 £
a. Tax expense included in profit or loss		
Current Tax		
Saint Helena corporate tax on profit for the year	-	-
Deferred Tax		
Origination and reversal of timing differences	38,100	(4,855)
Total tax on profit on ordinary activities	**38,100**	**(4,855)**
b. Reconciliation of tax charge		
Loss on Ordinary Activities Before Taxation	**(78,330)**	**(84,922)**
Loss multiplied by the standard rate of Saint Helena corporate tax @25%	(19,583)	(21,231)
Effects of:		
Effect Non-taxable loss on disposal	32,400	-
Non-Deductible Expenses provision for bad debtors	12,779	28,893
Non-taxable Income revaluation gain	(16,592)	-
Timing Difference adjustment	29,096	(12,517)
Income tax charge for the year	**38,100**	**(4,855)**

15. Deferred Tax Assets and Liabilities

The following are the deferred tax liabilities and (assets) that have been recognised by the Company due to temporary differences between theaccounting net book values and the tax written-down values.

	Provisions	Electricity Infrastructure	Water Infrastructure	Vehicles and Equipment	Lands and Buildings	Total
	£	£	£	£	£	£
1 April 2024 As restated	**(85,139)**	**74,978**	**80,423**	**49,509**	**485,822**	**605,593**
Net movement during the year	(14,652)	32,830	23,134	(22,710)	216,931	235,533
Balances at 31 March 2025	**(99,791)**	**107,808**	**103,557**	**26,799**	**702,753**	**841,126**

The balances shown above are the net effect of deferred tax assets disclosed in Note 11 and liabilities disclosed in Note 18 respectively. A deferred tax charge of £197,431 has been recognised in Other Comprehensive Income relating to the revaluation of land and buildings during the year.

16. Cash from Operating Activities

	2025	2024
	£	£
Loss for the financial year	**(116,430)**	**(80,067)**
Reconciliation of Loss for the year to net cash flow from operating activities:		
Adjustment for non-cash items in the statement of comprehensive income:		
Depreciation of tangible and intangible assets	1,121,019	1,139,150
Loss on disposal of fixed assets	129,600	-
Amortisation of Government Grants	(367,518)	(363,968)
Provision for doubtful debts	51,115	115,572
Projects written off	-	16,674
Revaluation Gain	(66,368)	-
Movements in deferred tax balances	38,100	(4,855)
Cash generated from Operations before working capital changes	**789,518**	**822,506**
Working Capital Changes		
Increase in provisions	8,795	7,683
Increase in trade and other receivables	(186,854)	(66,107)
(Decrease)/Increase in trade and other payables	(75,964)	94,232
Decrease/(Increase) in inventories	148,440	(156,472)
	(105,583)	**(120,664)**
Net cash flows from operating activities	**683,935**	**701,842**

17. Retirement Benefit Scheme

A total of £140,762 (2024: £141,935) was charged to employee staff costs and recognised in the Income Statement in respect of the Company's contribution towards a Defined Contribution Scheme on behalf of eligible employees, with £7,196 capitalised to relevant projects (2024:£11,250). The scheme is run and managed by a third party on behalf of employees and, as such, there are no assets or future obligations recognisable by the Company in respect of the scheme.

18. Provisions for Payables and Other Charges

	Leave Pay	Other Provisions	Deferred Tax (note 15)	Total
	£	£	£	£
At 1 April 2024 As restated	95,250	1,500	979,572	**1,076,322**
Additions less utilised	8,795	-	-	**8,795**
Origination and reversal of timing differences	-	-	25,969	**25,969**
Revalued tangible assets	-	-	214,023	**214,023**
At 31 March 2025	**104,045**	**1,500**	**1,219,564**	**1,325,109**

The leave pay provision represents holiday balances accrued as a result of services rendered in the current period and which employees are entitled to carry forward. The provision is measured as the salary cost payable for the period of absence.

19. Deferred Government Grants

	2025 £	2024 £
Balance at 1 April	6,592,401	7,651,179
Received during the year	20,364	-
Grants due but not yet received	49,391	-
Grants recognised during the year	-	(694,810)
Amortised during the year	(367,518)	(363,968)
Balance at 31 March	**6,294,638**	**6,592,401**
Deferred Government Grants falling due within one year	367,518	367,518
Deferred Government Grants falling duefor more than one year	5,927,120	6,224,883
Balance at 31 March	**6,294,638**	**6,592,401**

20. Basic Financial Instruments

Financial instruments are measured at transaction price less any repayment of the principal.

	2025 £	2024 £
Bank and Cash	2,210,679	1,845,937
Trade and Other Receivables	1,940,923	1,729,377
	4,151,602	**3,575,314**
Trade and Other Payables	523,176	454,001
Accruals	54,658	39,201
Retentions	7,682	23,352
	585,516	**516,554**
Total assets minus liabilities:	**3,566,086**	**3,058,760**

21. Related party transactions

Related party activities consist of transactions between Connect Saint Helena Limited, its shareholder, Saint Helena Government, key management personnel, and other parties which meet the definition of a related party. The details of transactions with related parties are disclosed below:

St Helena Government-Parent

	2025 £	2024 £
Revenue from Water and Sewerage Charges	181,462	154,810
Revenue from Electricity Charges	848,107	706,982
Revenue -Direct Subsidy	1,517,000	1,854,309
Other Receivables from SHG	459,361	608,771

Remuneration of key management personnel

A total of £270,438 (2024: £287,733) was paid to key management and directors as compensation for their services to the Company.

22. Prior Period Error – Deferred Tax on Property Revaluations

The financial statements for the year ended 31 March 2024 have been restated to correct a prior period error relating to deferred tax on property valuation movements. Deferred tax was not recognised at the time of revaluations undertaken in 2016 and 2020. The correction has been applied retrospectively by restating comparative amounts for prior periods and adjusting the opening balances of reserves as at 1 April 2024. The impact of the restatement is set out below, including reconciliations of previously reported and restated amounts

Opening Balances

	As Previously Reported	Adjustment	As Restated
	(£)	(£)	(£)
Deferred Tax Liability	740,869	238,703	979,572
Reserves			
Revaluation Reserve	955,646	(238,703)	716,943
Retained Earnings	(864,700)	-	(864,700)
Total Reserves	**90,946**	**(238,703)**	**(147,757)**

23. Ownership and Share Capital

Wholly owned by the Saint Helena Government, the Company's authorised share capital is 25 million ordinary shares. Of these, 14,585,598 ordinary shares have been issued, representing £14,585,598 (2024: £14,585,598). Balances as at 31 March 2025 therefore comprise 14,585,598 issued ordinary shares (2024: 14,585,598 issued ordinary shares).

24. Capital Commitments

The Company had capital commitments for electricity and water infrastructure of £38,210 (2024: £107,833). This represents the total value of signed contracts and orders for the delivery of goods and services towards infrastructural development and is funded by confirmed government grants.

25. Events After the Reporting Period

Change in Chief Executive Officer

After the balance sheet date, on October 17, 2025, the Company's Board of Directors announced that Miss Janet Lawrence stepped down as Chief Executive Officer (CEO). Mr Phanual Shangwa was appointed as the Interim CEO. The Board believes this leadership transition will ensure a smooth continuation of the company's current strategy. A new CEO has been appointed, effective March 2026.