Brønnøysundregistrene

ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2024 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer:	927 459 000
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	NSMP NORGE AS
Forretningsadresse:	c/o CSC (Norway) AS Wergelandsveien 7 0167 OSLO

Regnskapsår

Årsregnskapets periode:	01.01.2024 - 31.12.2024

Konsern

Morselskap i konsern:	Ja
Konsernregnskap lagt ved:	Ja

Regnskapsregler

Regler for små foretak benyttet:	Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet:	Regnskapslovens alminnelige regler
Benyttet ved utarbeidelsen av årsregnskapet til konsernet:	-

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Laurits Haga
Dato for fastsettelse av årsregnskapet:	30.05.2025

Grunnlag for avgivelse

År 2024: Årsregnskapet er elektronisk innlevert

År 2023: Tall er hentet fra elektronisk innlevert årsregnskap fra 2024

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 19.08.2025

Resultatregnskap

Beløp i: EUR	Note	2024	2023
RESULTATREGNSKAP			
Kostnader			
Avskrivning på varige driftsmidler og immaterielle eiendeler	5	9 129 000	
Annen driftskostnad		-23 000	88 000
Sum kostnader	2	**9 106 000**	**88 000**
Driftsresultat		**-9 106 000**	**-88 000**
Finansinntekter og finanskostnader			
Annen finansinntekt	3	8 700 000	5 430 000
Sum finansinntekter		**8 700 000**	**5 430 000**
Rentekostnad til foretak i samme konsern	3	3 158 000	7 615 000
Annen finanskostnad	3	4 524 000	4 175 000
Sum finanskostnader		**7 682 000**	**11 790 000**
Netto finans		**1 018 000**	**-6 360 000**
Resultat før skattekostnad		**-8 088 000**	**-6 448 000**
Skattekostnad	4	479 000	-1 403 000
Årsresultat		**-8 567 000**	**-5 045 000**
Overføringer og disponeringer			
Overføringer til/fra annen egenkapital		-8 567 000	-5 045 000
Sum overføringer og disponeringer		**-8 567 000**	**-5 045 000**

Balanse

Beløp i: EUR	Note	2024	2023
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utsatt skattefordel		923 000	1 403 000
Sum immaterielle eiendeler		**923 000**	**1 403 000**
Finansielle anleggsmidler			
Investering i datterselskap	5	51 571 000	60 700 000
Sum finansielle anleggsmidler		**51 571 000**	**60 700 000**
Sum anleggsmidler		**52 494 000**	**62 103 000**
Omløpsmidler			
Varer			
Fordringer			
Konsernfordringer		71 171 000	59 301 000
Sum fordringer		**71 171 000**	**59 301 000**
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende	6	4 112 000	6 000
Sum bankinnskudd, kontanter og lignende		**4 112 000**	**6 000**
Sum omløpsmidler		**75 283 000**	**59 307 000**
SUM EIENDELER		**127 777 000**	**121 410 000**
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Selskapskapital	7	5 000	5 000
Overkurs		49 998 000	49 998 000
Annen innskutt egenkapital	7	-52 871 000	-44 304 000
Sum innskutt egenkapital		**-2 868 000**	**5 699 000**

Balanse

Beløp i: EUR	Note	2024	2023
Sum egenkapital		**-2 868 000**	**5 699 000**
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Gjeld til kredittinstitusjoner	8	0	58 059 000
Sum annen langsiktig gjeld		**0**	**58 059 000**
Sum langsiktig gjeld		**0**	**58 059 000**
Kortsiktig gjeld			
Gjeld til kredittinstitusjoner	8	0	14 935 000
Kortsiktig konserngjeld		130 627 000	42 624 000
Annen kortsiktig gjeld		18 000	92 000
Sum kortsiktig gjeld		**130 645 000**	**57 651 000**
Sum gjeld		**130 645 000**	**115 710 000**
SUM EGENKAPITAL OG GJELD		**127 777 000**	**121 409 000**

The Norwegian Tax Administration

Our date	Your date	Case officer
20.12.2024	05.12.2024	Lars Waaltorp
800 80 000	Your reference	Telephone
skatteetaten.no	11002026-101	+4790833418
Org. nr:	Our reference	Postal address
974761076	2024/5584794	P.O. Box 9200 Grønland 0134 Oslo

WIKBORG REIN ADVOKATFIRMA AS
Att.Henriette Filippa Sollie Rud
Postboks 1513 Vika
0117 OSLO
Norge

Callers from abroad, please call +47 22 07 70 00

Exemption from preparing consolidated accounts for NSMP Norge AS, org. no 927 459 000

With reference to your letter of 5 December 2024 with respect to the matter above regarding NSMP Norge AS.

NSMP Norge AS is part of a group where the ultimate parent company is Selkie Investments Midstream Topco Limited. Selkie Investments Midstream Topco Limited is domiciled in Jersey. The ultimate parent company prepares consolidated accounts in accordance with United Kingdom Accounting Standards which include the subgroup NSMP Norge AS.

The tax office gives according to the Norwegian Accounting Act of 17 June 1998 no 56 § 3-7 fourth paragraph an exemption from the obligation to prepare consolidated accounts for NSMP Norge AS. The permission is given on the condition that Selkie Investments Midstream Topco Limited prepares consolidated accounts which include the Norwegian subgroup. It is assumed that the consolidated accounts are prepared in accordance with United Kingdom Accounting Standards and the requirements of the Norwegian Accounting Act § 3-7 and regulations in general is followed. The provisions of the Norwegian Accounting Act Section 8 apply correspondingly to the consolidated accounts.

Regarding which language the parent company prepare consolidated accounts in, we refer to the Regulation of 7 September 2006 no 1062 to supplement and implement of the Norwegian Accounting Act. It follows from § 3-7-1 that consolidated accounts besides in Norwegian, can be in Swedish, Danish or English.

A copy of this letter must be sent to the Register of Company Accounts in Brønnøysund together with the consolidated financial statements. The company is responsible to document by this letter that an exemption is granted.

Yours sincerely,

Lars Waaltorp
The Norwegian Tax Administration

This document has been electronically approved and therefore has no handwritten signatures.

Docusign Envelope ID: 1915F093-653A-43A0-96D8-09971E16FD53

NSMP Norge AS

Report and Financial Statements

31 December 2024

Docusign Envelope ID: 1915F093-653A-43A0-96D8-09971E16FD53

Directors
G Blackburn
A Fletcher
L Haga
I Podoliak
P Warwick

Independent Auditor
PricewaterhouseCoopers AS
Tassebekkveien 354, 3160 Stokke,
Postboks 211 Sentrum,
NO-0103 Oslo
Norway

Solicitors
Wikborg Rein Advokatfirma AS
P.O. Box 1513 Vika
0117 Oslo
Norway

Registered Office
c/o CSC (Norway) AS
Wergelandsveien 7
Oslo
0167 OSLO
Norway

Docusign Envelope ID: 1915F093-653A-43A0-96D8-09971E16FD53

Directors Report

The Directors present their directors' report for the year ended 31 December 2024. The financial statements have been prepared in accordance with the Accounting Act and generally accepted accounting principles.

Principal activity and review of the business

NSMP Norge AS ("NSMP Norge" or "the Company") is part of the Selkie Investments Group ("the Group") that was formed in September 2018 for the purpose of owning and operating midstream gas infrastructure assets in the North Sea. The Group comprises one parent company, Selkie Investments Midstream Topco Limited and 15 subsidiaries.

The Company's principal activity is the holding of investments in midstream gas infrastructure assets.

The Directors envisage that the nature and scale of the Company's activities will continue in the coming year.

The Company's intermediate parent Selkie Investments Midstream Norway Limited was acquired at cost on 16 October 2024 by a fellow Group company Selkie Investments Midstream Bidco Limited.

The ultimate parent Selkie Investments Midstream Topco Limited is domiciled in Jersey and produces consolidated accounts in accordance with United Kingdom Accounting Standards, these accounts include NSMP Norge AS. In accordance with the Norwegian Accounting Act of 17 June 1998 no 50 3-7 fourth paragraph an exemption from the obligation to prepare consolidated accounts for NSMP Norge AS has been applied.

The Group's planned refinancing of its bank loan was completed on 25 October 2024. To facilitate this, a reorganisation was performed to consolidate the separate banking groups within the Group into one unified banking group. The new secured bank facilities were drawn by an intermediately parent company, Selkie Investment Midstream Bidco Limited The existing secured bank loan of €74.0 held by the Company was repaid in full through a new intercompany loan €83.6 million .

Financial performance summary

The loss for the year after taxation amounted to €8.6 million (2023: €5.0 million loss), the increase in loss relates to an impairment loss recognised in the year, refer to note 5. No dividends were received from the Company's direct subsidiary (2023: €nil) and no dividends were declared in the year (2023: €nil).

The Company's total assets a were € 127.8 million as at 31 December 2024 (2023: € 121.4 million).

Allocation of net income

The Group did not declare or pay a dividend in the Reporting Period. The Board of Directors has proposed the net loss of the Group to be attributed to Retained Earnings.

Going concern

The Directors have undertaken a rigorous assessment of going concern and liquidity over a period to 31 December 2026 ("the going concern period"). This includes review of financial forecasts through to the end of December 2026 which include a downside scenario. The Directors have also considered as part of this assessment the impact of events which have arisen following the balance sheet date and up to the date of issue of these financial statements.

The Directors have received confirmation from Selkie Investments Midstream Topco Limited, the Group's parent undertaking, that it intends to support the Group for the period to the end of December 2026 by directing cash flows to ensure the Group has sufficient funds available.

Consequently, the Directors have concluded that the Group will have sufficient funds to continue to meet their liabilities as they fall due to 31 December 2026 and, therefore, have prepared the financial statements on a going concern basis.

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Directors Report (continued)

Future developments and challenges

The Directors envisage that the nature and scale of the Company's activities will continue in the coming year.

Financial risk management

Given its position within the Selkie Investments Midstream Bidco Limited group and as the Company is purely an intermediary holding company, the only risk faced beyond those of the aforesaid group, is the recoverability of intercompany debt. In the event that results in an impairment of the intercompany balances, the Company is reliant on cash funds being available to support the Company.

Corporate Governance Statement

The Board is committed to sound principles of corporate governance which it believes are critical for the Group to achieve its long-term performance goals and maintain the trust and confidence of stakeholders, customers, employees and shareholders.

On 13 December 2023, the Company in conjunction with the Parent Company converted €50.0 million of loan received from Selkie Investments Midstream Norway Limited into permanent investment as a result correcting prior period negative equity in accordance with section 3.5(i) of the Norwegian Companies Act.

As per section 3.5(i) of the Norwegian Companies Act, as Company has negative equity, the Board of Directors are aware of their responsibility to act and will convene a board meeting in the financial year 2025 to discuss proposed actions to rectify this position and implement an appropriate solution.

Board members

The Directors who served the Company during the Reporting Period and to the date of approval of the financial statements are as follows:

Laurits Haga, Chairman	
Paul Warwick	
Sayma Cox	(resigned 19 February 2025)
Gab Barbaro	(resigned 30 September 2024)
Sara Sulaiman	(resigned 30 September 2024)
Angela Fletcher	(appointed 19 February 2025)
Gary Blackburn	(appointed 30 September 2024)
Iryna Podoliak	(appointed 30 September 2024)

The Board of Directors reviews the insurance requirements of the Company on an annual basis and ensures appropriate policies are in place to cover the Directors and Officers of the Company. The Company has made third party indemnity provisions for the benefit of its Directors which were made during the year and remain in force at the date of this report.

Information about shareholders

The Company's ultimate parent company is Selkie Investments Midstream Topco Limited, which is jointly owned by the Kuwait Investment Authority ("KIA") (the Kuwaiti sovereign wealth fund, managed by Wren House Infrastructure Management) and the Infrastructure Investments Fund ("IIF") advised by J.P. Morgan Asset Management. The Directors consider the Company's ultimate controlling parties to be Wren House Infrastructure Group LLP, which is registered at 2, Gresham Street, London, England, EC2V 7QP and IIF Int'l Neon Investment Sarl, which is registered at 11-13, Boulevard De La Foire, Luxembourg.

Transparency Act

In accordance with the Norwegian Transparency Act, the account of the due diligence assessment undertaken on behalf of the Company's subsidiary Risavika Production AS will be published on our website: www.nsmp-limited.com by 30 June 2025.

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Directors Report (continued)

Approved on behalf of the Board

Signed by:
Laurits Haga
FC2A16DD7FD0485...
Laurits Haga, Chairman
30 May 2025

Signed by:
Angela Fletcher
5484A6628CCE481...
Angela Fletcher, Board Member
30 May 2025

Signed by:
Gab Barbaro
23EE7BCFCFD348D...
Gab Barbaro, Deputy Board Member
(as deputy for Iryna Podoliak)
30 May 2025

DocuSigned by:
Gary Blackburn
476E844A223549D...
Gary Blackburn, Board Member
30 May 2025

Signed by:
Paul Warwick
17ED062A7005457...
Paul Warwick, Board Member
30 May 2025

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Income statement

for the year ended 31 December 2024

	Notes	*2024* *€'000*	*2023* *€'000*
Operating expenses			
Other operating gain/(expense)		23	(88)
Impairment	5	(9,129)	-
Total operating expenses	2	(9,106)	(88)
Operating loss		(9,106)	(88)
Finance income and expense			
Finance income	3	8,700	5,430
Finance expense	3	(4,524)	(4,175)
Interest paid to group companies	3	(3,158)	(7,615)
Net finance expenses		1,018	(6,360)
Loss before income tax		(8,088)	(6,448)
Income tax (charge)/credit	4	(479)	1,403
Net loss		(8,567)	(5,045)
Attributable to:			
Other equity		(8,567)	(5,045)
Total		(8,567)	(5,045)

All amounts relate to continuing activities.

There is no other comprehensive income other than the result for the current and preceding financial years. As such, no statement of comprehensive income has been presented.

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Assets

for the year ended 31 December 2024

	Notes	*2024* *€'000*	*2023* *€'000*
Non Current Assets			
Investments	5	51,571	60,700
Total non current assets		**51,571**	**60,700**
Current Assets			
Deferred tax asset		923	1,403
Receivables			
Intercompany receivable due from subsidiary		59,300	59,300
Prepayment		-	1
Intercompany receivable due from parent		11,871	-
Total receivables		71,171	59,301
Cash and cash equivalents	6	4,112	6
Total current assets		**76,206**	**60,709**
Total Assets		**127,777**	**121,409**

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Equity and Liabilities

for the year ended 31 December 2024

	Notes	2024 €'000	2023 €'000
Equity			
Owners equity			
Issued capital	7	5	5
Share premium		49,998	49,998
Total owners equity		**50,003**	**50,003**
Accumulated loss			
Other equity	7	(52,871)	(44,304)
Total accumulated (loss)		**(52,871)**	**(44,304)**
Total equity		**(2,868)**	**5,699**
Liabilities			
Long term liabilities			
External bank loan	8	-	**58,059**
Current liabilities			
Intercompany payable due to parent		126,928	42,622
Accruals		18	92
Intercompany payable due to subsidiary		3,699	2
External bank loan	8	-	14,935
Total current liabilities		**130,645**	**57,651**
Total Liabilities		**130,645**	**115,710**
Total Equity and Liabilities		**127,777**	**121,409**

Signed by: Laurits Haga FC2A16DD7FD0485...
Laurits Haga, Chairman
30 May 2025

Signed by: Angela Fletcher 5484A6C28CCE481...
Angela Fletcher, Board Member
30 May 2025

Signed by: Gab Barbaro 23EE7BCECED349D...
Gab Barbaro, Deputy Board Member
(as deputy for Iryna Podoliak)
30 May 2025

DocuSigned by: Gary Blackburn 476584A3235490...
Gary Blackburn, Board Member
30 May 2025

Signed by: Paul Warwick 17FD082A7005457...
Paul Warwick, Board Member
30 May 2025

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Cash Flow Statement

for the year ended 31 December 2024

	2024	*2023*
	€000	*€000*
Cash flow from operating activities		
Operating loss	(9,106)	(88)
Foreign exchange	(70)	-
Investment impairment	9,129	-
Change in debtors	(14,331)	1,978
Change in creditors	5,136	4,158
Net cash flow used in operating activities	**(9,242)**	**(6,048)**
Cash flow from investing activities		
Interest received	3,304	3,028
Net cash flow from investing activities	**3,304**	**3,028**
Cash flow from financing activities		
Loan repayments	(79,831)	(14,132)
Loan drawdown	88,609	6,542
Financing income/(cost)	1,266	(1,496)
Net cash flow from financing activities	**10,044**	**(9,806)**
Net change in cash and cash equivalents	4,107	(10)
Cash and cash equivalents at 1 January	6	16
Cash and cash equivalents at 31 December	**4,112**	**6**

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Notes to the Company financial statements

for the year ended 31 December 2024

1. Accounting policies

The financial statements for NSMP Norge AS have been prepared in compliance with the Norwegian Accounting Act and accounting principles generally accepted in Norway. The financial statements have been prepared in accordance with the Accounting Act and generally accepted accounting principles.

The debt of the Company is dominated in euro and, therefore, the financial statements are prepared in euro which is the functional and presentational currency of the Company and rounded to the nearest €000.

Going concern

The financial statements presented for the year ended 31 December 2024 have been prepared on a going concern basis. The going concern assumptions have been outlined within the Board of Directors report. The Directors have received confirmation from Selkie Investments Midstream Topco Limited, the Company's parent undertaking, that it intends to support the Company for the period to the end of December 2026, by directing cash flows to ensure the Company has sufficient funds available.

Use of estimates

The preparation of financial statements requires the use of accounting estimates and management judgement. Uncertainties in the estimates and judgements could have an impact on the carrying value amounts of assets and liabilities and the Company's results.

Foreign currency translations

In preparation of the financial statements, transactions in foreign currencies (currencies other than the functional currency) are translated using the foreign exchange rates prevailing at the dates of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency using the exchange rates prevailing at the balance sheet date.

Foreign exchange differences resulting from the transactions are recognised in the income statement as exchange gains or losses within operating expenses. Non-monetary assets and liabilities that are measured at historic cost in a foreign currency are translated using the exchange rates at the date of the transaction.

Administrative and operating expenses

Administrative and operating expenses are expensed when incurred.

Income taxes

The tax charge in the income statement includes both payable taxes and changes in deferred tax. Deferred tax is calculated using the relevant tax rates based on temporary differences arising between accounting and tax values, and any carry forward losses for tax purposes at the year end.

Exchange differences on deferred foreign tax liabilities or assets are classified as deferred tax expense (income) within the income statement.

Classification of balance sheet items

Assets intended for long term ownership or use have been classified as fixed assets. Assets relating to the trading cycle have been classified as current assets. Similar criteria apply to liabilities.

Debtors

Trade debtors and other debtors are recognised in the balance sheet after provision for bad debts.

The bad debt provision is made on an individual assessment of each debtor.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less. Bank overdrafts, when applicable, are shown within borrowings in current liabilities.

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Notes to the Company financial statements (continued)

for the year ended 31 December 2024

1. Accounting policies (continued)

Investments in subsidiaries

Investments in subsidiary companies are included in the financial statements at historical cost less accumulated impairment losses.

Impairment of assets

At each reporting date fixed assets 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 is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in the income statement. If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in the income statement.

Income from fixed asset investments

Income from fixed asset investments is recognised when the Company's right to receive payment is established.

Dividends

Dividends to the parent company are recognised as a liability in the financial statements in the period in which the dividends and other distributions are approved by the Directors of the Company. These amounts are recognised in the statement of changes in equity.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2. Operating loss

The audit fee of €15,000 is borne by the Company.

The Company has no employees. No Director received any remuneration in their capacity as Director of this Company for the period ended 31 December 2024 (2023: nil).

Included within operating profit is an exchange gain on foreign currency translation of €70,000 (2023: €38,000 loss).

3. Finance income and expenses

	2024	*2023*
	€000	*€000*
Finance income:		
Interest income from group companies	3,303	3,028
Income from swap receipts	5,397	2,402
	8,700	5,430
Finance expense:		
Interest paid to group companies	3,158	7,615
Other finance expenses	4,524	4,175
	7,682	11,790

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Notes to the Company financial statements (continued)

for the year ended 31 December 2024

3. Finance income and expenses (continued)

The Company granted an interest baring loan to its subsidiary Risavika Production AS. Interest is due on the loan at the higher of 1.8% or EURIBOR + 1.8%, and is repayable on demand.

After incorporation the Company received a loan of €64.6 million from its parent company Selkie Investments Midstream Norway Limited. During 2022 the loan was increased by €6.4 million. During 2023 the loan was further increased by €1.5 million. On 13 December 2023, the Company in conjunction with the Parent Company converted €50.0 million of loan received from Selkie Investments Midstream Norway Limited into permanent investment.

Interest is at a fixed rate of 11%. No repayments were made during the period. The loan is repayable on demand.

On 25 October 2024 the Company received a loan of €83.6 million from its parent company, Selkie Investments Midstream Norway Limited. The loan received was used to repay the external banking facility included within note 8.

The current interest rate is set at 4.38%. A repayment of €0.9 million was made during December 2024. The loan is repayable on demand.

On 21 October 2024 the Company terminated interest rate swap agreements held in relation to the previous external banking facility. This resulted in a gain of €4.2m which has been reflected within "Income from swap receipts" above.

4. Tax on profit

Tax base calculation

	2024 *€000*	*2023* *€000*
Tax charge/(credit):		
Changes in deferred tax liability	479	(1,403)
Total tax charge/(credit)	479	(1,403)

Tax base calculation

	2024 *€000*	*2023* *€000*
Temporary differences:		
Provisions and accruals	2,384	972
Tax loss to carry forward	(6,581)	(7,347)
Tax base	(4,197)	(6,375)
Deferred tax asset	923	1,403

The deferred tax asset has been calculated with a tax rate of 22%.

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Notes to the Company financial statements (continued)

for the year ended 31 December 2024

4. Tax on profit (continued)

Explanation as of why the current year's tax expense is not 22% of the profit before tax:

	2024 *€000*	*2023* *€000*
Loss before tax	(8,088)	(6,448)
22% Taxes on loss before tax	(1,779)	(1,418)
Non-deductible expenses	2,775	3,062
Non-deductible income	(593)	(2,009)
Other adjustments	76	88
Deferred tax not recognised	-	(1,126)
Tax base	479	(1,403)

5. Investments

	Shares in Group undertakings *€000*
Cost at 31 December 2023	60,700
Impairment	(9,129)
At 31 December 2024	51,571

During the year, the Company recognised an impairment charge of €9.1 million within the income statement. The impairment is in relation to Risavika Production AS and arises primarily due to a reassessment of the appropriate discount rate utilised.

Subsidiary undertakings

The Company's investments at the statement of financial position date in the share capital of companies include the following:

Risavika Production AS

Nature of business: Production of liquified natural gas
Class of shares: Ordinary
% Holding: 100%
Registered address: Kontinentalvegen 36, 4056 TANANGER

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Notes to the Company financial statements (continued)

for the year ended 31 December 2024

6. Bank deposits

	2024	*2023*
	€000	*€000*
Other bank deposits and cash	4,112	6
	4,112	6

7. Equity

€000	*Issued Capital*	*Share Premium*	*Other Equity*	*Total*
Opening	5	49,998	(44,304)	5,699
Profit for the year	-	-	(8,567)	(8,567)
Equity at 31 December 2024	5	49,998	(52,871)	(2,868)

The Company was established with a share capital of NOK 30,000 divided into 30,000 shares, each with a nominal value of NOK 2.

The Company is a wholly owned subsidiary of Selkie Investments Midstream Norway Limited.

On 13 December 2023, the Company in conjunction with the Parent Company converted €50.0 million of loan received from Selkie Investments Midstream Norway Limited into permanent investment as a result correcting prior period negative in accordance with section 3.5(i) of the Norwegian Companies Act. As a result the 30,000 of issued share capital was reissued at 2 NOK per share (previously issued at 1 NOK).

As per section 3.5(i) of the Norwegian Companies Act, as Company has negative equity, the Board of Directors are aware of their responsibility to act and will convene a board meeting in the financial year 2025 to discuss proposed actions to rectify this position and implement an appropriate solution.

8. Bank loan

The bank loans, which are wholly repayable in 5 years, can be analysed as follows:

	2024	*2023*
	€000	*€000*
Due within one year	-	15,134
Less: Unamortised issue costs	-	(199)
	-	14,935
Due after one year	-	58,832
Less: Unamortised issue costs	-	(772)
	-	58,059
Total	-	72,995

On 16 November 2021, the Group entered a secured debt facility of €88.0 million which included access to a €5.0 million Revolving Credit Facility ("RCF"). The Group drew down on the full loan facility which carries interest rates at EURIBOR plus 1.65% to 2.50% and has a tenor of 7 years with capital repayments

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Notes to the Company financial statements (continued)

for the year ended 31 December 2024

8. Bank loan

commencing in June 2022. The loan facility is secured by way of a debenture containing provisions for both fixed and floating charges over the assets of the NSMP Norge AS Group of companies.

On 25 October 2024 the Company received a loan of €83.6 million from its parent company Selkie Investments Midstream Norway Limited. The loan received was used to repay the external banking facility.

9. Parent undertaking and ultimate controlling party

The Company is a wholly owned subsidiary of Selkie Investments Midstream Norway Limited.

Selkie Investments Midstream Topco Limited is the parent undertaking for the largest and smallest group of undertakings for which group financial statements are drawn up. Copies of the group financial statements can be obtained from 3rd Floor, 44 Esplanade, St Helier, JE4 9WG, Jersey.

The Directors consider the Company's ultimate controlling parties to be Wren House Infrastructure Group LLP, which is registered at 2, Gresham Street, London, England, EC2V 7QP and IIF Int'l Neon Investment Sarl, which is registered at 11-13, Boulevard De La Foire, Luxembourg.

To the General Meeting of NSMP Norge AS

Independent Auditor's Report

Opinion

We have audited the financial statements of NSMP Norge AS (the Company), which comprise the Assets, Equity and Liabilities as at 31 December 2024, the income statement and cash flow statement for the year then ended, and notes to the company financial statements, including a summary of significant accounting policies.

In our opinion the financial statements comply with applicable statutory requirements, and the financial statements give a true and fair view of the financial position of the Company as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). 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 as required by relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), 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.

Other Information

The Board of Directors (management) is responsible for the information in the Board of Directors' report. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for such internal control as management determines 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, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations.

PricewaterhouseCoopers AS, Tassebekkveien 354, 3160 Stokke, Postboks 211 Sentrum, 0103 Oslo
T: 02316, org. no.: 987 009 713 MVA, www.pwc.no
Statsautoriserte revisorer, medlemmer av Den norske Revisorforening og autorisert regnskapsførerselskap

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 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. For further description of Auditor's Responsibilities for the Audit of the Financial Statements reference is made to: https://revisorforeningen.no/revisjonsberetninger

Vestfold, 30 May 2025
PricewaterhouseCoopers AS

Kristian Watle
State Authorised Public Accountant
(This document is signed electronically)

Securely signed with Brevio

Revisjonsberetning - Selskap og konsern engelsk...

Signers:

Name	*Method*	*Date*
Watle, Kristian	BANKID	2025-06-03 09:45

This document package contains:

- *Closing page (this page)*
- *The original document(s)*
- *The electronic signatures. These are not visible in the document, but are electronically integrated.*

This file is sealed with a digital signature.
The seal is a guarantee for the authenticity of the document.

Skatteetaten

Vår dato	Din/Deres dato	Saksbehandler
27.07.2023	07.07.2023	Lars Waaltorp
800 80 000	Din/Deres referanse	Telefon
Skatteetaten.no	11002026-101-001	90833418
Org.nr	Vår referanse	Postadresse
974761076	2023/5420685	Postboks 9200 Grønland 0134 OSLO

WIKBORG REIN ADVOKATFIRMA AS
Postboks 1513 Vika
0117 OSLO

Att. Henrik Begby

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk for NSMP Norge AS, org.nr. 927 459 000

Vi viser til deres brev mottatt 7. juli 2023 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk for NSMP Norge AS.

Skattekontoret gir på bakgrunn av en konkret helhetsvurdering NSMP Norge AS dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen gjelder så lenge opplysningene som danner grunnlaget for vedtaket ikke endres vesentlig.

Kopi av dette brevet må sendes til Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Den regnskapspliktige må selv dokumentere ved dette brev at tillatelse er gitt.

Bakgrunn
NSMP Norge AS har utenlandske eiere er en del av et internasjonalt konsern. Selskapet driver virksomhet innen olje- og gassektoren. Selskapets og konsernets arbeidsspråk er engelsk, og selskapet har utenlandske styremedlemmer.

Skattekontorets vurdering
Etter regnskapsloven § 3-4 tredje ledd skal "årsregnskapet og årsberetningen [...] være på norsk. Departementet kan ved [...] enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk."

I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap mv., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:

> "Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising

av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon."

Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til "informative regnskaper for ulike grupper av regnskapsbrukere". Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte og lokalsamfunnet.

Det er etter skattekontorets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk kan gis, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har skattekontoret lagt særlig vekt på at selskapet har utenlandske eiere er en del av et internasjonalt konsern. Videre er det vektlagt at selskapet driver virksomhet i en internasjonal bransje der alle sentrale aktører behersker og benytter engelsk.

Vennligst oppgi vår referanse ved henvendelse i saken.

Med hilsen

Lars Waaltorp
Skatteetaten

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.

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Registered No. 126838

Selkie Investments Midstream Topco Limited

Report and Consolidated Financial Statements

31 December 2024

Docusign Envelope ID: 2E1FBD99-73C0-4E33-A3D2-3CA7C3D356A9

Directors

G Barbaro
J Barry
L Haga
P Warwick
G Blackburn
A Fletcher
J Pernet

Secretary

Ogier Global (Jersey) Limited

Independent auditors

PricewaterhouseCoopers LLP
The Capitol
431 Union Street
Aberdeen
AB11 6DA

Bankers

Bank of Scotland
33 Old Broad Street
London
EC2N 1HZ

Santander
2 Triton Square
Regent's Place
London
NW1 3AN

ABN AMRO
Gustav Mahlerlann 10
1082 PP
Amsterdam
The Netherlands

Solicitors

Brodies LLP
15 Atholl Crescent
Edinburgh
EH3 8HA

Registered Office

3rd Floor
44 Esplanade
St Helier
Jersey
JE4 9WG

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Strategic Report

The Directors present their Strategic report for the year ended 31 December 2024.

Principal activity and review of the business

Selkie Investments Midstream Topco Limited ("the Company") is the ultimate parent company of the Selkie Investments ("Selkie") Group ("the Group"). The Group was formed in July 2018 for the purpose of owning and operating midstream gas infrastructure assets in the North Sea.

The principal activity of the Company is that of a holding company. The principal activities of the Group are the transportation and processing of hydrocarbons from the North Sea. The Group owns a 100% interest in the Teesside Gas Processing Plant ("TGPP"), a 100% interest in the FUKA pipeline ("FUKA") and St. Fergus Gas Terminal ("SFGT"), and a 67.04% interest in the Shetland Island Regional Gas Export ("SIRGE") pipeline. The Group owns 100% interest in the Risavika Liquefication Plant, a small-scale natural gas and biogas liquefaction facility located at the Risavika Harbour in Southern Norway.

The Group has a 10% participating share in the Acorn Development Project which forms part of the Scottish Cluster focusing on carbon capture and storage to accelerate decarbonisation. It plans to use existing technology and infrastructure to capture CO_2 emissions and transport offshore to depleted reservoirs. Acorn project costs are held within 'Other intangible assets' unamortised until an assessment of its economic commerciality is determined.

The Group's planned refinancing of its bank facilities was completed on 25 October 2024. The existing secured bank loans were repaid in full and replaced with a multi-currency facility consisting of £425.3 million and €83.6 million (note 15) from a mix of commercial banks and institutional lenders. Fees relating to the refinancing amounted to £14.5m. The new facilities primarily carry interest rates at EURIBOR and SONIA plus 1.80% to 3.00%, an element of the loan has a fixed interest rate. The facilities have initial tenors of 5 to 11 years with the 5 year tenor extendable by up to a further 2 years. Capital repayments commenced in December 2024.

Operations

Safety, Health and Environmental (SHE) performance

Px Group operates all of the Group's offshore and onshore pipelines and onshore terminals, and demonstrates a clear safety leadership commitment, with processes applied effectively to manage the Occupational, Process Safety and Environmental risks associated with the Group's infrastructure. The px Group is accredited to ISO 9001 (QMS), ISO 14001 (QMS), 27001 (Information Security Management System) and ISO 45001 (Occupational Health Safety Management System). This is embedded within their corporate management system and all sites under there operational control are therefore operated in line with those principles. In addition the TGPP terminal is accredited to the ISO 9001 Quality Management System, SFGT is accredited to ISO 14001 Environmental Compliance Standard, and RLP holds active ISCC Certification and ISPS (International Ship & Port Facility Security) Audit and Certification.

All terminal and pipeline activities are managed under an industry standard Safe System of Work, and Emergency Response Plans are in place for all the Group's assets. Compliance with the px Group Safety Management System is ensured through internal and external audits, and a robust reporting system exists for all incidents and near misses.

The Group continued to operate its assets in a safe and reliable manner, and there were no recordable injuries, reportable incidents or regulatory enforcement action during the period.

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Strategic Report (continued)

Operations (continued)

Northern North Sea (NNS) and West of Shetlands (WoS) transportation and processing

SFGT processed 186 bcf of gas in the year (2023: 191 bcf) from a number of fields in the Northern North Sea ("NNS") and West of Shetlands ("WoS"). The decrease in the volumes processed during the year is attributable to the impact of reduced production from the GLA and Martin Linge fields.

The Group will continue to seek further sources of WoS and NNS gas to process in order to maximise the utilisation of SIRGE, FUKA and SFGT.

Central North Sea (CNS) and Southern North Sea (SNS) processing

TGPP processed 62 bcf of gas in the year (2023: 66 bcf) from the Central North Sea ("CNS"). The decrease is due to lower gas nominations under the Company's firm contracts, partially offset by additional volumes from flexible processing agreements. TGPP processed 14 bcf of gas in the year (2023: 11 bcf) from the Breagh field in the Southern North Sea ("SNS"). This increase was due to the start-up of the electric-driven compressor at TGPP in October 2024, significantly increasing gas flow rates from the field.

Risavika Liquification Plant (RLP)

RLP produced approximately 215.2 kt LNG (2023: 194.9 kt) of which approximately 203.6 kt (2023: 177.5 kt) was delivered to Gasum utilising ship bunkering and road transportation facilities. The remaining LNG produced during the year was held within RLP's storage tank as at 31 December 2024 or delivered as boil of gas to customers. The Company has operated efficiently with a good degree of utilisation, although during 2024 its production rates have been adversely impacted by higher concentrations of heavy hydrocarbons in the feed gas received by the plant from the Kårstø terminal during Q1 and Q4.

Financial performance

The Group's operating profit for the year was £12.7 million (2023: profit of £3.5 million) reflecting lower depreciation charges resulting from the change in useful lives associated with TGPP and SFGT this has been partially offset by an impairment charge, refer to note 10. The loss after tax was £98.1 million (2023: loss of £104.5 million) reflecting the improved operating profit and a small decrease in net finance expenditure to £113.2m (2023: £113.6m) as a result of revaluation of the Group's interest rate hedges.

Operating costs were well controlled across all sites. There has been a drive to focus on operating the Group's infrastructure assets in the most cost-efficient manner while maintaining both the safety and reliability of the systems.

Key performance indicators

The Directors utilise a number of financial and non-financial key performances indicators (KPIs) to monitor performance and profitability. These focus on amongst others:

Non-Financial	**Financial**
SHE Statistics	EBITDA
Volume Throughput	Cash Flow / Liquidity
Liquid Extraction Rate	Debt Service Coverage Ratio
Asset Utilisation	Net Debt
Asset Availability	Finance Costs
Asset Run Hours	Profit after tax

EBITDA represents earnings before interest, taxation, depreciation, amortisation and certain non-recurring items. Net debt represents external loans less cash and bank balances held. Some of the KPIs listed above are disclosed and/or referred to earlier within the Strategic Report.

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Strategic Report (continued)

Operations (continued)

Dividends, financing and capital

The Group did not declare or pay a dividend in either period presented. During 2024 £45.7m of bank loan facility repayments were made (excluding any amounts repaid as part of the refinancing) and a distribution, by the way of repayment of accrued shareholder loan note interest, was made to the Group's parent company of £20.0m. Capital expenditure in 2024 was £12.1m.

Future developments

The Group continues to assess new transportation and processing opportunities to enhance the future utilisation of its midstream infrastructure assets in the medium to longer term, as well as exploring integration and consolidation opportunities in the UK.

Principal risks and uncertainties

The management of the business and execution of the Group's strategy are subject to a number of risks. The Directors regularly review the associated risks and act when and where appropriate to mitigate those risks. The following considers and describes the principal risks facing the business.

Government Policy risks

The Group provides transportation, processing and liquefaction of hydrocarbons for various customers in the UK and Norway. Accordingly, policies enacted by the UK and Norwegian governments relating to the production and taxation of hydrocarbons could have a material impact on the ability of the Group to operate effectively and efficiently. The Directors regularly discuss relevant developments and ensure the Group's strategy appropriately reflects the importance of our current core business and the ongoing energy transition.

Geo-Political risks

The current geo-political risks create increasingly volatile conditions in capital and commodity markets. Analysis of the business exposure to the situation and the direct or indirect impact of any applicable sanctions has been undertaken concluding there to be no concerns of material impact on the Group. We continue to monitor the situation carefully.

Inherent risks

SFGT and TGPP Future volumes – The business is exposed to the success, or otherwise, of exploration and gas production on the UK and Norwegian continental shelves. Cyclical drilling activity and variable future gross gas production from across the various offshore catchment areas will determine the level of gas available for transporting and processing via the Group's infrastructure. The Group maintains active and regular dialogue with current and potential customers to maximise its ability to secure future volumes.

SFGT and TGPP NGL export routes – The business requires export routes for the non-gas liquids (NGL) which are extracted as part of the processing services provided at SFGT and TGPP in order to ensure continuous, long term service provision to its customers. The Group keeps all such arrangements under review to ensure ongoing availability and also evaluates alternatives where appropriate.

RLP Market Conditions and Energy Transition – RLP's business involves the liquefaction of hydrocarbons and, therefore, changes within the supply, demand and relative cost bases in the liquification market could have a material impact on the ability of RLP to operate effectively and efficiently and to remain competitive in the marketplace. The Group monitors relevant developments and ensures RLP's strategy appropriately reflects the importance of its current core business and the ongoing energy transition.

RLP Gas Import and Export – In order to ensure continuous, long term service provision, RLP requires both the import of feed gas of appropriate quantity and quality and an export route for the tail gas (or boil-off gas) which arises as part of the liquefaction services provided at RLP. The Group keeps all such arrangements under review to ensure ongoing availability and also evaluates alternatives where appropriate.

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Strategic Report (continued)

Principal risks and uncertainties (continued)

Inherent risks (continued)

Power Prices – The Group's operational activities require material power consumption which must be procured from the market. The Group has helped mitigate this risk through securing fixed price PPAs during 2023 and 2024 thereby effectively fixing a large proportion of the Group's electricity costs out as far as 2031. Future opportunities and strategy are kept under regular review.

Covenant compliance – The Group maintains a leveraged position and is counterparty to a Common Terms Agreement, through which the Group is financed. The Group is required to service its debts in accordance with the Common Terms Agreements and is subject to certain covenant testing at June and December each year as well as needing to comply with other obligations under the Common Terms Agreements.

Mitigable risks

Safety – Training programmes are in place that ensure all staff have the competence required for their role and responsibilities, enabling the Group's assets to operate safely, reliably and efficiently. Safety, Health and Environmental ("SHE") training is at the forefront of every individual's training needs. A health and safety management system is used across all sites and regular SHE audits are carried out to ensure the Group is compliant with all relevant regulations.

Interest rate movements – The Group has mitigated this risk by fixing the rates of interest payable on 100% of its external borrowings by utilising derivative financial instruments. The fair value of these instruments is recorded in the statement of financial position within net assets/liabilities and the movement within profit/(loss) in the income statement.

Approved on behalf of the Board

Signed by:
Angela Fletcher
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Angela Fletcher
Director
29 May 2025

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Directors' report

The Directors present their Directors' report for the year ended 31 December 2024.

The Company has chosen to set out in the Strategic report the following, which the Directors believe to be of significant importance:

- Review of the business
- Future developments
- Principal risks and uncertainties

Results and dividends

The Group recorded an operating profit of £12.7 million (2023: profit of £3.5 million). Cash inflow from operations was £76.9 million (2023: £84.8 million). The Group recorded a loss after tax of £98.1 million (2023: loss of £104.5 million). No dividend was paid in either period presented.

Directors

The Directors who served the Company during the year and to the date of approval of the financial statements are as follows:

G Barbaro	
J Barry	
S Cox	(resigned 22 November 2024)
L Haga	
P Sochocki	(resigned 20 March 2025)
S Sulaiman	(resigned 17 September 2024)
P Warwick	
G Blackburn	(appointed 17 September 2024)
R Ozsanlav	(appointed 22 November 2024) (resigned 17 February 2025)
S Hazell	(resigned 10 January 2024)
A Fletcher	(appointed 3 February 2025)
J Pernet	(appointed 1 April 2025)

Directors' indemnities

The Company has made third party indemnity provisions for the benefit of its Directors which were made during the year and remain in force at the date of the approval of this report.

Future developments

Details of future developments can be found in the Strategic Report on page 4 and form part of this report by cross-reference.

Going concern

The Directors have undertaken a rigorous assessment of going concern and liquidity over a period to 31 December 2026 (the going concern period). This includes review of financial forecasts through to the end of December 2026 which reflect severe, but plausible, downside scenarios. The Directors have also considered as part of this assessment the impact of events which have arisen following the balance sheet date and up to the date of issue of these financial statements.

The Group regularly monitors its funding position throughout the year to ensure that it has access to sufficient funds to meet its forecast cash requirements. Forecasts are regularly produced to give Management's best estimates of forward liquidity and forecast covenant compliance as defined in the Group's facilities agreements.

In order to satisfy themselves that they have adequate resources for the going concern assessment period, the Directors have reviewed the Group's existing debt levels, the forecast compliance with debt covenants,

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Directors' report (continued)

Going concern (continued)

and the Group's ability to generate cash from trading activities. As at 31 December 2024, the Group's principal debt facilities comprised of a £425.3 million and €83.6 million term loan with tenors of 5 to 11 years with the 5 year tenor extendable by up to a further two years. In addition, the Group as access to a £35 million multicurrency Revolving Credit Facility.

At the year end, the outstanding balances on the term debt facilities were £408.5 million and €82.7 million, and the Group had sufficient liquidity and was in compliance with its financial covenants.

The Group's base case going concern assessment utilises the Board approved budget and business plan which provide financial projections through to the end of December 2026. The Group's current suite of contracts are of a long-term nature with reputable, creditworthy counterparties who are deemed to pose limited credit risk. In addition, the assets of the trading entities within the Group are critical to the UK and Norway natural gas resources and essential to the security of energy supply.

The Directors have also considered severe, but plausible, downside scenarios to reflect the potential impacts of further declines in volumes and/or delays to key infill well drilling which could result from a worsening economic climate or continued sector uncertainty. In each of the scenarios modelled, the Group will have sufficient funds, through internally generated resources to meet its liabilities as they fall due and ensure compliance with its financial covenants.

Consequently, the Directors have concluded that the Group and Company will have sufficient funds to continue to meet their liabilities as they fall due to 31 December 2026 and, therefore, have prepared the financial statements on a going concern basis.

Financial risk management

- **Price risk** – wherever possible and appropriate the Group enters into contracts which are of a mid to longer term duration in nature. Typically, future pricing is managed via agreed indexation principles.
- **Credit risk** – the Group is selective with whom it conducts business and regularly reviews the status of its counterparties.
- **Interest rate risk** – the exposure to floating interest rate movements associated with the Group's financing arrangements has been mitigated by entering into a floating to fixed rate swap arrangements for 100% of the Group's floating rate term debt.
- **Liquidity** – is assessed on a monthly basis with regards to the available cash and facilities and the Group retains sufficient cash and undrawn facilities to satisfy its current obligations. The available cash position is assessed against budget and any subsequent updates for year to date and re-forecast trading performance. This is further used to monitor compliance with the Group's Facilities Agreements.
- **Cash Flow** – is also assessed on a monthly basis in line with the receivables cycles of the Group's processing contracts, with a corresponding analysis of any ageing of debtors.

Re-appointment of auditors

During 2024 PricewaterhouseCoopers LLP were appointed auditors of the Company. The auditors will be deemed to be reappointed and PricewaterhouseCoopers LLP will therefore continue in office.

Approved by the Board of Directors and signed on its behalf by

Signed by:
Angela Fletcher
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Angela Fletcher
Director
29 May 2025

Docusign Envelope ID: 2E1FBD99-73C0-4E33-A3D2-3CA7C3D356A9

Statement of Directors' responsibilities

The directors are responsible for preparing the financial statements in accordance with applicable Jersey law and United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" Purpose of the financial statements.

The directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the directors are responsible for:

- selecting suitable accounting policies and then applying them consistently;
- stating whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- making judgements and accounting estimates that are reasonable and prudent; and
- preparing the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors confirm that they have complied with the above requirements in preparing the financial statements.

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

The directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company.

Independent auditors' report to the members of Selkie Investments Midstream Topco Limited

Report on the audit of the financial statements

Opinion
In our opinion, Selkie Investments Midstream Topco Limited's group financial statements:

- give a true and fair view of the state of the group's affairs as at 31 December 2024 and of its loss and cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies (Jersey) Law 1991.

We have audited the financial statements, included within the Report and Consolidated Financial Statements (the "Annual Report"), which comprise: Group statement of financial position as at 31 December 2024; Group statement of profit or loss and other comprehensive income, Group statement of changes in equity and Group statement of cash flows for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

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

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

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

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

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

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

Reporting on other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

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

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

Auditors' responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material

misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the group and industry, we identified that the principal risks of non-compliance with laws and regulations related to the Petroleum Act 1998, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as UK and International tax legislation and the Companies (Jersey) Law 1991. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate journal entries to increase revenue or EBITDA and decrease costs, and potential management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Enquiries of management around known or suspected instances of non-compliance with laws and regulations, tax legislations, claims and litigation, and instances of fraud;
- Understanding management's controls designed to prevent and detect irregularities;
- Review of board minutes;
- Challenging management on assumptions and judgements made in their significant accounting estimates; and
- Identifying and testing journal entries with a specific focus on entries containing unusual account combinations in response to the risk of management override of controls.

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

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

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Article 113A of the Companies (Jersey) Law 1991" and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

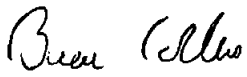
Companies (Jersey) Law 1991 exception reporting

Under the Companies (Jersey) Law 1991 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- proper accounting records have not been kept by the company, or proper returns adequate for our audit have not been received from branches not visited by us; or

- the company financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Bruce Collins
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants
Aberdeen
29 May 2025

Docusign Envelope ID: 2E1FBD99-73C0-4E33-A3D2-3CA7C3D356A9

Group statement of profit or loss and other comprehensive income

For the year ended 31 December 2024

	Note	2024 £000	2023 £000
Turnover	2	277,306	277,490
Cost of sales		(210,009)	(230,576)
Gross profit		67,297	46,914
Administrative expenses		(48,198)	(43,392)
Impairment of assets	9,10	(6,402)	-
Operating profit	3	12,697	3,522
Finance income	6	17,280	22,327
Finance costs	7	(130,475)	(135,880)
Loss before taxation		(100,498)	(110,031)
Tax credit on loss		2,398	5,563
Loss for the financial year		(98,100)	(104,468)
Other expense			
Foreign currency translation difference – foreign operations		349	1,261
Total comprehensive expense for the year		(97,751)	(103,207)

All amounts relate to continuing activities.

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Group statement of financial position

At 31 December 2024

	Notes	2024 £000	2023 £000
Fixed assets			
Intangible assets	9	87,388	92,175
Tangible assets	10	994,538	1,056,803
Other long-term assets	11	12,677	39,809
		1,094,603	**1,188,787**
Current assets			
Stocks		1,081	1,209
Debtors	12	45,465	48,258
Cash at bank and in hand	20(b)	19,713	7,603
		66,259	57,070
Creditors: amounts falling due within one year	13	(290,755)	(332,624)
Net current liabilities		**(224,496)**	**(275,554)**
Total assets less current liabilities		**870,107**	**913,233**
Creditors: amounts falling due after one year	14	(1,104,220)	(1,048,308)
Provisions for liabilities and charges			
Decommissioning provision	17	(36,753)	(38,496)
Deferred taxation	18	(199,987)	(211,683)
Net liabilities		**(470,853)**	**(385,254)**
Capital and reserves			
Called-up share capital	19	70,286	70,441
Share premium	19	12,638	4,614
Profit and loss reserve	19	(555,043)	(456,943)
Treasury shares reserve	19	-	(4,283)
Foreign currency translation reserve	19	1,266	917
Shareholders' Deficit		**(470,853)**	**(385,254)**

The financial statements were approved by the Board of Directors, authorised for issue and signed on its behalf by:

Signed by:
Angela Fletcher
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Angela Fletcher
Director
29 May 2025

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Group statement of changes in equity

for the year to 31 December 2024

	Called-up share capital £000	*Share premium £000*	*Profit and loss reserve £000*	*Treasury Shares reserve £000*	*Foreign currency translation reserve £000*	*Shareholders' Deficit £000*
At 1 January 2023	70,173	4,614	(352,475)	(2,486)	(344)	(280,518)
Buyback of ordinary shares	-	-	-	(1,797)	-	(1,797)
Foreign currency translation differences	-	-	-	-	1,261	1,261
Issue of ordinary shares	268	-	-	-	-	268
Loss for the year	-	-	(104,468)	-	-	(104,468)
At 31 December 2023	70,441	4,614	(456,943)	(4,283)	917	(385,254)
Sale of shares in issue (note 19)	-	7,602	-	4,283	-	11,885
Issue of ordinary shares	56	211	-	-	-	267
Reclassification	(211)	211	-	-	-	-
Foreign currency translation differences	-	-	-	-	349	349
Loss for the year	-	-	(98,100)	-	-	(98,100)
At 31 December 2024	70,286	12,638	(555,043)	-	1,266	(470,853)

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Group statement of cash flows

for the year ended 31 December 2024

	Notes	2024 £000	2023 £000
Net cash inflow from operating activities	20(a)	78,211	86,871
Taxation paid		(11,482)	(5,566)
Net cash generated from operating activities		**66,729**	**81,305**
Cash flow from investing activities			
Payments to acquire tangible fixed assets		(12,149)	(32,130)
Contributions received for tangible fixed assets		4,183	8,515
Finance income		242	148
Investment in intangibles		(1,686)	(1,775)
Net cash used in investing activities		**(9,410)**	**(25,242)**
Cash flow from financing activities			
Interest paid[1]		(18,825)	(12,935)
Receipt from swap termination		31,290	-
Swap purchase		(10,000)	-
Payment for debt transaction costs		(13,311)	-
Receipt of loan facility		507,395	44,286
Repayments of existing loan facility		(536,143)	(103,916)
Proceeds from issue of ordinary share capital		267	268
Proceeds from issue of preference shares		5	-
Proceeds from issue of loan notes		2,228	2,232
Acquisition of treasury shares		-	(1,797)
Repayment of accrued shareholder loan note interest		(20,000)	-
Proceeds from sale of ordinary share capital		11,885	-
Net cash used in financing activities		**(45,209)**	**(71,862)**
Net increase/(decrease) in cash		**12,110**	**(15,799)**
Cash and cash equivalents at the beginning of the year		7,603	23,402
Cash and cash equivalents at the end of the year	20(b)	**19,713**	**7,603**

[1] Interest paid includes interest on bank loan and other interest payable (£35.8 million) (2023: (£35.1 million)) and receipt from interest rate swap £17.0 million (2023: £22.2 million).

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Notes to the financial statements

for the year ended 31 December 2024

1. Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and to the preceding year.

General information

Selkie Investments Midstream Topco Limited and its subsidiaries ('the Group') focus on the ownership and development of large-scale midstream oil and gas infrastructure assets within the North Sea and Norway. Details of the Group's activities during the year are provided in the Strategic report. Selkie Investments Midstream Topco Limited is a private limited liability Company limited by shares and incorporated in Jersey. The Registered Office is 3rd Floor, 44 Esplanade, St Helier, Jersey, JE4 9WG.

The principal activity of the Company is that of a holding company. The principal activities of the Group are the transportation and processing of hydrocarbons from the North Sea.

Statement of compliance

The Group financial statements have been prepared in accordance with United Kingdom Accounting Standards, including FRS102 "The Financial Reporting Standard applicable to the UK and Republic of Ireland" and the Companies (Jersey) Law 1991.

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards. The financial statements have been prepared using accounting principles based on historical cost, unless stated otherwise. The financial statements are prepared in sterling which is the presentational currency of the Group and rounded to the nearest £000.

Basis of consolidation

The Group financial statements consolidate the financial statements of Selkie Investments Midstream Topco Limited and its subsidiary undertakings, Selkie Investments Midstream Midco 1 Limited, Selkie Investments Midstream Midco 2 Limited, Selkie Investments Midstream Norway Limited, NSMP Norge AS, Risavika Production AS, Selkie Investments Midstream Bidco Limited, North Sea Midstream Partners Limited, NSMP HoldCo 2 Limited, NSMP (TGPP) Limited, Teesside Gas Processing Plant Limited, TGPP 1 Limited, TGPP 2 Limited, Teesside Gas & Liquids Processing, Northern Gas Processing Limited, Selkie Employee Benefit Trust and NSMP Operations Limited, drawn up to 31 December each year.

Going concern

The Directors have undertaken a rigorous assessment of going concern and liquidity over a period to 31 December 2026 (the going concern period). This includes review of financial forecasts through to the end of December 2026 which reflect severe, but plausible, downside scenarios. The Directors have also considered as part of this assessment the impact of events which have arisen following the balance sheet date and up to the date of issue of these financial statements.

The Group regularly monitors its funding position throughout the year to ensure that it has access to sufficient funds to meet its forecast cash requirements. Forecasts are regularly produced to give Management's best estimates of forward liquidity and forecast covenant compliance as defined in the Group's facilities agreements.

In order to satisfy themselves that they have adequate resources for the going concern assessment period, the Directors have reviewed the Group's existing debt levels, the forecast compliance with debt covenants, and the Group's ability to generate cash from trading activities. As at 31 December 2024, the Group's principal debt facilities comprised of a £425.3 million and €83.6 million term loan with tenors of 5 to 11 years with the 5 year tenor extendable by up to a further two years. In addition, the Group as access to a £35 million multicurrency Revolving Credit Facility.

At the year end, the outstanding balances on the term debt facilities were £408.5 million and €82.7 million, and the Group had sufficient liquidity and was in compliance with its financial covenants.

The Group's base case going concern assessment utilises the Board approved budget and business plan which provide financial projections through to the end of December 2026. The Group's current suite of

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Notes to the financial statements

for the year ended 31 December 2024

1. Accounting policies (continued)

Going concern (continued)

contracts are of a long-term nature with reputable, creditworthy counterparties who are deemed to pose limited credit risk. In addition, the assets of the trading entities within the Group are critical to the UK and Norway natural gas resources and essential to the security of energy supply.

The Directors have also considered severe, but plausible, downside scenarios to reflect the potential impacts of further declines in volumes and/or delays to key infill well drilling which could result from a worsening economic climate or continued sector uncertainty. In each of the scenarios modelled, the Group will have sufficient funds, through internally generated resources to meet its liabilities as they fall due and ensure compliance with its financial covenants.

Consequently, the Directors have concluded that the Group and Company will have sufficient funds to continue to meet their liabilities as they fall due to 31 December 2026 and, therefore, have prepared the financial statements on a going concern basis.

Critical accounting Judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 1, the Directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical judgements, apart from those involving estimations (which are indicated below), that the Directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

a) Tangible and intangible fixed assets

The Company establishes a reliable estimate of the useful life of goodwill and intangible assets arising on business combinations. This estimate is based on a variety of factors such as the expected use of the acquired business, the expected useful life of the cash generating units to which the goodwill is attributed, any legal, regulatory or contractual provisions that can limit useful life and assumptions that market participants would consider in respect of similar businesses.

The annual depreciation charge for property, plant and equipment is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 10.

There were indicators that the useful life of tangible assets related to Teeside Gas Processing Plant and St Fergus Gas Terminal has changed since the prior annual reporting period. As a result, this estimate has been reviewed and the useful life is amended as at 31 December 2023 from 2033-2036 for Plant and Machinery to 2042-2047. Change in the expected useful life shall be accounted for as a change in accounting estimate.

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Notes to the financial statements

for the year ended 31 December 2024

1. Accounting policies (continued)

Critical accounting Judgements and key sources of estimation uncertainty (continued)

for the carrying amount of the property, plant and equipment and Tangible fixed assets accounting policy below for the useful economic lives for each class of assets.

Key source of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

a) *Impairment of non-financial assets*

Where there are indicators of impairment of individual assets, the Company performs impairment tests based on fair value less costs to sell or a value in use calculation. The fair value less costs to sell calculation is based on available data from binding sales transactions in an arm's length transaction on similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the business plan and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the cash generating unit being tested. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash flows. Further details of the assumptions used are given in note 10.

b) Provisions and accruals for liabilities

Management estimation is required to determine the appropriate amount of provisions for decommissioning obligations. The judgments estimates and associated assumptions necessary to calculate these provisions are based on historical experience and other relevant factors. Decommissioning costs will be incurred by the Group at the end of the operating life of most of the facilities and properties. The Group assesses its decommissioning provision at each reporting date. The ultimate decommissioning costs are uncertain and cost estimates can vary in response to many factors including the expected timing, extent, and amount of expenditure.

c) Fair values of acquired assets and liabilities

Management judgement is required to determine the fair value of acquired assets and liabilities. The fair value of assets and liabilities acquired on acquisition involved the use of valuation techniques and the estimation of future cash flows to be generated over a number of years. The estimation required the combination of assumptions including revenue growth and discount rate.

Foreign currencies

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the statement of financial position date are reported at the rates of exchange prevailing at that date.

The results of overseas operations are translated at the average rates of exchange during the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of transactions are used, and their balance sheets are translated at the rates ruling at the balance sheet date. Exchange differences arising on translation of the opening net assets and results of overseas operations are reported in the statement of profit or loss and other comprehensive income and accumulated in equity.

Other exchange differences are recognised in profit or loss in the period in which they arise except for in the case of the consolidated financial statements, exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised in other comprehensive income and reported under equity.

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Notes to the financial statements

for the year ended 31 December 2024

1. Accounting policies (continued)

Turnover

Turnover arises from income derived from the transportation and processing of natural gas within the United Kingdom and Norway, and other sundry related income net of value added tax where relevant. Turnover is recognised for the transported and processed gas on an accruals basis as the services are provided to customers. Turnover also arises from charging certain categories of operational expenses to customers. The group acts as principal relating to operational expense charging and Natural Gas Liquids "NGL" sales.

Amounts received and receivable from customers in respect of services not yet delivered or obligations not fulfilled at the year end are classified as deferred income until the service is delivered or obligations fulfilled.

The Group has entered into long-term transportation and processing agreements which include send-or-pay protection. Under these arrangements, customers are contractually obliged to pay for a minimum contracted volume or capacity. Turnover from these contracts are recognised as the service is provided.

At year-end, where invoicing has not yet occurred but where the service has been provided, accrued income is recognised to reflect earned but unbilled revenue.

Finance expense/income

Interest income and expense is calculated using the effective interest rate method and is recorded in the income statement in the period to which it relates. Arrangement fees and expenses in respect of the Group's debt facilities are amortised over the period which the Group expects the facility to be in place. Unamortised debt fees are expensed to finance costs in the year in which a refinancing occurs.

Goodwill

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

Goodwill is amortised over its expected life which is estimated to be 20 years. Goodwill is assessed for impairment when there are indicators of impairment and any impairment is charged to the income statement.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Such cost includes costs directly attributable to making the asset capable of operating as intended.

Interest costs arising on the financing of fixed assets under construction are capitalised.

The costs of statutory shutdowns (statutory inspections required for Health and Safety purposes) are capitalised and depreciated over the period until the next anticipated shutdown. Depreciation is provided on all tangible fixed assets, other than freehold land and assets under construction, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset evenly over its expected useful life, as follows.

The end of the useful economic life of assets or the duration of economic lives are as follows:

Freehold buildings	–	2042-2047
Plant and machinery	–	2042-2047
Computer equipment	–	over 3 years (included within plant and machinery)
Capitalised shutdown costs	–	over 3 – 6 years (included within plant and machinery)

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

Where fixed assets have been acquired but paid for by contributions from a third party, these have been recognised gross in the appropriate tangible fixed asset category. The contribution from the third party is shown as deferred income within non-current liabilities and will be released to the income statement in line with the depreciation of the fixed assets concerned.

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Notes to the financial statements

for the year ended 31 December 2024

1. Accounting policies (continued)

Tangible fixed assets (continued)

Assets under construction are stated at cost. The assets are not depreciated until they are available for use. Interest costs arising on the financing of fixed assets under construction are capitalised when the cost is directly attributable to the acquisition, construction, or production of a qualifying asset.

Other intangible assets including goodwill

Other intangible assets represent participating interest in the Acorn Project. Spend is capitalised and held unamortised until given the asset is in its development phase and has been brought in to use. If the project is subsequently determined to be unsuccessful, and the asset is impaired, the associated costs are expensed in the period which that determination is made. Upon finalisation of the development phase if the project is to be successful the asset will be classified as a tangible asset and depreciated over the expected useful live determined at the point of reclassification.

Goodwill arising on the acquisition of subsidiary undertakings and businesses, representing any excess of the fair value of the consideration given over the fair value of the identifiable assets and liabilities acquired, is capitalised and written off on a straight line basis over its useful economic life, which is estimated to be 20 years. Provision is made for any impairment.

Impairment of assets

Non-financial assets

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

The recoverable amount of goodwill is derived from measurement of the present value of the future cash flows of the cash-generating units ("CGU") of which the goodwill is a part. Any impairment loss in respect of a CGU is allocated first to the goodwill attached to that CGU, and then to other assets within that CGU on a pro-rata basis.

Where indicators exist for a decrease in impairment loss previously recognised for assets other than goodwill, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised. Where a reversal of impairment occurs in respect of a CGU, the reversal is applied first to the assets of the CGU, except for goodwill, on a pro-rata basis. Impairment of goodwill is never reversed.

Tangible fixed assets

At each reporting date fixed assets 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 is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in the income statement.

If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in the income statement.

Stocks

Stocks are stated at the lower of cost or net realisable value. Cost comprises cost of purchase and includes charges such as freight and duty where appropriate. Net realisable value is the actual or estimated sales value less all further costs to completion and all costs to be incurred in selling and distribution.

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Notes to the financial statements

for the year ended 31 December 2024

1. Accounting policies (continued)

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less. Bank overdrafts, when applicable, are shown within borrowings in current liabilities.

Financial instruments

The Group has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments. Basic financial assets, including trade and other receivables, cash and bank balances and investments, 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. Such assets are subsequently carried at amortised cost using the effective interest method. At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If such an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss or the reversal of a prior period impairment loss, is recognised in immediately in the income statement.

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow Group companies and preference shares that are classified as debt, 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.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. The fees are amortised over the period of the facility to which it relates. Should a loan facility be refinanced before the end of the term, any unamortised fees are released to the income statement.

Preference shares are classified as debt instruments where they rank *pari passu* with the shareholder loan notes in respect of interest payments and redemption.

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.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. The fair value of derivatives is measured using observable market data and derived from the present value of future cashflows discounted at rates obtained by means of the current yield curve appropriate for those instruments. Changes in the fair value of derivatives are recognised in the income statement in finance costs or finance income as appropriate. Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Decommissioning costs

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

The unwinding of the discount on the provision is included in the income statement within finance costs. Any changes to the estimated costs or discount rates are dealt with prospectively.

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1. Accounting policies (continued)

Employee benefits

Defined contribution pension obligation

The Group operates defined contribution retirement plans. A defined contribution plan is a post-employment benefit under which the Group pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the income statement in the periods during which services are rendered by employees.

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expenses as the related service is provided. A liability is recognised for the amount expected to be paid under short term cash bonus or longer term incentive plan if the Group has a present legal or constructive obligation to pay the amount as a result of a past service provided by the employee and the obligation can be measure reliability.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Current taxation

Current tax, including UK corporation tax and foreign tax, is recognised on taxable profits or losses for the current and past periods. Current tax is measured at the amounts of tax expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

Deferred taxation

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or right to pay less or to receive more tax, with the following exceptions:

- Provision is made for deferred taxation that would arise on remittance of the retained earnings of subsidiaries, associates and joint ventures only to the extent that, at the statement of financial position date, dividends have been accrued as receivable.
- Deferred tax assets are recognised only to the extent that the Directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the statement of financial position date.

Exceptional items

The presentation of the Group's results separately identifies the effect of profits and losses associated with the impact of certain one-off charges or credits that have a material impact on the Group's financial results as 'exceptional items'. These items are disclosed separately to provide further understanding of the financial performance of the Group. The results of the Group excluding one off items are used by management and are presented in order to provide readers with a clear and consistent presentation of the underlying operating performance of the Group's ongoing business. Refer to note 3 for 'exceptional costs' identified in the current period.

Distributions to equity holders

Dividends to the Group's shareholders are recognised in the statement of changes in equity when paid.

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2. Group turnover

An analysis of the Group's revenue by category is as follows:

	2024 *£000*	*2023* *£000*
Tariff and Natural Gas Liquid processing	165,523	152,068
Tariff associated with Liquefaction of Natural Gas	23,876	26,577
Recharges	84,747	96,326
Other	3,160	2,519
	277,306	277,490

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

	2024 *£000*	*2023* *£000*
United Kingdom	247,806	243,671
Norway	29,500	33,819
	277,306	277,490

Turnover, which is stated net of value added tax, represents amounts invoiced to third parties and amounts accrued in respect of the Group's continuing activity as stated in the Strategic report, and arises wholly within the UK and Norway. The Directors consider the principal activities within the group to be the transportation and processing of hydrocarbons from the North Sea and the provision of liquefaction services in Norway.

3. Group operating profit/(loss)

This is stated after charging/(crediting):

	2024 *£000*	*2023* *£000*
Auditor's remuneration:		
Audit of the financial statements of the Company	50	-
Audit of the financial statements of the Selkie Group*	450	468
Audit related assurance services	16	-
	516	468
Depreciation of owned tangible fixed assets	60,443	80,585
Amortisation of goodwill	6,473	6,895
Release of deferred income relating to third party funded assets	(4,141)	(8,704)
Foreign exchange loss	1,480	2,393
Loss on disposal of fixed assets	10	29
Exceptional costs	1,000	-

*The audit fee for the financial statements above includes all companies in the Selkie Investments Midstream Topco Limited Group.

During the year, the Group recognised an accrual of £1.0m in relation to a contractual dispute with a customer, with the charge to cost of sales being recorded as exceptional. This is a one-off expense and does not reflect ongoing operational costs.

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4. Directors' emoluments

The emoluments of the directors who receive emoluments in their capacity as directors of this Company are as follows:

	2024	*2023*
	£000	*£000*
Emoluments	866	1,151

The emoluments in respect of the highest paid director:

	2024	*2023*
	£000	*£000*
Emoluments	427	708
Compensation for loss of office	2,328	-
	2,755	708

No directors (2023: none) were members of defined contribution schemes. Directors are also considered as key management personnel.

5. Staff costs

	2024	*2023*
	£000	*£000*
Wages and salaries	5,795	4,833
Social security costs	831	645
Other pension costs	308	303
	6,934	5,781

The average monthly number of personnel employed by the Group during the year was as follows:

	2024	*2023*
	No.	*No.*
Management	17	16
Directors	3	3

6. Finance income

	2024	*2023*
	£000	*£000*
Bank deposit account interest	168	113
Interest due from customers	74	35
Interest rate swap income	17,038	22,179
	17,280	22,327

Net banking interest for the year ended 31 December 2024 was £17.5m (2023: £13.1m)

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7. Finance costs

	2024 *£000*	*2023* *£000*
Interest on bank loans	34,497	35,281
Loss on revaluation of financial instruments	5,736	25,276
Amortisation of loan issue costs	9,708	2,370
Unwinding of discount on decommissioning provision	1,580	1,862
Shareholder loan note interest	73,776	66,811
Preference share interest	4,697	4,219
Other bank fees	3	-
Other interest	478	61
	130,475	135,880

Amortisation of loan issue costs in 2023 reflects the release of loan issue costs relating to the previous banking facilities held by the Group. The total release throughout 2024 relating to the previous banking facilities was £9.0 million.

8. Taxation

(a) Tax on loss

The tax charge is made up as follows:

	2024 *£000*	*2023* *£000*
UK corporation tax on loss for the year	9,011	5,647
Adjustments in respect of prior years	(223)	766
Total current tax	8,788	6,413
Deferred tax:		
Origination and reversal of timing differences	(11,584)	(10,975)
Adjustments in respect of prior years	398	(875)
Effect of changes in tax rate	-	(126)
Total deferred tax charge (note 18)	(11,186)	(11,976)
Total tax (credit) on loss	(2,398)	(5,563)

(b) Factors affecting current tax charge for the year:

The tax assessed for the year is higher than (2023: higher than) the standard rate of corporation tax in the UK of 25.0% (2023: 23.5%). The differences are explained below:

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8. Taxation (continued)

	2024 *£000*	*2023* *£000*
Loss before tax	(100,498)	(110,031)
Loss multiplied by standard rate of corporation tax in the UK of 25% (2023: 23.5%)	(25,124)	(25,880)
Effects of:		
Disallowable expenses	22,918	24,749
Income not taxable	(1,103)	(2,051)
Adjustments to tax charge in respect of previous years	175	(109)
Deferred tax not provided	378	(2,271)
Tax rate changes	358	(1)
Total tax (credit) for the year (note 8(a))	(2,398)	(5,563)

(c) Factors affecting future tax charges

Finance Act 2021 included an increase in the UK's main corporation tax rate to 25.0%, effective from 1 April 2023. This rate change was enacted on 24 May 2021. Therefore, this rate change has been reflected in the remeasurement of deferred tax at the balance sheet date.

The Company is registered in Jersey and is UK tax resident.
The Group has assessed the impact of the OECD Pillar 2 global minimum tax rules and determined that it is not currently within scope, as it does not meet the revenue threshold for applicability.

9. Intangible fixed assets

	Goodwill *£000*	*Other intangible assets* *£000*	*Total* *£000*
Cost:			
At 1 January 2024	137,141	7,119	144,260
Additions	–	1,686	1,686
At 31 December 2024	137,141	8,805	145,946
Amortisation:			
At 1 January 2024	52,085	–	52,085
Charged during the year	6,473	–	6,473
At 31 December 2024	58,558	–	58,558
Net book value:			
At 31 December 2024	78,583	8,805	87,388
At 31 December 2023	85,056	7,119	92,175

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9. Intangible fixed assets (continued)

Goodwill has arisen principally due to the recognition of the deferred tax liabilities for the difference between the assigned values and the tax bases of the assets acquired in a business combination at amounts that do not reflect fair value.

The Group amortises goodwill based on its useful life which has been deemed to be 20 years

Other intangible assets includes the Group's 10% participating share in the Acorn Development Project which is focused on carbon capture and storage and uses existing technology to accelerate decarbonisation. Spend capitalised includes an initial accession payment of £3.2m (representing 10% share of historic costs incurred from inception) plus the Group's 10% share of expenditure between acquisition as well as other directly attributable costs incurred internally on the project. Costs are held within intangible assets unamortised given the asset is in its development phase and has not yet been brought into use.

10. Tangible fixed assets

	Freehold land £000	*Buildings* £000	*Plant and machinery* £000	*Assets under construction* £000	*Total* £000
Cost:					
At 1 January 2024	14,760	613	1,619,961	35,290	1,670,624
Additions	–	–	672	11,477	12,149
Transfers	–	–	23,693	(23,693)	–
Disposals	–	–	(70)	–	(70)
Revision to decommissioning provision	–	–	(3,235)	–	(3,235)
Effect of currency revaluation	–	–	(7,160)	(89)	(7,249)
Release	–	–	–	(104)	(104)
At 31 December 2024	14,760	613	1,633,861	22,881	1,672,115
Depreciation and impairment:					
At 1 January 2024	–	144	613,677	–	613,821
Provided during the year	–	13	60,430	–	60,443
Disposals	–	–	(60)	–	(60)
Impairment	-	-	6,402	-	6,402
Effect of currency revaluation	–	–	(3,029)	–	(3,029)
At 31 December 2024	–	157	677,420	–	677,577
Net book value:					
At 31 December 2024	14,760	456	956,441	22,881	994,538
At 31 December 2023	14,760	469	1,006,284	35,290	1,056,803

2024

Property, plant and equipment (PP&E) is reviewed for impairment whenever events or changes in circumstances indicate the carrying amounts may not be recoverable. The Group performed and impairment trigger assessment with an impairment trigger being identified relating to the Risavika Liquefaction Plant. The Group uses a value-in-use method to calculate the recoverable amount of the cash generating unit (CGU). In determining the value-in-use, an appropriate discounted cash flow model was used, incorporating

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10. Tangible fixed assets (continued)

cash flow projections included within the financial budgets and the Groups' business plan and long-term forecasts. In certain circumstances, impairments on PP&E are reversible in the future.

The modelling and projections in the impairment analysis are based on a wide range of forward-looking assumptions, many of which are inherently uncertain, including market outlook and pricing, processing volumes and expenditures. The key assumptions relating to the Norwegian business include: power prices, as per the Groups power price agreement; levels of future customer volumes and associated revenues; the level and timing of operating and capital expenditures; corporate tax rates, at the Norwegian tax rate of 22%; and appropriate discount rate, 12.62% pre tax. Power pricing forecasts (unless fixed) are based on market conditions and forward pricing curves. Operating expenditure and capital expenditure are derived from the Group's Business Plan. These assumptions are reviewed annually by management and the board, and volume projections developed in conjunction with an independent consultant.

During the year the Group recognised a pre-tax impairment charge of £6.4m (post-tax £5.0m) associated with the Risavika Liquefaction Plant (RLP). This represents a write-down of PP&E assets offset by a tax credit in respect of reductions to the deferred tax liabilities associated on the Group's assets. The impairment arises primarily due to a reassessment of the appropriate discount rate utilised.

The Group has run a sensitivity analysis on its discount rate assumption. A 1% increase in the pre-tax discount rate would increase the impairment by £5.2m, and a 1% decrease in the pre-tax discount rate would decrease the impairment by £5.7m.

11. Other long-term assets

	2024	*2023*
	£000	*£000*
Derivative financial instruments (note 23)	12,677	39,809

12. Debtors

	2024	*2023*
	£000	*£000*
Trade debtors	15,230	12,716
Prepayments	3,402	3,746
Accrued income	22,624	27,655
Other taxes and social security	4,209	4,141
	45,465	48,258

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13. Creditors: amounts falling due within one year

	2024 *£000*	*2023* *£000*
Trade creditors	6,969	11,132
Accrued shareholder loan note interest	212,874	159,098
Other taxes and social security costs	1,488	513
Accruals	44,917	39,761
Deferred income	5,262	9,585
Loans due within one year (note 15)	18,684	109,008
Corporation tax payable	561	3,527
	290,755	332,624

14. Creditors: amounts falling due after one year

Amounts falling due between one and five years

	2024 *£000*	*2023* *£000*
Bank loan (note 15)	202,801	369,653
Deferred income (note 16)	349	350
	203,150	370,003

Amounts falling due after more than five years

	2024 *£000*	*2023* *£000*
Bank loan (note 15)	241,617	20,961
Shareholder loan notes	519,312	517,084
Preference shares	31,458	31,452
Deferred income (note 16)	108,187	108,808
Derivative financial instruments (note 23)	496	-
	901,070	678,305
Total creditors falling due more than one year	1,104,220	1,048,308

On 24 September 2018, the Company issued loan notes of £467.7 million at a fixed rate of 11%. A £20 million repayment was made during the year reducing accrued shareholder loan note interest (note 13) (2023: £nil). On 16 November 2021, the Company issued further loan notes of £48.5 million at a fixed rate of 11%. During the 2023, the Company issued loan notes of £2.2 million at a fixed rate of 11%. During the year, the Company issued loan notes of £2.2 million at a fixed rate of 11%. The shareholder loan notes are listed on the International Stock Exchange and are repayable in 2028.

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14. Creditors: amounts falling due after one year (continued)

The Group also has 3,145,261,762 £0.01 of preference shares issued. These shares entitle the holder to interest of 11% per annum. These preference shares rank *pari passu* with the shareholder loan notes in respect of interest payments and redemption. Therefore, the Directors conclude that they meet the definition of a liability and have accounted for these as such. The dividend on these preference shares has been recorded and classified as an interest expense in profit or loss. During the year 504,589 preference shares were issued at £0.01 per share (2023: nil). No preference shares were redeemed during the year (2023: nil).

15. Bank loan

The bank loans, can be analysed as follows:

	2024 *£000*	*2023* *£000*
Due within one year	20,743	111,377
Less: Unamortised issue costs	(2,059)	(2,369)
	18,684	109,008
Due after one year	456,402	397,243
Less: Unamortised issue costs	(11,984)	(6,628)
	444,418	390,615
Total	463,102	499,623

On 11 November 2020, the Group completed its refinancing which gave the Group and Company access to a £616.0 million Term Loan, a £30.0 million Revolving Credit Facility ("RCF") and an incremental indebtedness facility. The Group drew down on the full Term Loan facility on 11 November 2020 which carried interest rates at SONIA plus 1.80% to 2.85% and had a tenor of 7 years with capital repayments commencing in June 2021. The Term Loan was secured by way of a debenture containing provisions for both fixed and floating charges over the assets of the Selkie Investments Midstream Bidco Limited Group of companies.

On 16 November 2021, the Group entered a secured debt facility of €88.0 million which included access to a €5.0 million RCF. The Group drew down on the full loan facility which carried interest rates at EURIBOR plus 1.65% to 2.50% and had a tenor of 7 years with capital repayments commencing in June 2022. The loan facility was secured by way of a debenture containing provisions for both fixed and floating charges over the assets of the NSMP Norge AS Group of companies.

During 2024 the Group undertook a refinancing and entered in to Facilities Agreements from a mix of institutional lenders and US private placement. The facilities gave the Company and Group access to a £425.3 million and €83.6 million worth of debt, a £35 million multi-currency Revolving Credit Facility ("RCF") and a £25 million Decommissioning Security Agreement ("DSA") facility, both the RCF and the DSA are currently undrawn. The Group drew down on the full Term Loan facility and the US private placement facility on 25 October 2024. The loans were utilised to repay previously held loans. The facilities have initial tenors of 5 to 11 years with the 5 year tenor extendable by up to a further 2 years with the option to extend being held by the lenders. Capital repayments commenced in December 2024.

The loans are secured by way of a debenture containing provisions for both fixed and floating charges over the assets of the Selkie Investments Midstream Bidco Limited Group of companies.

The interest rate on the Term Loan facility is based on EURIBOR and SONIA plus a margin, while the US private placement is a fixed interest rate facility. The Company also entered into an interest rate swap

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15. Bank loan (continued)

agreements which hedged 86% of the total Term Loan facility across the corresponding amortisation profile. The remaining 14% is a fixed rate loan.

The recorded year end mark-to-mark valuation of the swaps showed a net in-of-the-money position of £12.2 million (note 20 b).

16. Deferred income: amounts falling due after one year

	2024 *£000*	*2023* *£000*
Construction contributions	106,894	107,514
Processing income relating to obligations unfulfilled at the year end	1,643	1,643
	108,537	109,157

17. Decommissioning provision

	2024 *£000*	*2023* *£000*
At 1 January	38,496	47,118
Change in estimates	(3,235)	(10,370)
Charged in the year	1,580	1,862
Effect of movements in foreign exchange	(88)	(114)
At 31 December	36,753	38,496

The Group provides for the estimated future decommissioning costs on its infrastructure assets at the balance sheet date. It is expected that the majority of this expenditure will be incurred beyond a period of 20 years. Decommissioning provisions are discounted at a risk-free rate of 3.87% - 5.11% (2023: 3.16% - 4.16%) and the unwinding of the discount is presented within finance costs. These provisions have been created based on third party estimates. Assumptions based on the current economic environment have been made, which management believe are a reasonable basis upon which to estimate the future liability. These estimates are reviewed regularly to consider any material changes to the assumptions. Changes in estimates are recorded against Property Plant and Equipment.

On the basis that all other assumptions in the calculation remain the same a 10 percent increase in the cost estimates, and a 10 percent decrease in the discount rates used to assess the final decommissioning obligation, would result in increases to the decommissioning provision of approximately £3.6 million and £4.8 million respectively. This change would be principally offset by a change to the value of the associated asset unless the asset is fully depreciated, in which case the change in estimate is recognised directly within the income statement in line with accounting policy.

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18. Deferred taxation

Deferred taxation is provided in the financial statements as follows:

	Provided 2024 £000	*Provided 2023 £000*
Fixed asset timing differences	205,235	215,939
Non trading timing differences	(1,739)	(460)
Losses	(3,509)	(3,796)
Undiscounted provision for deferred tax	199,987	211,683

	£000
At 1 January 2024	211,683
Deferred tax credit for the year (note 8(a))	(11,584)
Adjustment in respect of prior periods	398
Exchange movements	(510)
Provision at 31 December 2024	199,987

In addition, there are deferred tax assets of £8.5 million (2023: £9.0 million) relating to provisions and £16.2 million (2023: £9.0 million) relating to disallowed interest under the Corporate Interest Restriction rules which have not been recognised due to uncertainty over the realisation of the asset.

19. Issued share capital and reserves

Allotted, called up and fully paid	*No.*	*2024 £000*	*No.*	*2023 £000*
'A' Ordinary shares of £0.01 each	7,028,628,807	70,286	6,179,090,211	61,791
'B' Ordinary shares of £0.01 each	0	-	395,468,772	3,955
'C' Ordinary shares of £0.01 each	0	-	469,538,871	4,695
		70,286		70,441

As at 31 December 2024, the share capital comprised of three classes of ordinary shares. Each A and B ordinary share carries equal voting and dividend rights. C ordinary shares carry no voting rights but holds equal dividend rights to the other ordinary share classes.

During 2024 5,625,927 of 'A' ordinary shares were issued (2023: 5,662,051). During 2024 a reclassification between Share Capital and Share Premium has been made.

The Company has issued 3,145,766,351 £0.01 preference shares which have been accounted for as a liability. During 2024 504,589 shares were issued (2023: nil). No shares were redeemed during the year (2023: nil) (see note 14).

During the year 395,468,772 £0.01 'B' shares were converted to 'A' shares. In addition, 469,538,871 £0.01 'C' shares were converted to 'A' shares.

Profit and loss reserve
This reserve records the cumulative amount of profits and losses less any distributions of dividends.

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19. Issued share capital and reserves (continued)

Foreign currency translation reserve
Foreign currency translation reserve of £1.3 million arose as a result of translating foreign operations' balances into the Group's reporting currency GBP.

Treasury share reserve
Treasury shares represent the Groups shares repurchased and available for specific and limited purposes.

20. Notes to the Group statement of cash flows

(a) Reconciliation of operating profit to net cash inflow from operating activities:

	2024 £000	*2023 £000*
Loss before taxation	(100,498)	(110,031)
Net finance costs	113,195	113,553
Operating profit	**12,697**	**3,522**
Impairment	6,402	-
Amortisation of goodwill	6,474	6,895
Depreciation	60,443	80,585
(Decrease) in decommissioning provision	-	(115)
Loss on disposal of fixed assets	10	29
Release of deferred income	(4,404)	(9,558)
Movement in stock	139	(301)
Decrease/(increase) in debtors	2,793	(8,248)
(Decrease)/increase in creditors	(7,688)	12,036
Effect of exchange rate changes	1,345	2,026
	78,211	86,871

(b) Analysis of net debt:

	At 1 Jan 2024 £000	*Cash flow £000*	*Other non-cash movements* £000*	*At 31 Dec 2024 £000*
Cash at bank	7,603	12,110	-	19,713
Bank loans**	(499,623)	28,748	7,773	(463,102)
Derivative financial instruments asset	39,809	(21,290)	(5,842)	12,677
Derivative financial instrument liability	-	-	(496)	(496)
Preference shares	(31,452)	(6)	–	(31,458)
Shareholder loan notes	(517,084)	(2,228)	–	(519,312)
	(1,000,747)	15,989	2,780	(981,978)

*Non-cash movements relate to unamortised loan issue costs and the derivative financial instruments fair value movement in the year.

**Bank loans are stated net of unamortised issue costs of £14.0 million.

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21. Capital commitments

	2024	*2023*
	£000	*£000*
Contracted but not provided for in the financial statements	369	397

22. Other financial commitments

Under the terms of an operating and maintenance contract with px (TGPP) Limited, px (TGPP) Limited is committed to providing the staff and resources to operate TGPP and manage its routine business activities and obligations of the Group. Commitments under this contract are £1.5 million per annum for 2 years.

Further commitments with px Limited to provide an Operations, Maintenance and Management Agreement for the St Fergus terminal and related pipelines. Commitments under this contract are £5.1 million per annum for 2 years.

Further commitments with px Norge AS to provide an Operations, Maintenance and Management Agreement for the Risavika Liquification plant. Commitments under this contract are £0.6 million per annum for 7 years.

23. Financial instruments

	2024	*2023*
	£000	*£000*
Financial assets at fair value through income statement:		
Interest rate derivatives	12,677	39,809
Financial assets measured at amortised cost:		
Trade debtors	15,230	12,716
Accrued income	22,624	27,655
Financial liabilities at fair value through income statement:		
Interest rate derivatives	496	-
Financial liabilities recorded at amortised cost:		
Trade creditors	6,969	11,132
Shareholder loan notes	519,312	517,084
Preference shares	31,458	31,452
Corporation tax	561	3,527
Bank loans*	463,102	499,623

Interest rate swaps are valued at the present value of future cash flows estimated and discounted based on the applicable yield curves derived from quoted interest rates.

An interest rate swap is in place, fixing the rate payable between 2.74% – 3.80% on 86% of the notional amortisation profile of the bank loan being £477.1 million. The remaining 14% is a fixed rate loan.

*Bank loans are stated net of amortised issue costs.

The fair value of financial instruments are considered comparable with the carrying value stated above.

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Notes to the financial statements

for the year ended 31 December 2024

24. Related party transactions

The Group has taken advantage of the exemption available under FRS102.331A and FRS102.337 not to disclose transactions with other members of the Group.

25. Ultimate controlling party

The Directors consider the Company's ultimate controlling parties to be Wren House Infrastructure Group LLP, which is registered at 2, Gresham Street, London, England, EC2V 7QP and IIF Int'l Neon Investment Sarl, which is registered at 11-13, Boulevard De La Foire, Luxembourg.

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Registered No. 11460285

Selkie Investments Midstream Bidco Limited

Report and Consolidated Financial Statements

31 December 2024

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Directors
G Barbaro
J Barry
A Fletcher

Secretary
Vistra Cosec Limited

Independent auditors
PricewaterhouseCoopers LLP
The Capitol
431 Union Street
Aberdeen
AB11 6DA

Bankers
Bank of Scotland
33 Old Broad Street
London
EC2N 1HZ

Santander
2 Triton Square
Regent's Place
London
EC2N 1HZ

Solicitors
Brodies LLP
15 Atholl Crescent
Edinburgh
EH3 8HA

Registered Office
Suite 1
7th Floor
50 Broadway
London
SW1H 0BL

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Strategic Report

The Directors present their Strategic report for the year ended 31 December 2024.

Principal activity and review of the business

Selkie Investments Midstream Bidco Limited ("the Company") and its subsidiaries ("the Group") are part of the Selkie Investments Group ("the Selkie Group") that was formed in September 2018 for the purpose of owning and operating midstream gas infrastructure assets in the North Sea. The Group comprises one parent company, Selkie Investments Midstream Bidco Limited, and twelve subsidiaries.

The principal activity of the Company is that of a holding company. The principal activities of the Group are the transportation and processing of hydrocarbons from the North Sea. The Group owns a 100% interest in the Teesside Gas Processing Plant ("TGPP"), a 100% interest in the FUKA pipeline ("FUKA") and St. Fergus Gas Terminal ("SFGT"), and a 67.04% interest in the Shetland Island Regional Gas Export ("SIRGE") pipeline. During the year the Group acquired a 100% interest in the Risavika Liquefication Plant, a small-scale natural gas and biogas liquefaction facility located at the Risavika Harbour in Southern Norway from a fellow Selkie Investments Group company. As a result of the Group reconstruction all comparative information included within the Report and consolidated financial statements of Selkie Investments Midstream Bidco have been restated, refer to note 29 for further details.

The Group's planned refinancing of its bank facilities was completed on 25 October 2024. The existing secured bank loans were repaid in full and replaced with a multi-currency facility consisting of £425.3 million and €83.6 million (note 17) from a mix of commercial banks and institutional lenders. Fees relating to the refinancing amounted to £14.5m. The new facilities primarily carry interest rates at EURIBOR and SONIA plus 1.80% to 3.00%, an element of the loan has a fixed interest rate. The facilities have initial tenors of 5 to 11 years with the 5 year tenor extendable by up to a further 2 years. Capital repayments commenced in December 2024.

The Group's operating profit for the year was £16.7 million (2023: £4.2 million) and the loss after tax was £68.9 million (2023: £85.7 million), refer to financial performance of the Strategic Report for further information.

Operations

Safety, Health and Environmental (SHE) performance

Px Group operates all of the Group's offshore and onshore pipelines and onshore terminals, and demonstrates a clear safety leadership commitment, with processes applied effectively to manage the Occupational, Process Safety and Environmental risks associated with the Group's infrastructure. The px Group is accredited to ISO 9001 (QMS), ISO 14001 (QMS), 27001 (Information Security Management System) and ISO 45001 (Occupational Health Safety Management System). This is embedded within their corporate management system and all sites under there operational control are therefore operated in line with those principles. In addition the TGPP terminal is accredited to the ISO 9001 Quality Management System, SFGT is accredited to ISO 14001 Environmental Compliance Standard, and RLP holds active ISCC Certification and ISPS (International Ship & Port Facility Security) Audit and Certification.

All terminal and pipeline activities are managed under an industry standard Safe System of Work, and Emergency Response Plans are in place for all the Group's assets. Compliance with the px Group Safety Management System is ensured through internal and external audits, and a robust reporting system exists for all incidents and near misses.

The Group continued to operate its assets in a safe and reliable manner, and there were no recordable injuries, reportable incidents or regulatory enforcement action during the period.

Northern North Sea (NNS) and West of Shetlands (WoS) transportation and processing

SFGT processed 186 bcf of gas in the year (2023: 191 bcf) from a number of fields in the Northen North Sea ("NNS") and West of Shetlands ("WoS"). The decrease in the volumes processed during the year is attributable to the impact of reduced production from the GLA and Martin Linge fields.

The Group will continue to seek further sources of WoS and NNS gas to process in order to maximise the utilisation of SIRGE, FUKA and SFGT.

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Strategic Report (continued)

Operations (continued)

Central North Sea (CNS) and Southern North Sea (SNS) processing

TGPP processed 62 bcf of gas in the year (2023: 66 bcf) from the Central North Sea ("CNS"). The decrease is due to lower gas nominations under the Company's firm contracts, partially offset by additional volumes from flexible processing agreements. TGPP processed 14 bcf of gas in the year (2023: 11 bcf) from the Breagh field in the Southern North Sea ("SNS"). This increase was due to the start-up of the electric-driven compressor at TGPP in October 2024, significantly increasing gas flow rates from the field.

Risavika Liquification Plant (RLP)

RLP produced approximately 215.2 kt LNG (2023: 194.9 kt) of which approximately 203.6 kt (2023: 177.5 kt) was delivered to Gasum utilising ship bunkering and road transportation facilities. The remaining LNG produced during the year was held within RLP's storage tank as at 31 December 2024 or delivered as boil of gas to customers. The Company has operated efficiently with a good degree of utilisation, although during 2024 its production rates have been adversely impacted by higher concentrations of heavy hydrocarbons in the feed gas received by the plant from the Kårstø terminal during Q1 and Q4.

Financial performance

The Group's operating profit for the year was £16.7 million (2023: £4.2m) reflecting lower depreciation charges resulting from the change in useful lives associated with TGPP and SFGT this has been partially offset by an impairment charge, refer to note 11. The loss after tax was £68.9 million (2023: £85.7 million) reflecting the improved operating profit and a decrease in net finance expenditure to £96.4m (2023: £103.7m) as a result of revaluation of the Group's interest rate hedges.

Operating costs were well controlled across all sites. There has been a drive to focus on operating the Group's infrastructure assets in the most cost-efficient manner while maintaining both the safety and reliability of the systems.

Key performance indicators

The Directors utilise a number of financial and non-financial key performances indicators (KPIs) to monitor performance and profitability. These focus on amongst others:

Non-Financial	**Financial**
SHE Statistics	EBITDA
Volume Throughput	Cash Flow / Liquidity
Liquid Extraction Rate	Debt Service Coverage Ratio
Asset Utilisation	Net Debt
Asset Availability	Finance Costs
Asset Run Hours	Profit after tax

EBITDA represents earnings before interest, taxation, depreciation, amortisation and certain non-recurring items. Net debt represents external loans less cash and bank balances held. Some of the KPIs listed above are disclosed and/or referred to earlier within the Strategic Report.

Dividends, financing and capital

The Group did not declare or pay a dividend in either period presented.

During 2024 £45.7m of bank loan facility repayments were made (excluding any amounts repaid as part of the refinancing) and a distribution, through the repayment of accrued intercompany interest, was made to the Group's parent company of £20.0m.

Capital expenditure in 2024 was £12.1m.

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Strategic Report (continued)

Future developments

The Group continues to assess new transportation and processing opportunities to enhance the future utilisation of its midstream infrastructure assets in the medium to longer term, as well as exploring integration and consolidation opportunities in the UK.

Principal risks and uncertainties

The management of the business and execution of the Group's strategy are subject to a number of risks. Directors regularly review the associated risks and act when and where appropriate to mitigate those risks. The following considers and describes the principal risks facing the business.

Government Policy risks

The Group provides transportation, processing and liquefaction of hydrocarbons for various customers in the UK and Norway. Accordingly, policies enacted by the UK and Norwegian governments relating to the production and taxation of hydrocarbons could have a material impact on the ability of the Group to operate effectively and efficiently. The Directors regularly discuss relevant developments and ensure the Group's strategy appropriately reflects the importance of our current core business and the ongoing energy transition.

Geo-Political risks

The current geo-political risks create increasingly volatile conditions in capital and commodity markets. Analysis of the business exposure to the situation and the direct or indirect impact of any applicable sanctions has been undertaken concluding there to be no concerns of material impact on the Group. We continue to monitor the situation carefully.

Inherent risks

SFGT and TGPP Future volumes – The business is exposed to the success, or otherwise, of exploration and gas production on the UK and Norwegian continental shelves. Cyclical drilling activity and variable future gross gas production from across the various offshore catchment areas will determine the level of gas available for transporting and processing via the Group's infrastructure. The Group maintains active and regular dialogue with current and potential customers to maximise its ability to secure future volumes.

SFGT and TGPP NGL export routes – The business requires export routes for the non-gas liquids (NGL) which are extracted as part of the processing services provided at SFGT and TGPP in order to ensure continuous, long term service provision to its customers. The Group keeps all such arrangements under review to ensure ongoing availability and also evaluates alternatives where appropriate.

RLP Market Conditions and Energy Transition – RLP's business involves the liquefaction of hydrocarbons and, therefore, changes within the supply, demand and relative cost bases in the liquification market could have a material impact on the ability of RLP to operate effectively and efficiently and to remain competitive in the marketplace. The Group monitors relevant developments and ensures RLP's strategy appropriately reflects the importance of its current core business and the ongoing energy transition.

RLP Gas Import and Export – In order to ensure continuous, long term service provision, RLP requires both the import of feed gas of appropriate quantity and quality and an export route for the tail gas (or boil-off gas) which arises as part of the liquefaction services provided at RLP. The Group keeps all such arrangements under review to ensure ongoing availability and also evaluates alternatives where appropriate.

Power Prices – The Group's operational activities require material power consumption which must be procured from the market. The Group has helped mitigate this risk through securing fixed price PPAs during 2023 and 2024 thereby effectively fixing a large proportion of the Group's electricity costs out as far as 2031. Future opportunities and strategy are kept under regular review.

Covenant compliance – The Group maintains a leveraged position and is counterparty to a Common Terms Agreement, through which the Group is financed. The Group is required to service its debts in accordance with the Common Terms Agreements and is subject to certain covenant testing at June and December each year as well as needing to comply with other obligations under the Common Terms Agreements.

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Strategic Report (continued)

Principal risks and uncertainties (continued)

Mitigable risks

Safety – Training programmes are in place that ensure all staff have the competence required for their role and responsibilities, enabling the Group's assets to operate safely, reliably and efficiently. Safety, Health and Environmental ("SHE") training is at the forefront of every individual's training needs. A health and safety management system is used across all sites and regular SHE audits are carried out to ensure the Group is compliant with all relevant regulations.

Interest rate movements – The Group has mitigated this risk by fixing the rates of interest payable on 100% of its external borrowings by utilising derivative financial instruments. The fair value of these instruments is recorded in the statement of financial position within net assets/liabilities and the movement within profit/(loss) in the income statement.

Section 172 Reporting

Directors of the Company are required to act in a way that they consider, in good faith, to be most likely to promote the success of the Company for the benefit of its members as a whole, and in so doing have regard, among other matters to:

- the likely consequences of any decision in the long term;
- the interests of the Company's employees;
- the need to foster the Company's business relationships with suppliers, customers and others;
- the impact of the Company's operations on the community and the environment;
- the desirability of the Company maintaining a reputation for high standards of business conduct; and
- the need to act fairly as between members of the Company.

To assist them in discharging their duty under s172 (1) Companies Act 2006 ("s172"), the Board directly or indirectly undertake some stakeholder engagement activities to provide them with the information they need to understand the views of stakeholders. This information helps Directors to have regard to stakeholder interest, and the likely long-term consequences, including to the reputation of the Company, when making decisions and setting strategy. The Company's key stakeholders were considered in 2024 and they are listed below, together with examples of the stakeholder engagement activities that took place in 2024.

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Strategic Report (continued)

Why we engage	Stakeholder Priorities	How we engage	How the Board engaged
Shareholders			
We regularly engage with our Shareholders to align on and gain support for our strategy and key initiatives. This alignment is essential for the success of both the Company, our Shareholders and all other stakeholders. By fostering open and effective communication, we aim to understand our Shareholders' priorities and reinforce their confidence in our strategy, especially given the current market and geopolitical uncertainties.	Strong operational and financial performance Fiscal regime and political landscape in the UK and Norway Capital allocation, including shareholder returns Asset strategies Sustainability plans	Our Shareholder engagement is led by our CEO and mainly facilitated by members of our Leadership Team. These interactions occur through formal and informal meetings, as well as various Shareholders' working groups. We actively seek and incorporate feedback from our Shareholders and this helps us better understand their priorities, ensuring that our strategy remains well-aligned with their expectations.	Representatives of our Shareholders sit on the Company's board, and through engagement with them and other Shareholders' representatives at all levels, we have enhanced our existing strong and open relationship with them. This collaborative approach was crucial in achieving our 2024 priorities, including successfully completing the refinancing of the Group during a challenging fiscal and political landscape. The successful refinancing enabled us to make a distribution, through the repayment of accrued shareholder loan note interest, to our Shareholders in Q4 2024.
Lenders			
Maintaining robust financial strength and capacity is crucial to supporting the long-term success of our business. By fostering supportive relationships with our lenders and ensuring our strategy and objectives are well understood, we ensure continued access to long-term debt financing. This enables us to provide effective and reliable services to our customers, as well strategically invest in our operations and	Fiscal and financial stability Compliance with banking covenants ESG performance Risk Management including commodity hedging	During 2024, our engagement with lenders was led by the CFO and went well beyond the normal periodic reporting cycle. During the year, we amended our banking facility and refinanced all our existing debt facilities to strengthen our cash flows and provide a fit-for-purpose capital structure for the group. We undertake regular bilateral dialogue with the syndicate banks as well as	In 2024, some Board members also played a direct role in supporting the refinancing of our banking facilities. This involved collaborative engagement with a working group that included Shareholder representatives, some of whom were also Board members. This initiative ensured strategic alignment and transparency with all Board members, including those not in the working group, who

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Strategic Report (continued)

maximise returns for our Shareholders.		regular scheduled update sessions.	were kept fully informed and were involved in progress and critical decisions. The successful refinancing has fortified our financial foundations and supports our strategic goals.
Employees			
Our employees are pivotal to our success, making the ability to attract and retain top talent fundamental to executing our strategy. Through regular engagement, we aim to foster a strong sense of belonging and a unified purpose within our team. Most importantly, it is vital that our employees feel heard and valued, as their contributions are essential to our collective achievements.	Vision, values and behaviours Diversity, equity and inclusion Development and progression Reward and recognition	We have continued to maintain open communications with our workforce through both face-to-face and digital channels. Our CEO and Leadership Team regularly hosted town halls to keep employees updated on the Company's performance and other operational matters. These sessions provided a forum for employees to voice their opinions and concerns as well as facilitating discussions issues important to them. During 2024, we rolled out our second Employee Engagement Survey, "NSMP Pulse," which showed a 14% increase in employee engagement. The feedback from this survey has identified a number of focused action areas, notably in learning and development and enhancing our Diversity & Inclusion (D&I) offerings. With an 89% participation rate, we recognise that employee participation remains a critical focus, particularly in light of the current uncertainties around the market and geopolitical landscape.	The Board continued to prioritise feedback from our annual employee engagement surveys and encourage the leadership team to boost participation and engagement throughout the company. The valuable insights from these surveys are transformed into actionable plans overseen by the People and Remuneration Committee. For example, last year's feedback led to major initiatives in 2024, such as improving transparency in our performance management practices and successfully rolling out a new HR system. Additionally, the Board's dedication to strong, open relationships with our employees is evident in our routine interactions. Board members regularly meet with staff during site visits and board dinners. These interactions foster continuous dialogue and strengthen the mutual understanding between management and staff, helping to ensure that our strategies and actions are

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Strategic Report (continued)

			well-informed by employee perspectives.
Customers			
Our commitment to customers is at the core of our operations. We prioritise building trust and are dedicated to delivering safe, efficient, and reliable gas transportation and processing services across all our assets. In 2024, with energy security under the spotlight due to ongoing geopolitical tensions, our focus has remained on providing these safe and reliable services, thus ensuring the resilience of energy supply chains. By staying close to our customers' evolving needs, we continuously review and adapt our strategic approach to remain relevant and effective in an ever-changing industry.	A customer-led proposition Safety and Environmental performance Operational efficiency Adaptable to changing market conditions Emission Reduction Action Plans (ERAPs)	We continue to build and maintain strong relationships with our customers, who are predominately large multinational corporations. Our engagement with them involves regular communication and collaboration to enhance our assets to improve our services or risk mitigation strategies in instances such as underperforming fields or planned/unplanned outages. As we continued to refine our ERAPs with the NSTA during 2024, we regularly engaged with our customers to pursue various emission reduction initiatives across our asset base. On a day-to-day basis, interactions with our customers involved scheduled meetings such as performance reviews, opportunities to enhance our services.	Our Board recognises the importance of strong business relationships with customers which is a key driver of growth. We maintained a customer-led approach in our operations and our Commercial team, in collaboration with px Group, managed customer relations on a day-to-day basis, while our Leadership Team oversee these activities. Additionally, Directors are encouraged to engage in these relationships as necessary to ensure alignment and responsiveness to customer needs.
Partners and Suppliers			
px Group is the company's principal partner that operates and maintains the assets at St Fergus, Teesside and Risavika pursuant to underlying contractual agreements. We work collaboratively with px Group and actively engage and challenge to ensure we maximise the value of our assets, safely and responsibly.	Operational excellence Strong and sustainable relationships with px Group Safety and Environmental performance Fair and equitable business conduct Asset integrity	We maintain a collaborative partnership with px, encouraging open dialogue and embracing diversity of perspectives to ensure alignment on both short-term operational decisions and long-term strategic directions for our assets. This extends across various organisational levels through scheduled meetings and informal interactions. Routine performance review meetings, held quarterly, are attended by senior leaders from both organisations, facilitating strategic discussions and performance assessments. Additionally,	Our Board members and Leadership Team regularly visit our assets and offices, engaging in scheduled site visits and Safety Walks. These visits provide opportunities to interact directly with employees and contractors, exchanging ideas and feedback to foster a collaborative work environment. Additionally, our Safety, Health & Environmental Committee, which includes Board members, holds meetings attended by senior px team

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Strategic Report (continued)

		more frequent and less formal meetings allow for continuous dialogue among team members of varying seniorities from both organisations. px oversees our supplier management and we recognise the critical role of our suppliers in our operations. Our engagement with px spans the entire supplier relationship, from the pre-contractual stages through to conducting supplier audits, ensuring that our operational standards and strategic objectives are consistently met.	members. These sessions are crucial for scrutinising and addressing operational matters effectively. Through these meetings, Board members contribute their expertise to ensure the safe and reliable operation of our facilities.
Government and Regulators			
Engagement with our regulators allows us to shape policy and future regulatory frameworks. We comply with the necessary regulatory requirements, including those related to environmental matters, such as reducing emissions, to ensure we maintain a positive reputation, enabling the effective delivery of our strategy.	Fiscal and relevant industrial policies Decarbonisation strategy and performance	The Company (directly or through JV partners) maintains open dialogue with the key government and regulatory stakeholders in the areas in which we operate. As a JV partner in the Acorn CCS Project, we engaged frequently with the UK and Scottish Governments. Notably, in 2024, a cross-party team of MPs visited our St Fergus Gas Terminal to gain more insight into the Acorn CCS project site. We engage regularly with our industry regulator, the NSTA, covering various matters such as the Crossover project (in conjunction with the Clair JV) and our ERAPs. Additionally, we interacted with other regulators such as EA, HSE and DSB in Norway. As active members of OEUK, we participate in	During much of 2024, our CEO was on the board of the OEUK representing UK Midstream assets. Members of the Leadership Team also actively engaged with the NSTA on various operational matters and, through the OEUK, we have shared our concerns over the impact of the continued fiscal uncertainty. Some members of the Board participate in meetings with regulators where deemed appropriate and necessary.

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Strategic Report (continued)

		consultations and dialogue with the UK government. In 2024, our engagement emphasised the need for a stable fiscal environment to foster investment that supports jobs, enhances energy security and bolsters the economy.	
Local Communities			
NSMP is committed to ensuring that its operations make a positive impact on its environment and to the local communities that we operate in.	A suitable strategy for approaching sustainability issues Charity and Community support	We recognise the potential impacts our operations might have on local communities. Embedded within our Company values is a commitment to being considerate and respectful to our stakeholders. Directly, and with px, we support the communities around our assets through charitable donations, demonstrating our dedication to making a positive difference in the areas where we operate. The Board is mindful that it is increasingly important to demonstrate responsible business behaviour with regards to the environment. We perceive that key material issues for our environment generally relate to; the direction of travel and progress relating to environmental concerns, awareness of topical issues and the sharing of best practice, reducing carbon emissions and the Company's overall environmental footprint, and the creation of a sustainable business for the future.	Our Board recognises the importance of 'giving back' and continues to encourage the Company's charitable commitment. Energy Transition remains a key focus of our strategy and, throughout the year, the Board considered a number of Energy Transition-related opportunities. We maintain regular engagement with px and our customers regarding our decarbonisation initiatives to meet the NSTA's targets, providing regular feedback to the Board on our progress in this area.

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Strategic Report (continued)

Section 172 Reporting (continued)

Principal Decisions in 2024

During 2024, the Board received written and verbal information from Management at Board meetings, deep-dive sessions, Board workshops and working groups. The Board, directly or indirectly, sought to engage with our stakeholders effectively to ensure that decision-making remains balanced. While we strive to generate positive outcomes for all stakeholders, the Board recognises that there are instances where it must balance the competing priorities of different stakeholders. The Board, both as a collective and as individuals, are committed to acting in a manner that they believe, in good faith, will promote the Company's long-term success for the benefit of its Shareholders while also considering the interests of all of its stakeholders. Regular engagement with our stakeholders shapes our strategy and informs our decisions, enabling us to deliver results and positive outcomes for all stakeholders.

Examples of some of the principal decisions that the Board has taken during the year and how s172 considerations have been factored into the Board's decision-making.

Distributions

A focus for the business is to generate a return for shareholders with distributions an integral part of that return and this is considered, typically, on a biannual basis. In assessing the timing and quantum of the distributions, the needs of the business, including working capital, liquidity and funding growth opportunities, as well as the associated risks and sensitivities, are key considerations of the Board. The Board approved a distribution, through the repayment of accrued shareholder loan note interest, during the year while ensuring the retention of appropriate capital within the Group to facilitate the needs of the business.

Appointment of Chief Executive Officer and Chief Commercial Officer

Effective succession planning remains a key focus area for the Board and our People and Remuneration Committee. In early 2024, Angela Fletcher joined the business as Chief Commercial Officer following Paul Turner's retirement. Later in the year, after Sayma Cox stepped down as CEO in November, Richard Ozsanlav, the CFO, was also appointed interim CEO. Angela Fletcher was named as the permanent CEO in early 2025, and she brings a wealth of industry experience crucial for sustaining the Company's ongoing excellent operational performance as well as driving its strategic agenda in order to deliver the Company's key goals.

Refinancing the Group's debt facilities

The decision to refinance the business was one of the Company's strategic plans for 2024, aimed at optimising our financial structure to ensure a fit-for-purpose capital structure was in place for the medium-term as well as facilitating potential further growth. The process was initiated in the spring of 2024 and completed in October 2024.

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Strategic Report (continued)

Streamlined Energy and Carbon Reporting ("SECR")

Greenhouse Gas Emissions Data

In line with the Greenhouse Gas Protocol ("GHG") Corporate Accounting and Reporting Standard, Selkie Investments Midstream Bidco Limited ("the Company") continues to be engaged in a process aimed at reducing our energy and greenhouse gases, which is a response to increased customers' requirements, corporate legislation, and in-line with our internal strategy.

This has been achieved by:

- managing our consumption of natural and energy resources where possible;
- managing our energy consumption and resultant emissions better; and
- sharing sustainable development principles within the organisation, with a view to expanding with stakeholders and associated parties.

We have a longstanding commitment to tackling climate change. We aim to have 100% of our electricity from renewable sources or supported by renewable obligation certificates and we achieved this in 2024.

Methodology

We have reported all emission sources under the Companies Act 2006 (Strategic Report and Director's Reports) Regulations 2013 as required. The Company can report the figures below are calculated based on the GHG Protocol Corporate Standard using emissions factors from UK government-produced 2024 conversion factor guidance. Reporting corresponds with our fiscal year and reflects emissions from the leased, owned, and controlled assets for which the Company is responsible.

The Company maintains scope one (1) and two (2) emissions, which are generated from our UK operational premises, namely Phase 1 and Phase 3 of the St Fergus Gas Terminal ("SFGT") and the Teesside Gas Processing Plant ("TGPP").

We also maintain small levels of emissions from business-owned or controlled vehicles covered under scope one (1). We have also reported emissions from car hires, which was required over the course of our financial year.

The reporting period is the fiscal year 2024, the same as that covered by the Annual Report and Financial Statements. The boundaries of the GHG inventory are defined using the operational control approach. In general, the emissions reported are the same as those which would be reported based on a financial control boundary. Emissions for previous years are retrospectively adjusted as and when more accurate data is provided.

Recorded energy consumption during the year was 393,713,810 kWh (2023: 358,998,973 kWh). As mentioned, the Company procured all its imported electricity from 100% renewable sources or from sources backed by renewable obligation certificates, which continues to contribute to our management of, and reduction in, emissions.

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Strategic Report (continued)

Streamlined Energy and Carbon Reporting ("SECR") (continued)

Emissions (market-based approach)

The market-based method allows organizations to calculate emissions using provider-specific factors from their electric utilities, in essence, if electricity is procured from a guaranteed renewable-generation asset, emissions can be recorded as zero.

	2023 (tCO2e)	2024 (tCO2e)
Scope 1 (natural gas, transport, industrial gas, and oils)	81,933	71,971
Scope 2 (electricity)	-	-
Scope 3 (Electrical T&D)	942	1,094
Total	**82,875**	**73,065**

	2023	2024
Scopes 1, 2 and 3 three carbon intensity metric: tonnes / total gas processed (tonnes)	0.01194	0.0122
Scopes 1, 2 and 3 three carbon intensity metric: tonnes / £m turnover	299	263

Emissions (location-based approach)

The location-based method does not factor in instruments or contracts and assigns the local grid average emission factor to all offsite usage, regardless of where it comes from.

	2023 (tCO2e)	2024 (tCO2e)
Scope 1 (natural gas, transport, industrial gas, and oils)	81,933	71,971
Scope 2 (electricity)	10,832	12,374
Scope 3 (Electrical T&D)	942	1,094
Total	**93,708**	**85,439**

Intensity

	2023	2024
Scopes 1, 2 and 3 three carbon intensity metric: tonnes / total gas processed (tonnes)	0.0135	0.0143
Scopes 1, 2 and 3 three carbon intensity metric: tonnes / £m turnover	338	308

The following is a comparison of market based emissions over our last two fiscal years:

Emissions Comparison	2023	2024	Percentage Change
Total Emissions	82,875 tCO2e	73,065 tCO2e	12% decrease

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Strategic Report (continued)

Streamlined Energy and Carbon Reporting ("SECR") (continued)

Efficiency Measures Taken

Energy efficiency actions within our last reporting period are:

1) St Fergus Gas Terminal: Further optimised flare reduction and identified projects to evaluate.

2) Teesside Gas Processing Plant:
   a. The new Breagh electric heater has been installed and is going through the commissioning stage. This will ultimately reduce the heat load or even replace the current Breagh gas fired heater and, hence, scope 1 emissions will be reduced.
   b. Slug catcher operating pressure has been reduced following the startup of a new compressor, thereby reducing the flash gas from the Breagh facility going to flare.

Objectives for 2025

1) SFGT: Undertake feasibility reviews into further flare system optimisations and improvements for potential implementation in the next scheduled full terminal outage.

2) TGPP:
   a. The new Breagh electric heater will be made operational once commissioning is complete and this will reduce the heat load or even replace the current Breagh gas fired heater and, hence, scope 1 emissions will be reduced.
   b. Undertake a front end engineering study into efficiency improvements for the Train 2 gas fired heater.

The Company will report on progress in our next set of financial accounts.

Approved on behalf of the Board

Signed by:
Angela Fletcher
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Angela Fletcher
Director
29 May 2025

Docusign Envelope ID: 77D3D752-F843-44E4-9555-5F4C0449B169

Directors' report

The Directors present their Directors' report and consolidated financial statements for the year ended 31 December 2024.

The Company has chosen in accordance with Section 414(c)(ii) of the Companies Act 2006 to set out in the Strategic Report the following, which the directors believe to be of significant importance:

- Review of the business;
- Future developments; and
- Principal risks and uncertainties.

Results and dividends

The Group recorded an operating profit of £16.7 million (2023: £4.2 million profit). Cash flow from operations generated £82.4 million (2023: £92.1 million). The Group recorded a loss after tax of £68.9 million (2023: £85.7 million loss). No dividend was paid in either period presented.

Directors

The Directors who served the Company during the year and to the date of approval of the financial statements are as follows:

G Barbaro	
J Barry	
S Cox	resigned 22 November 2024
R Ozsanlav	appointed 22 November 2024, resigned 17 February 2025
A Fletcher	appointed 17 February 2025

Directors' indemnities

The Company has made third party indemnity provisions for the benefit of its Directors which were made during the year and remain in force at the date of the approval of this report.

Going concern

The Directors have undertaken a rigorous assessment of going concern and liquidity over a period to 31 December 2026 (the going concern period). This includes review of financial forecasts through to the end of December 2026 which reflect severe, but plausible, downside scenarios. The Directors have also considered as part of this assessment the impact of events which have arisen following the balance sheet date and up to the date of issue of these financial statements.

The Group regularly monitors its funding position throughout the year to ensure that it has access to sufficient funds to meet its forecast cash requirements. Forecasts are regularly produced to give Management's best estimates of forward liquidity and forecast covenant compliance as defined in the Group's facilities agreements.

In order to satisfy themselves that they have adequate resources for the going concern assessment period, the Directors have reviewed the Group's existing debt levels, the forecast compliance with debt covenants, and the Group's ability to generate cash from trading activities. As at 31 December 2024, the Group's principal debt facilities comprised of a £425.3 million and €83.6 million term loan with tenors of 5 to 11 years with the 5 year tenor extendable by up to a further two years. In addition, the Group as access to a £35 million multicurrency Revolving Credit Facility.

At the year end, the outstanding balances on the term debt facilities were £408.5 million and €82.7 million, and the Group had sufficient liquidity and was in compliance with its financial covenants.

The Group's base case going concern assessment utilises the Board approved budget and business plan which provide financial projections through to the end of December 2026. The Group's current suite of contracts are of a long-term nature with reputable, creditworthy counterparties who are deemed to pose limited credit risk. In addition, the assets of the trading entities within the Group are critical to the UK and Norway natural gas resources and essential to the security of energy supply.

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Directors' report (continued)

Going concern (continued)

The Directors have also considered severe, but plausible, downside scenarios to reflect the potential impacts of further declines in volumes and/or delays to key infill well drilling which could result from a worsening economic climate or continued sector uncertainty. In each of the scenarios modelled, the Group will have sufficient funds, through internally generated resources to meet its liabilities as they fall due and ensure compliance with its financial covenants.

Consequently, the Directors have concluded that the Group and Company will have sufficient funds to continue to meet their liabilities as they fall due to 31 December 2026 and, therefore, have prepared the financial statements on a going concern basis.

Financial risk management

- **Price risk** – wherever possible and appropriate the Group enters into contracts which are of a mid to longer term duration in nature. Typically, future pricing is managed via agreed indexation principles.
- **Credit risk** – the Group is selective with whom it conducts business and regularly reviews the status of its counterparties.
- **Interest rate risk** – the exposure to floating interest rate movements associated with the Group's financing arrangements has been mitigated by entering into a floating to fixed rate swap arrangements for 100% of the Group's floating rate term debt.
- **Liquidity** – is assessed on a monthly basis with regards to the available cash and facilities and the Group retains sufficient cash and undrawn facilities to satisfy its current obligations. The available cash position is assessed against budget and any subsequent updates for year to date and re-forecast trading performance. This is further used to monitor compliance with the Group's Facilities Agreements.
- **Cash Flow** – is also assessed on a monthly basis in line with the receivables cycles of the Group's processing contracts, with a corresponding analysis of any ageing of debtors.

Streamlined Energy and Carbon Reporting ("SECR")

Streamlined Energy and Carbon Reporting ("SECR") is presented within the strategic report.

Disclosure of information to the auditor

So far as each person who was a Director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow Directors and the Group's auditor, each Director has taken all the steps that he/she is obliged to take as a Director in order to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information.

Re-appointment of auditors

During 2024 PricewaterhouseCoopers LLP were appointed auditors of the Company. In accordance with s.485 of the Companies Act 2006, a resolution is to be proposed at the Annual General Meeting for re-appointment of PricewaterhouseCoopers LLP as auditors of the Company.

Approved by the Board of Directors and signed on its behalf by:

Signed by:
Angela Fletcher
5484A6C28CCE481...
Angela Fletcher
Director
29 May 2025

Docusign Envelope ID: 77D3D752-F843-44E4-9555-5F4C0449B169

Statement of Directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the group and the company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law).

Under company law, directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and company and of the profit or loss of the group for that period. In preparing the financial statements, the directors are required to:

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

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

The directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and company and enable them to ensure that the financial statements comply with the Companies Act 2006.

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

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

Independent auditors' report to the members of Selkie Investments Midstream Bidco Limited

Report on the audit of the financial statements

Opinion
In our opinion, Selkie Investments Midstream Bidco Limited's group financial statements and company financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and of the company's affairs as at 31 December 2024 and of the group's loss and the group's cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Report and Consolidated Financial Statements (the "Annual Report"), which comprise: Group and Company statements of financial position as at 31 December 2024; Group statement of profit or loss and other comprehensive income, Group and Company statements of changes in equity and Group statement of cash flows for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

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

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

Conclusions relating to going concern
Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's

and the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

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

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

Reporting on other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

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

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

Strategic report and Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the year ended 31 December 2024 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

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

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' responsibilities, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also

responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and 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 group or the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

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

Based on our understanding of the group and industry, we identified that the principal risks of non-compliance with laws and regulations related to the Petroleum Act 1998, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as UK and international tax legislation and the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate journal entries to increase revenue or EBITDA and decrease costs, and potential management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Enquiries of management around known or suspected instances of non-compliance with laws and regulations, tax legislations, claims and litigation, and instances of fraud;
- Understanding management's controls designed to prevent and detect irregularities;
- Review of board minutes;
- Challenging management on assumptions and judgements made in their significant accounting estimates; and
- Identifying and testing journal entries with a specific focus on entries containing unusual account combinations in response to the risk of management override of controls.

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

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

Use of this report

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

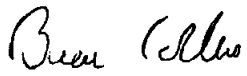
Other required reporting

Companies Act 2006 exception reporting

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

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

We have no exceptions to report arising from this responsibility.



Bruce Collins (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Aberdeen
29 May 2025

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Group statement of profit or loss and other comprehensive income

for the year ended 31 December 2024

	Notes	*2024* £000	**2023* £000
Turnover	2	277,306	277,489
Cost of sales		(210,009)	(230,576)
Gross profit		67,297	46,913
Administrative expenses		(44,176)	(42,687)
Impairment charge	11	(6,402)	-
Operating profit	3	16,719	4,226
Finance income	6	17,280	22,327
Finance costs	7	(113,658)	(125,995)
Loss before taxation		(79,659)	(99,442)
Tax on loss	8	10,673	13,700
Loss for the financial year		(68,986)	(85,742)
Other expense			
Foreign currency translation difference – foreign operations		349	1,261
Total comprehensive expense for the year		(68,637)	(84,481)

All amounts relate to continuing activities.

As permitted by Section 408 of the Companies Act 2006, the income statement of the Company is not part of these financial statements. The Company made a loss in the current period of £57.8 million (2023: £64.6 million).

*Prior year amounts have been restated to be consistent with the 2024 presentation, see note 29 for details.

Docusign Envelope ID: 77D3D752-F843-44E4-9555-5F4C0449B169

Group statement of financial position

At 31 December 2024

	Notes	*2024* £000	**2023* £000
Fixed assets			
Intangible assets	10	78,582	85,055
Tangible assets	11	994,538	1,056,803
Other long term assets	13	12,677	39,809
		1,085,797	1,181,667
Current assets			
Stocks		1,081	1,207
Debtors	14	154,129	148,131
Cash at bank and in hand	22(b)	12,592	7,551
		167,802	156,889
Creditors: amounts falling due within one year	15	(804,173)	(861,190)
Net current liabilities		(636,371)	(704,301)
Total assets less current liabilities		449,426	477,366
Creditors: amounts falling due after one year	16	(553,450)	(499,771)
Provisions for liabilities			
Decommissioning provision	19	(36,753)	(38,496)
Deferred taxation	20	(201,563)	(212,802)
Net liabilities		(342,340)	(273,703)
Capital and reserves			
Called up Share capital	21	59,294	59,294
Profit and loss account	21	(402,900)	(333,914)
Foreign currency translation reserve	21	1,266	917
Total Shareholders' Deficit		(342,340)	(273,703)

*Prior year amounts have been restated to be consistent with the 2024 presentation, see note 29 for details.

The financial statements were approved by the Board of Directors, authorised for issue and signed on its behalf by:

Signed by:
Angela Fletcher
5484A6C28CCE481...
Angela Fletcher
Director
29 May 2025

Docusign Envelope ID: 77D3D752-F843-44E4-9555-5F4C0449B169

Company statement of financial position

At 31 December 2024

	Notes	2024 £000	2023 £000
Fixed assets			
Investments	12	798,819	798,819
Other long term assets	13	12,677	35,542
		811,496	834,361
Current assets			
Debtors	14	825,264	662,802
Cash at bank and in hand		-	2,797
		825,264	665,599
Creditors: amounts falling due within one year	15	(1,259,216)	(1,170,923)
Net current liabilities		(433,952)	(505,324)
Total assets less current liabilities		377,544	329,037
Creditors: amounts falling due after one year	16	(446,601)	(340,303)
Net liabilities		(69,057)	(11,266)
Capital and reserves			
Called up share capital	21	59,294	59,294
Profit and loss account	21	(128,351)	(70,560)
Total Shareholders' Deficit		(69,057)	(11,266)

As permitted by Section 408 of the Companies Act 2006, the income statement of the Company is not part of these financial statements. The Company made a loss in the current period of £57.8 million (2023: loss of £64.6 million).

The financial statements were approved by the Board of Directors, authorised for issue and signed on its behalf by:

Signed by:
Angela Fletcher
5484A6C28CCE481...
Angela Fletcher
Director
29 May 2025

Docusign Envelope ID: 77D3D752-F843-44E4-9555-5F4C0449B169

Statements of changes in equity

for the year to 31 December 2024

Group

	Called-up share capital £000	**Profit and loss reserve £000*	**Foreign currency translation reserve £000*	**Shareholders' Deficit £'000*
At 1 January 2023*	59,294	(248,172)	(344)	(189,222)
Foreign currency translation differences*	-	-	1,261	1,261
Loss for the year*	-	(85,742)	-	(85,742)
At 31 December 2023*	59,294	(333,914)	917	(273,703)
Foreign currency translation differences	-	-	349	349
Loss for the year	-	(68,986)	-	(68,986)
At 31 December 2024	59,294	(402,900)	1,266	(342,340)

*Prior year amounts have been restated to be consistent with the 2024 presentation, see note 29 for details

Company

	Called-up share capital £000	*Profit and loss reserve £000*	*Shareholders' Deficit £*
At 1 January 2023	*59,294*	*(5,932)*	*53,362*
Loss for the year	-	*(64,628)*	*(64,628)*
At 31 December 2023	59,294	(70,560)	(11,266)
Loss for the year	-	(57,791)	(57,791)
At 31 December 2024	59,294	(128,351)	(69,057)

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Group statement of cash flows

for the year ended 31 December 2024

	Notes	*2024* *£000*	*2023* *£000*
Net cash inflow from operating activities	22(a)	83,841	94,012
Taxation paid		(11,482)	(5,566)
Net cash generated from operating activities		**72,359**	**88,446**
Cash flow from investing activities			
Payments to acquire tangible fixed assets		(12,149)	(32,130)
Contributions received for tangible fixed assets		4,183	8,515
Finance income		242	97
Net cash used in investing activities		**(7,724)**	**(23,518)**
Cash flow from financing activities			
Interest paid[1]		(38,825)	(12,937)
Receipt from swap termination		31,290	-
Swap purchase		(10,000)	-
Payment for debt transaction costs		(13,311)	-
Receipt of loan facility		507,395	44,286
Repayments of existing loan facility		(536,143)	(103,916)
Net cash used in financing activities		**(59,594)**	**(72,567)**
Net increase / (decrease) in cash		**5,041**	**(7,639)**
Cash and cash equivalents at the beginning of the year		7,551	15,190
Cash and cash equivalents at the end of the year	22(b)	**12,592**	**7,551**

Prior year amounts have been restated to be consistent with the 2024 presentation, see note 29 for details

[1] Interest paid includes interest on bank loan and other interest payable (£35.8 million) (2023: (£35.1 million)), receipt from interest rate swap £17.0 million (2023: £22.2 million) and repayment of intercompany interest £20 million (2023: nil)

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Notes to the financial statements

for the year ended 31 December 2024

1. Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and to the preceding year.

General information

Selkie Investments Midstream Bidco Limited and its subsidiaries ("the Group") focus on the ownership and development of midstream oil and gas infrastructure assets within the North Sea. Details of the Group's activities during the year are provided in the Strategic report. Selkie Investments Midstream Bidco Limited ("the Company") is a limited liability company, limited by shares and incorporated in England, United Kingdom. The Registered Office is Suite 1, 7th Floor, 50 Broadway, London.

The principal activity of the Company is that of a holding company. The principal activities of the Group are the transportation and processing of hydrocarbons from the North Sea.

Statement of compliance

The Group and Company's financial statements have been prepared in accordance with United Kingdom Accounting Standards, including FRS102 "The Financial Reporting Standard applicable to the UK and Republic of Ireland" and the Companies Act 2006.

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards. The financial statements have been prepared using accounting principles based on historical cost, unless stated otherwise. The financial statements are prepared in sterling which is the presentational and functional currency of the Group and Company and rounded to the nearest £000. The accounting policies have been applied consistently, other than where new policies have been adopted.

Basis of consolidation

The Group financial statements consolidate the financial statements of Selkie Investments Midstream Bidco Limited, North Sea Midstream Partners Limited, NSMP HoldCo 2 Limited, NSMP (TGPP) Limited, Teesside Gas Processing Plant Limited, TGPP 1 Limited, TGPP 2 Limited, Teesside Gas & Liquids Processing, Northern Gas Processing Limited, Risavika Production AS, NSMP Norge AS, Selkie Investments Midstream Norway Limited and NSMP Operations Limited, drawn up to 31 December each year. No income statement is presented for the Company as permitted by section 408 of the Companies Act 2006

Going concern

The Directors have undertaken a rigorous assessment of going concern and liquidity over a period to 31 December 2026 (the going concern period). This includes review of financial forecasts through to the end of December 2026 which reflect severe, but plausible, downside scenarios. The Directors have also considered as part of this assessment the impact of events which have arisen following the balance sheet date and up to the date of issue of these financial statements.

The Group regularly monitors its funding position throughout the year to ensure that it has access to sufficient funds to meet its forecast cash requirements. Forecasts are regularly produced to give Management's best estimates of forward liquidity and forecast covenant compliance as defined in the Group's facilities agreements.

In order to satisfy themselves that they have adequate resources for the going concern assessment period, the Directors have reviewed the Group's existing debt levels, the forecast compliance with debt covenants, and the Group's ability to generate cash from trading activities. As at 31 December 2024, the Group's principal debt facilities comprised of a £425.3 million and €83.6 million term loan with tenors of 5 to 11 years with the 5 year tenor extendable by up to a further two years. In addition, the Group as access to a £35 million multicurrency Revolving Credit Facility.

Docusign Envelope ID: 77D3D752-F843-44E4-9555-5F4C0449B169

Notes to the financial statements

for the year ended 31 December 2024

1. Accounting policies (continued)

Going concern (continued)

At the year end, the outstanding balances on the term debt facilities were £408.5 million and €82.7 million, and the Group had sufficient liquidity and was in compliance with its financial covenants.

The Group's base case going concern assessment utilises the Board approved budget and business plan which provide financial projections through to the end of December 2026. The Group's current suite of contracts are of a long-term nature with reputable, creditworthy counterparties who are deemed to pose limited credit risk. In addition, the assets of the trading entities within the Group are critical to the UK and Norway natural gas resources and essential to the security of energy supply.

The Directors have also considered severe, but plausible, downside scenarios to reflect the potential impacts of further declines in volumes and/or delays to key infill well drilling which could result from a worsening economic climate or continued sector uncertainty. In each of the scenarios modelled, the Group will have sufficient funds, through internally generated resources to meet its liabilities as they fall due and ensure compliance with its financial covenants.

Consequently, the Directors have concluded that the Group and Company will have sufficient funds to continue to meet their liabilities as they fall due to 31 December 2026 and, therefore, have prepared the financial statements on a going concern basis.

Critical accounting Judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 1, the Directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical judgements, apart from those involving estimations (which are indicated below), that the Directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

a) Tangible and intangible fixed assets

The Company establishes a reliable estimate of the useful life of goodwill and intangible assets arising on business combinations. This estimate is based on a variety of factors such as the expected use of the acquired business, the expected useful life of the cash generating units to which the goodwill is attributed, any legal, regulatory or contractual provisions that can limit useful life and assumptions that market participants would consider in respect of similar businesses.

The annual depreciation charge for property, plant and equipment is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 11 for the carrying amount of the property, plant and equipment and tangible fixed assets accounting policy below for the useful economic lives for each class of assets. There were indicators that the useful life of tangible assets related to Teeside Gas Processing Plant and St Fergus Gas Terminal has changed since prior reporting period. As a result, this estimate has been reviewed and the useful life is amended as at 31 December 2023 from 2033-2036 for Plant and Machinery to 2042-2047. Change in the expected useful life shall be accounted for as a change in accounting estimate

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1. Accounting policies (continued)

Critical accounting Judgements and key sources of estimation uncertainty (continued)

b) Intercompany

The Directors have considered the recoverability of investments in subsidiaries and intercompany debtors where an impairment indicator is identified, no impairment indicators were identified during the current period.

Key source of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

a) Impairment of non-financial assets

Where there are indicators of impairment of individual assets, the Company performs impairment tests based on fair value less costs to sell or a value in use calculation. The fair value less costs to sell calculation is based on available data from binding sales transactions in an arm's length transaction on similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the business plan and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the cash generating unit being tested. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash flows. Further details of the assumptions used are given in note 11.

b) Provisions and accruals for liabilities

Management estimation is required to determine the appropriate amount of provisions for decommissioning obligations. The judgement and estimates including associated assumptions necessary to calculate these provisions are based on historical experience and other relevant factors. Decommissioning costs will be incurred by the Group at the end of the operating life of most of the facilities and properties. The Group assesses its decommissioning provision at each reporting date. The ultimate decommissioning costs are uncertain and cost estimates can vary in response to many factors including the expected timing, extent, and amount of expenditure.

c) Fair values of acquired assets and liabilities

Management judgement is required to determine the fair value of acquired assets and liabilities. The fair value of assets and liabilities acquired on acquisition involved the use of valuation techniques and the estimation of future cash flows to be generated over a number of years. The estimation required the combination of assumptions including revenue growth and discount rate.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the statement of financial position date, and translation differences are taken to the income statement.

The results of overseas operations are translated at the average rates of exchange during the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of transactions are used, and their balance sheets are translated at the rates ruling at the balance sheet date. Exchange differences arising on translation of the opening net assets and results of overseas operations are reported in the statement of profit or loss and other comprehensive income and accumulated in equity.

Other exchange differences are recognised in profit or loss in the period in which they arise except for in the case of the consolidated financial statements, exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised in other comprehensive income and reported under equity.

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1. Accounting policies (continued)

Turnover

Turnover arises from income derived from the transportation and processing of natural gas within the United Kingdom and Norway, and other sundry related income net of value added tax where relevant. Turnover is recognised for the transported and processed gas on an accruals basis as the services are provided to customers. Turnover also arises from charging certain categories of operational expenses to customers. The group acts as principal relating to operational expense charging and Natural Gas Liquids "NGL" sales.

Amounts received and receivable from customers in respect of services not yet delivered or obligations not fulfilled at the year end are classified as deferred income until the service is delivered or obligations fulfilled.

The Group has entered into long-term transportation and processing agreements which include send-or-pay protection. Under these arrangements, customers are contractually obliged to pay for a minimum contracted volume or capacity. Turnover from these contracts are recognised as the service is provided.

At year-end, where invoicing has not yet occurred but where the service has been provided, accrued income is recognised to reflect earned but unbilled revenue.

Finance expense/income

Interest income and expense is calculated using the effective interest rate method and is recorded in the income statement in the period to which it relates. Arrangement fees and expenses in respect of the Group's debt facilities are amortised over the period which the Group expects the facility to be in place. Unamortised debt fees are expensed to finance costs in the year in which a refinancing occurs.

Goodwill

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

Goodwill is amortised over its expected life which is estimated to be 20 years. Goodwill is assessed for impairment when there are indicators of impairment and any impairment is charged to the income statement.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Such cost includes costs directly attributable to making the asset capable of operating as intended.

Interest costs arising on the financing of fixed assets under construction are capitalised.

The costs of statutory shutdowns (statutory inspections required for Health and Safety purposes) are capitalised and depreciated over the period until the next anticipated shutdown.

Depreciation is provided on all tangible fixed assets, other than freehold land and assets under construction, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset evenly over its expected useful life, as follows. The end of the useful economic life of assets or the duration of economic lives are as follows:

Freehold buildings	–	2042-2047
Plant and machinery	–	2042-2047
Computer equipment	–	over 3 years (included within plant and machinery)
Capitalised shutdown costs	–	over 3 – 6 years (included within plant and machinery)

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

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Notes to the financial statements

for the year ended 31 December 2024

1. Accounting policies (continued)

Tangible fixed assets (continued)

Where fixed assets have been acquired but paid for by contributions from a third party, these have been recognised gross in the appropriate tangible fixed asset category. The contribution from the third party is shown as deferred income within non-current liabilities and will be released to the income statement in line with the depreciation of the fixed assets concerned.

Assets under construction are stated at cost. The assets are not depreciated until they are available for use. Interest costs arising on the financing of fixed assets under construction are capitalised when the cost is directly attributable to the acquisition, construction, or production of a qualifying asset.

Investments in subsidiaries

Investments in subsidiary companies are included in the financial statements at historical cost less accumulated impairment losses.

Impairment of assets

Non-financial assets

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

The recoverable amount of goodwill is derived from measurement of the present value of the future cash flows of the cash-generating units ("CGU") of which the goodwill is a part. Any impairment loss in respect of a CGU is allocated first to the goodwill attached to that CGU, and then to other assets within that CGU on a pro-rata basis.

Where indicators exist for a decrease in impairment loss previously recognised for assets other than goodwill, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised. Where a reversal of impairment occurs in respect of a CGU, the reversal is applied first to the assets of the CGU, except for goodwill, on a pro-rata basis. Impairment of goodwill is never reversed.

Tangible fixed assets

At each reporting date fixed assets 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 is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in the income statement.

If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in the income statement.

Stocks

Stocks are stated at the lower of cost or net realisable value. Cost comprises cost of purchase and includes charges such as freight and duty where appropriate. Net realisable value is the actual or estimated sales value less all further costs to completion and all costs to be incurred in selling and distribution.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less. Bank overdrafts, when applicable, are shown within borrowings in current liabilities.

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Notes to the financial statements

for the year ended 31 December 2024

1. Accounting policies (continued)

Financial instruments

The Group has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments. Basic financial assets, including trade and other receivables, cash and bank balances and investments, 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. Such assets are subsequently carried at amortised cost using the effective interest method.

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

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow Group companies and preference shares that are classified as debt, 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.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. The fees are amortised over the period of the facility to which it relates. Should a loan facility be refinanced before the end of the term, any unamortised fees are released to the income statement.

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.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. The fair value of derivatives is measured using observable market data and derived from the present value of future cashflows discounted at rates obtained by means of the current yield curve appropriate for those instruments. Changes in the fair value of derivatives are recognised in the income statement in finance costs or finance income as appropriate. Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Decommissioning costs

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

The unwinding of the discount on the provision is included in the income statement within finance costs. Any changes to the estimated costs or discount rates are dealt with prospectively.

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Notes to the financial statements

for the year ended 31 December 2024

1. Accounting policies (continued)

Current taxation

Current tax, including UK corporation tax and foreign tax, is recognised on taxable profits or losses for the current and past periods. Current tax is measured at the amounts of tax expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

Deferred taxation

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or right to pay less or to receive more tax, with the following exceptions:

- Provision is made for deferred taxation that would arise on remittance of the retained earnings of subsidiaries, associates and joint ventures only to the extent that, at the statement of financial position date, dividends have been accrued as receivable.
- Deferred tax assets are recognised when the Directors consider that it is more likely than not that there will be taxable profits which the future reversal of the timing difference can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the statement of financial position date.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Distributions to equity holders

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

Exceptional items

The presentation of the Group's results separately identifies the effect of profits and losses associated with the impact of certain one-off charges or credits that have a material impact on the Group's financial results as 'exceptional items'. These items are disclosed separately to provide further understanding of the financial performance of the Group. The results of the Group excluding one off items are used by management and are presented in order to provide readers with a clear and consistent presentation of the underlying operating performance of the Group's ongoing business. Refer to note 3 for 'exceptional costs' identified in the current period.

Related party transactions

The Group has taken advantage of the exemptions given in FRS 102.33.1A and FRS102.33.7, not to disclose transactions with wholly owned related parties and key management personnel.

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2. Turnover

An analysis of the Group's revenue by category is as follows:

	2024 *£000*	*2023* *£000*
Tariff and Natural Gas Liquid processing	165,523	152,068
Tariff associated with Liquefaction of Natural Gas	23,876	26,577
Recharges	84,747	96,326
Other	3,160	2,518
	277,306	277,489

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

	2024 *£000*	*2023* *£000*
United Kingdom	247,806	243,671
Norway	29,500	33,818
	277,306	277,489

Turnover, which is stated net of value added tax, represents amounts invoiced to third parties and amounts accrued in respect of the Group's continuing activity as stated in the Strategic report, and arises wholly within the UK and Norway. The Directors consider the principal activities within the group to be the transportation and processing of hydrocarbons from the North Sea and the provision of liquefaction services in Norway.

3. Operating profit

This is stated after charging/(crediting):

	2024 *£000*	*2023* *£000*
Auditor's remuneration:		
Audit of the financial statements of the Company	30	-
Audit of the financial statements of the Selkie Group*	470	468
Audit related assurance services	16	-
	516	468
Depreciation of owned tangible fixed assets	60,443	80,585
Amortisation of goodwill	6,473	6,895
Release of deferred income relating to third party funded assets	(4,141)	(8,704)
Foreign exchange gain	1,432	2,370
Loss on disposal of fixed assets	10	29
Exceptional costs	1,000	-

*The audit fee for the financial statements above includes companies in the Selkie Investments Midstream Topco Limited Group.

During the year, the Group recognised an accrual of £1.0m in relation to a contractual dispute with a customer, with the charge to cost of sales being recorded as exceptional. This is a one-off expense and does not reflect ongoing operational costs.

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4. Directors' emoluments

The emoluments of the Directors who receive emoluments in their capacity as Directors of this Company are as follows:

	2024	*2023*
	£000	£000
Emoluments	866	1,151

The emoluments in respect of the highest paid Director:

	2024	*2023*
	£000	*£000*
Emoluments	427	708

No directors (2023: none) were members of defined contribution schemes. Directors are also considered as key management personnel.

*The directors emolument above includes companies in the Selkie Investments Midstream Topco Limited Group.

5. Staff costs

	2024	*2023*
	£000	*£000*
Wages and salaries	5,795	4,833
Social security costs	831	645
Other pension costs	308	303
	6,934	5,781

The average monthly number of personnel employed by the Group during the year was as follows:

	2024	*2023*
	No.	No.
Management	17	17
Directors	3	3

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6. Finance income

	2024 *£000*	*2023* *£000*
Bank deposit account interest	168	113
Receipts from interest rate swaps	17,038	22,179
Other interest	74	35
	17,280	22,327

Net banking interest for the year ended 31 December 2024 was £17.5m (2023: £13.1m)

7. Finance costs

	2024 *£000*	*2023* *£000*
Interest on bank loans	34,497	35,281
Loss on revaluation of financial instruments	5,736	25,276
Amortisation of loan issue costs	9,708	2,370
Unwinding of discount on decommissioning provision	1,580	1,862
Interest due to parent undertaking	61,656	61,146
Other interest	481	60
	113,658	125,995

Amortisation of loan issue costs in 2023 reflects the release of loan issue costs relating to the previous banking facilities held by the Group. The total release throughout 2024 relating to the previous banking facilities was £9.0 million.

8. Tax on loss

(a) Tax on loss

The tax credit is made up as follows:

	2024 *£000*	*2023* *£000*
Corporation tax on profit / loss for the year	(94)	(2,685)
Adjustments in respect of prior years	151	(158)
Total current tax	57	(2,843)
Deferred tax:		
Origination and reversal of timing differences	(10,730)	(11,067)
Adjustments in respect of prior years	-	342
Effect of changes in tax rate	-	(132)
Total deferred tax credit (note 20)	(10,730)	(10,857)
Total tax credit	(10,673)	(13,700)

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Notes to the financial statements

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8. Tax on loss (continued)

(b) Factors affecting current tax charge for the year:

The tax assessed for the year is higher than (2023: higher than) the standard rate of corporation tax in the UK of 25.0% (2023: 23.5%). The differences are explained below:

	2024 £000	*2023 £000*
Loss before tax	(79,659)	(99,442)
Loss multiplied by standard rate of corporation tax in the UK of 25.0% (2023: 23.5%)	(19,915)	(23,389)
Effects of:		
Disallowable expenses	9,457	13,835
Income not taxable	(1,103)	(2,051)
Adjustments to tax charge in respect of previous years	151	184
Deferred tax not provided	378	(2,271)
Tax rate changes	359	(8)
Total tax credit for the year (note 8(a))	(10,673)	(13,700)

(c) Factors affecting future tax charges

Finance Act 2021 included an increase in the UK's main corporation tax rate to 25.0%, effective from 1 April 2023. This rate change was enacted on 24 May 2021. Therefore, this rate change has been reflected in the remeasurement of deferred tax at the balance sheet date.

The Group has assessed the impact of the OECD Pillar 2 global minimum tax rules and determined that it is not currently within scope, as it does not meet the revenue threshold for applicability.

9. Profit attributable to members of Company

The loss dealt with in the financial statements of the Company was £57.8 million (2023: loss £64.6 million).

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Notes to the financial statements

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10. Intangible assets

	Goodwill *£000*	*Total* *£000*
Cost:		
At 1 January 2024	137,141	137,141
At 31 December 2024	137,141	137,141
Amortisation:		
At 1 January 2024	52,086	52,086
Charged during the year	6,473	6,473
At 31 December 2024	58,559	58,559
Net book value:		
At 31 December 2024	78,582	78,582
At 31 December 2023	85,055	85,055

Goodwill has arisen principally due to the recognition of the deferred tax liabilities for the difference between the assigned values and the tax bases of the assets acquired in a business combination at amounts that do not reflect fair value.

The Group amortises goodwill based on its useful life which has been deemed to be 20 years.

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Notes to the financial statements

for the year ended 31 December 2024

11. Tangible assets

Group

	Freehold land £000	*Buildings £000*	*Plant and machinery £000*	*Assets under construction £000*	*Total £000*
Cost:					
At 1 January 2024	14,760	613	1,619,961	35,290	1,670,624
Additions	–	–	672	11,477	12,149
Transfers	–	–	23,693	(23,693)	–
Disposals	–	–	(70)	–	(70)
Revision to decommissioning provision	–	–	(3,235)	–	(3,235)
Effect of currency revaluation	–	–	(7,160)	(89)	(7,249)
Release	–	–	–	(104)	(104)
At 31 December 2024	14,760	613	1,633,861	22,881	1,672,115
Depreciation and impairment:					
At 1 January 2024	–	144	613,677	–	613,821
Provided during the year	–	13	60,430	–	60,443
Disposals	–	–	(60)	–	(60)
Impairment	-	-	6,402	-	6,402
Effect of currency revaluation	–	–	(3,029)	–	(3,029)
At 31 December 2024	–	157	677,420	–	677,577
Net book value:					
At 31 December 2024	14,760	456	956,441	22,881	994,538
At 31 December 2023	14,760	469	1,006,284	35,290	1,056,803

2024

Property, plant and equipment (PP&E) is reviewed for impairment whenever events or changes in circumstances indicate the carrying amounts may not be recoverable. The Group performed and impairment trigger assessment with an impairment trigger being identified relating to the Risavika Liquefaction Plant. The Group uses a value-in-use method to calculate the recoverable amount of the cash generating unit (CGU). In determining the value-in-use, an appropriate discounted cash flow model was used, incorporating cash flow projections included within the financial budgets and the Groups' business plan and long-term forecasts. In certain circumstances, impairments on PP&E are reversible in the future.

The modelling and projections in the impairment analysis are based on a wide range of forward-looking assumptions, many of which are inherently uncertain, including market outlook and pricing, processing volumes and expenditures. The key assumptions relating to the Norwegian business include: power prices, as per the Groups power price agreement; levels of future customer volumes and associated revenues; the level and timing of operating and capital expenditures; corporate tax rates, at the Norwegian tax rate of 22%; and appropriate discount rate, 12.62% pre tax. Power pricing forecasts (unless fixed) are based on market conditions and forward pricing curves. Operating expenditure and capital expenditure are derived from the Group's Business Plan. These assumptions are reviewed annually by management and the board, and volume projections developed in conjunction with an independent consultant.

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Notes to the financial statements

for the year ended 31 December 2024

11. Tangible assets (continued)

During the year the Group recognised a pre-tax impairment charge of £6.4m (post-tax £5.0m) associated with the Risavika Liquefaction Plant (RLP). This represents a write-down of PP&E assets offset by a tax credit in respect of reductions to the deferred tax liabilities associated on the Group's assets. The impairment arises primarily due to a reassessment of the appropriate discount rate utilised.

The Group has run sensitivity analysis on the discount rate assumption. A 1% increase in the pre-tax discount rate would increase the impairment by £5.2m, and a 1% decrease in the pre-tax discount rate would decrease the impairment by £5.7m.

12. Investments

Company

	Shares in subsidiary undertakings £000
Cost:	
At 1 January 2024 and 31 December 2024	798,819

Subsidiary undertakings

The Company's investments at the statement of financial position date in the share capital of companies include the following (* denotes held indirectly):

North Sea Midstream Partners Limited

Nature of business: Investment holding company
Class of shares: Ordinary
% Holding: 100%
Registered address: 3rd Floor, 44 Esplanade, St Helier, Jersey, JE4 9WG

NSMP HoldCo 2 Limited*

Nature of business: Investment holding company
Class of shares: Ordinary
% Holding: 100%
Registered address: Suite 1, 7th Floor, 50 Broadway, London, SW1H 0BL

NSMP (TGPP) Limited*

Nature of business: Transportation and processing of natural gas
Class of shares: Ordinary
% Holding: 100%
Registered address: 3rd Floor, 44 Esplanade, St Helier, Jersey, JE4 9WG

NSMP Operations Limited*

Nature of business: Transportation and processing of natural gas
Class of shares: Ordinary
% Holding: 100%
Registered address: Suite 1, 7th Floor, 50 Broadway, London, SW1H 0BL

Teesside Gas Processing Plant Limited*

Nature of business: Investment holding company
Class of shares: Ordinary
% Holding: 100%
Registered address: Suite 1, 7th Floor, 50 Broadway, London, SW1H 0BL

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Notes to the financial statements

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12. Investments (continued)

TGPP 1 Limited*

Nature of business: Investment holding company
Class of shares: Ordinary
% Holding: 100%
Registered address: Suite 1, 7th Floor, 50 Broadway, London, SW1H 0BL

TGPP 2 Limited*

Nature of business: Investment holding company (unaudited dormant Company)
Class of shares: Ordinary
% Holding: 100%
Registered address: Suite 1, 7th Floor, 50 Broadway, London, SW1H 0BL

Teesside Gas & Liquids Processing*

Nature of business: Processing and extraction of liquids from natural gas (Unlimited Company)
Class of shares: Ordinary
% Holding: 100%
Registered address: Suite 1, 7th Floor, 50 Broadway, London, SW1H 0BL

Northern Gas Processing Limited*

Nature of business: Fractionation of natural gas liquids
Class of shares: Ordinary and Preference
% Holding: 100%
Registered address: Suite 1, 7th Floor, 50 Broadway, London, SW1H 0BL

NSMP Norge AS*

Nature of business: Investment holding company
Class of shares: Ordinary
% Holding: 100%
Registered address: Munkedamsveien 59B, 0270 Oslo, Norway

Risavika Production AS*

Nature of business: Production of liquified natural gas
Class of shares: Ordinary
% Holding: 100%
Registered address: Kontinentalvegen 36, 4056 TANANGER , Norway

Selkie Investments Midstream Norway Limited

Nature of business: Investment holding company
Class of shares: Ordinary
% Holding: 100%
Registered address: Suite 1, 7th Floor, 50 Broadway, London, SW1H 0BL

During the year a group reconstruction occurred. Refer to note 29 of the financial statement.

13. Other long term assets

	Group 2024 £000	*Group 2023 £000*	*Company 2024 £000*	*Company 2023 £000*
Derivative financial instruments (note 25)	12,677	39,809	12,677	35,542

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14. Debtors

	Group 2024 £000	*Group 2023 £000*	*Company 2024 £000*	*Company 2023 £000*
Trade debtors	15,229	12,718	1	–
Loans to group companies	–	–	543,966	393,993
Amounts owed by group undertakings	–	–	71,204	66,070
Amounts owed by parent undertakings	108,873	100,142	–	–
Intercompany group tax relief	–	–	180,487	170,788
Accrued intercompany interest receivable	–	–	29,606	31,951
Other taxes and social security	4,088	4,048	–	–
Prepayments	3,315	3,568	–	–
Accrued income	22,624	27,655	–	–
	154,129	148,131	825,264	662,802

On 24 September 2018, the Company granted a loan of £461.7 million to NSMP (TGPP) Limited at a fixed rate of 4%. A £20 million repayment was made during the year relating to accrued interest, no repayment was made relating to the principle (2023: nil). The loan is repayable on demand.

Amounts owed by parent undertakings, group tax relief and accrued intercompany interest are repayable on demand and bear no interest.

On 16 October 2024, the Company granted a loan of €83.6 million to Selkie Investments Midstream Norway Limited at a rate of between 4.28% and 5.28%. A €0.9 million principle repayment was made during the year. The loan is repayable on demand.

On 16 October 2024, as part of the Selkie Group reconstruction a loan was created between the Company and Selkie Investments Midstream Norway Limited for £81.4 million at a fixed rate of 11%. No repayment was made during the year. The loan is repayable on demand.

15. Creditors: amounts falling due within one year

	Group 2024 £000	*Group 2023 £000*	*Company 2024 £000*	*Company 2023 £000*
Trade creditors	6,968	10,946	-	1
Loans from parent undertakings	575,709	556,463	575,709	494,353
Amounts owed to group undertakings	–	–	492,238	450,166
Amounts owed to parent undertakings	170,876	147,452	19,252	14,640
Accrued intercompany interest	–	–	151,624	115,362
Corporation tax	561	3,527	–	–
Other taxes and social security costs	1,489	511	–	–
Loans due within one year (note 17)	18,684	109,008	18,974	96,066
Accruals	24,624	23,698	1,419	335
Deferred income	5,262	9,585	–	–
	804,173	861,190	1,259,216	1,170,923

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15. Creditors: amounts falling due within one year (continued)

Loan from parent undertakings is due to Selkie Investments Midstream Midco 2 Limited at a fixed rate of 11%. On 15 October 2024, as part of the Selkie Group reconstruction the existing loan was increased from the Company's parent Selkie Investments Midstream Midco 2 for £81.4 million. A £20 million repayment was made during the year relating to accrued interest, no repayment was made relating to the principle (2023: nil). The loan is repayable on demand

Amounts owed to parent undertakings and accrued intercompany interest are repayable on demand and bear no interest.

Accruals include amounts owing to third parties towards construction work which has been carried out pre-year end.

16. Creditors: amounts falling due after one year

Amounts falling due between one and five years

	Group 2024 £000	*Group 2023 £000*	*Company 2024 £000*	*Company 2023 £000*
Bank loan (note 17)	202,801	369,653	203,962	340,303
Deferred income (note 18)	349	349	-	-
	203,150	370,002	203,962	340,303

Amounts falling due after more than five years

	Group 2024 £000	*Group 2023 £000*	*Company 2024 £000*	*Company 2023 £000*
Bank loan (note 17)	241,617	20,961	242,143	–
Deferred income (note 18)	108,187	108,808	–	–
Derivative financial instruments (note 25)	496	–	496	–
	350,300	129,769	242,639	–
Total	553,450	499,771	446,601	340,303

17. Bank loan

The bank loan, can be analysed as follows:

	Group 2024 £000	*Group 2023 £000*	*Company 2024 £000*	*Company 2023 £000*
Due within one year	20,743	111,377	20,743	98,263
Less: Unamortised issue costs	(2,059)	(2,369)	(1,769)	(2,197)
	18,684	109,008	18,974	96,066

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17. Bank loan (continued)

Due after one year	456,402	397,243	456,402	346,262
Less: Unamortised issue costs	(11,984)	(6,629)	(10,297)	(5,959)
	444,418	390,614	446,105	340,303
Total	463,102	499,622	465,079	436,369

On 11 November 2020, the Group completed its refinancing which gave the Group and Company access to a £616.0 million Term Loan, a £30.0 million Revolving Credit Facility ("RCF") and an incremental indebtedness facility. The Group drew down on the full Term Loan facility on 11 November 2020 which carried interest rates at SONIA plus 1.80% to 2.85% and had a tenor of 7 years with capital repayments commencing in June 2021. The Term Loan was secured by way of a debenture containing provisions for both fixed and floating charges over the assets of the Selkie Investments Midstream Bidco Limited Group of companies.

On 16 November 2021, the Group entered a secured debt facility of €88.0 million which included access to a €5.0 million RCF. The Group drew down on the full loan facility which carried interest rates at EURIBOR plus 1.65% to 2.50% and had a tenor of 7 years with capital repayments commencing in June 2022. The loan facility was secured by way of a debenture containing provisions for both fixed and floating charges over the assets of the NSMP Norge AS Group of companies.

During 2024 the Group undertook a refinancing and entered in to Facilities Agreements from a mix of institutional lenders and US private placement. The facilities gave the Company and Group access to a £425.3 million and €83.6 million worth of debt, a £35 million multi-currency Revolving Credit Facility ("RCF") and a £25 million Decommissioning Security Agreement ("DSA") facility, both the RCF and the DSA are currently undrawn. The Group drew down on the full Term Loan facility and the US private placement facility on 25 October 2024. The loans were utilised to repay previously held loans. The facilities have initial tenors of 5 to 11 years with the 5 year tenor extendable by up to a further 2 years with the option to extend being held by the lenders. Capital repayments commenced in December 2024.

The loans are secured by way of a debenture containing provisions for both fixed and floating charges over the assets of the Selkie Investments Midstream Bidco Limited Group of companies.

The interest rate on the Term Loan facility is based on EURIBOR and SONIA plus a margin, while the US private placement is a fixed interest rate facility. The Company also entered into an interest rate swap agreements which hedged 86% of the total Term Loan facility across the corresponding amortisation profile. The remaining 14% is a fixed rate loan.

The recorded year end mark-to-mark valuation of the swaps showed a net in-of-the-money position of £12.2 million (note 22 b).

18. Deferred income

	Group 2024 £000	*Group 2023 £000*	*Company 2024 £000*	*Company 2023 £000*
Construction contributions	106,894	107,515	–	–
Processing income relating to obligations unfulfilled at the year end	1,642	1,642	–	–
	108,536	109,157	–	–

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19. Decommissioning provision

Group

	2024	*2023*
	£000	*£000*
At 1 January	38,496	47,118
Change in estimates	(3,235)	(10,370)
Charged in the year	1,580	1,862
Effect of movements in foreign exchange	(88)	(114)
At 31 December	36,753	38,496

The Group provides for the estimated future decommissioning costs on its infrastructure assets at the balance sheet date. It is expected that the majority of this expenditure will be incurred beyond a period of 20 years. Decommissioning provisions are discounted at a risk-free rate of 3.87% - 5.11% (2023: 3.16% - 4.16%) and the unwinding of the discount is presented within finance costs. These provisions have been created based on third party estimates. Assumptions based on the current economic environment have been made, which management believe are a reasonable basis upon which to estimate the future liability. These estimates are reviewed regularly to consider any material changes to the assumptions. Changes in estimates are recorded against Property Plant and Equipment.

On the basis that all other assumptions in the calculation remain the same a 10 percent increase in the cost estimates, and a 10 percent decrease in the discount rates used to assess the final decommissioning obligation, would result in increases to the decommissioning provision of approximately £3.6 million and £4.8 million respectively. This change would be principally offset by a change to the value of the associated asset unless the asset is fully depreciated, in which case the change in estimate is recognised directly within the income statement in line with accounting policy.

20. Deferred taxation

Deferred taxation is provided in the financial statements as follows:

Group	*Provided 2024*	*Provided 2023*
	£000	*£000*
Fixed asset timing differences	205,235	215,939
Non trading timing differences	(164)	659
Losses	(3,508)	(3,796)
Undiscounted provision for deferred tax	201,563	212,802

	£000
At 1 January 2024	212,802
Deferred tax credit for the year (note 8(a))	(10,730)
Exchange movements	(509)
Provision at 31 December 2024	201,563

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20. Deferred taxation (continued)

In addition, there are deferred tax assets of £8.5 million (2023: £9.0 million) relating to provisions and £16.2 million (2023: £9.0 million) relating to disallowed interest under the Corporate Interest Restriction rules which have not been recognised due to uncertainty over the realisation of the asset.

21. Issued share capital and reserves

		2024		*2023*
Allotted, called up and fully paid	No.	£000	No.	£000
Ordinary shares of £0.01 each	5,929,446,081	59,294	5,929,446,080	59,294

Profit and loss reserve

This reserve records the cumulative amount of profits and losses less any distributions of dividends. The Company did not declare a dividend in the year (2023: nil).

On 16 October 2024, 1 ordinary share was issued to Selkie Investments Midstream Midco 2 Limited for a consideration of 100 ordinary shares of £0.01 each in Selkie Investments Midstream Norway Limited as part of the group reconstruction.

As a consequence of the above transaction, the Company has accounted for the group reconstruction under merger accounting using group reconstruction relief provisions. Under the provision of the Companies Act 2006, the share for share exchange has been recorded at the carrying value of the investment in Selkie Investments Midstream Norway Limited by Selkie Investments Midstream Midco 2 Limited of £1 as at the date of the transfer.

Foreign currency translation reserve
Foreign currency translation reserve of £1.3 million arose as a result of translating foreign operations' balances into the Group's reporting currency GBP.

22. Notes to the Group statement of cash flows

(a) Reconciliation of operating profit to net cash inflow from operating activities:

	2024	*2023*
	£000	*£000*
Loss before taxation	(79,659)	(99,442)
Net finance costs	96,378	103,668
Operating profit	**16,719**	**4,226**
Impairment	6,402	-
Amortisation of goodwill	6,473	6,895
Depreciation	60,443	80,585
(Profit)/Loss on disposals	10	29
(Decrease) in decommissioning provision	-	(115)
Release of deferred income	(4,404)	(9,558)
Movement in stock	126	(301)
(Increase)/Decrease in debtors	2,733	(8,432)
(Decrease)/Increase in creditors	(6,093)	18,721
Effect of exchange rate changes	1,432	1,962
	83,841	94,012

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22. Notes to the Group statement of cash flows (continued)

(b) Analysis of net debt:

	At 1 Jan 2024 £000	*Cash flow £000*	*Other non-cash movements* £000*	*At 31 Dec 2024 £000*
Cash at bank	7,551	5,041	-	12,592
Bank loans**	(499,622)	28,748	7,773	(463,101)
Derivative financial instruments asset	39,809	(21,290)	(5,842)	12,677
Derivative financial instrument liability	-	-	(496)	(496)
Parent company loan	(556,463)	-	(19,246)	(575,709)
	(1,008,725)	12,499	(17,811)	(1,014,038)

*Non-cash movements relate to unamortised loan issue costs and the derivative financial instruments fair value movement in the year.

**Bank loans are stated net of unamortised issue costs of £14.0 million.

23. Capital commitments

	2024 £000	*2023 £000*
Contracted but not provided for in the financial statements	369	397

24. Other financial commitments

Under the terms of an operating and maintenance contract with px (TGPP) Limited, px (TGPP) Limited is committed to providing the staff and resources to operate TGPP and manage its routine business activities and obligations of the Group. Commitments under this contract are £1.5 million per annum for 2 years.

Further commitments with px Limited to provide an Operations, Maintenance and Management Agreement for the St Fergus terminal and related pipelines. Commitments under this contract are £5.1 million per annum for 2 years.

Further commitments with px Norge AS to provide an Operations, Maintenance and Management Agreement for the Risavika Liquification plant. Commitments under this contract are £0.6 million per annum for 7 years.

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25. Financial instruments

	2024	*2023*
	£000	*£000*
Financial assets at fair value through income statement:		
Interest rate derivatives**	12,677	39,809
Financial assets measured at amortised cost:		
Trade debtors	15,229	12,718
Accrued income	22,624	27,655
Amounts owed by Group undertakings	108,873	100,142
Other taxes	4,088	4,048
Financial liabilities at fair value through income statement:		
Interest rate derivatives	496	-
Financial liabilities recorded at amortised cost:		
Trade creditors	6,968	10,946
Amounts owed to Group undertakings	170,876	147,452
Corporation tax	561	3,527
Other taxes	1,489	511
Bank loans*	463,102	499,622

An interest rate swap is in place, fixing the rate payable between 2.74 – 3.80% on 86% of the notional amortisation profile of the bank loan being £477.1 million. The remaining 14% is a fixed rate loan.

*Bank loans are stated net of amortised issue costs.

The fair value of financial instruments are considered comparable with the carrying value stated above.

26. Related party transactions

The Company has taken advantage of the exemption available under FRS102.33.1A and FRS102.33.7A not to disclose transactions with other members of the Selkie Investments Midstream Topco Limited group.

27. Parent undertaking and ultimate controlling party

The Company is a wholly owned subsidiary of Selkie Investments Midstream Midco 2 Limited.

Selkie Investments Midstream Topco Limited is the parent undertaking for the largest and smallest group of undertakings for which group financial statements are drawn up. Copies of the group financial statements can be obtained from 3rd Floor, 44 Esplanade, St Helier, JE4 9WG, Jersey.

The Directors consider the Company's ultimate controlling parties to be Wren House Infrastructure Group LLP, which is registered at 2, Gresham Street, London, England, EC2V 7QP and IIF Int'l Neon Investment Sarl, which is registered at 11-13, Boulevard De La Foire, Luxembourg.

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28. Subsidiaries and audit exemptions

The Group will be exempting the following companies from an audit in 2024 under Section 479A of the Companies Act 2006.

NSMP Holdco 2 Limited (Registered No. 09711318)

Teesside Gas Processing Plant Limited (Registered No. 5740797)

TGPP 1 Limited (Registered No. 5799781)

Selkie Investments Midstream Norway Limited (Registered No. 13581841)

All of these companies are fully consolidated in the Group Financial Statements

29. Group restructuring

On 16 October 2024, as part of the Selkie Group reconstruction Selkie Investments Midstream Bidco Limited acquired certain commonly controlled businesses from other members of the Selkie Investments Topco Limited Group. The Group elected to account for the acquisition of commonly controlled businesses under the merger accounting method. As a result of this accounting policy election, the results of these businesses have been consolidated in to the financial statements of Selkie Investments Midstream Bidco Limited using the merger accounting method as if they were acquired prior to the earliest period presented in addition, as a result merger accounting relief has been applied.

The comparative information has been restated by including the total comprehensive income for all of the combining business for the previous reporting period and their statement of financial position for the previous reporting date. The effect of the financials' restatement was as follows:

The amount of the adjustment for each line item of the *Consolidated Income Statement* affected was:

	As reported 2023 £000	*Adjustment £000*	*As restated 2023 £000*
Turnover	243,671	33,818	277,489
Cost of sales	(203,687)	(26,889)	(230,576)
Gross profit	39,984	6,929	46,913
Administrative expenses	(36,768)	(5,919)	(42,687)
Impairment reversal on assets	-		-
Operating profit	3,216	1,010	4,226
Finance income	20,186	2,141	22,327
Finance costs	(112,558)	(13,437)	(125,995)
Loss before taxation	(89,156)	(10,286)	(99,442)
Tax credit	12,698	1,002	13,700
Loss for the financial year	(76,458)	(9,284)	(85,742)
Other expense			
Foreign currency translation difference – foreign operations	-	1,261	1,261
Total comprehensive expense for the year	(76,458)	(8,023)	(84,481)

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29. Group restructuring (continued)

The amount of the adjustment for each line item of the *Consolidated statement of financial position* affected was:

	As reported 2023 £000	*Adjustment £000*	*As restated 2023 £000*
Fixed assets			
Intangible assets	85,055	-	85,055
Tangible assets	956,228	100,575	1,056,803
Other long term assets	35,542	4,267	39,809
	1,076,825	104,842	1,181,667
Current assets			
Stocks	510	697	1,207
Debtors	141,714	6,417	148,131
Cash at bank and in hand	6,264	1,287	7,551
	148,488	8,401	156,889
Creditors: amounts falling due within one year	(763,903)	(97,287)	(861,190)
Net current liabilities	(615,415)	(88,886)	(704,301)
Total assets less current liabilities	461,410	15,956	477,366
Creditors: amounts falling due after one year	(449,460)	(50,311)	(499,771)
Provisions for liabilities and charges			
Decommissioning provision	(36,506)	(1,990)	(38,496)
Deferred taxation	(200,464)	(12,338)	(212,802)
Net liabilities	(225,020)	(48,683)	(273,703)
Capital and reserves			
Share capital	59,294	-	59,294
Profit and loss reserve	(284,314)	(49,600)	(333,914)
Foreign currency translation reserve	-	917	917
Total Shareholders' Deficit	(225,020)	(48,683)	(273,703)

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29. Group restructuring (continued)

The amount of the adjustment for each line item of the *Consolidated statement of cash flows* affected was:

	As reported 2023 £000	*Adjustment £000*	*As restated 2023 £000*
Net cash inflow from operating activities	86,836	7,176	94,012
Taxation paid	(5,566)	-	(5,566)
Net cash generated from operating activities	**81,270**	**7,176**	**88,446**
Cash flow from investing activities			
Payments to acquire tangible fixed assets	(30,141)	(1,989)	(32,130)
Contributions received for tangible fixed assets	8,515	-	8,515
Finance income	97	-	97
Net cash used in investing activities	**(21,529)**	**(1,989)**	**(23,518)**
Cash flow from financing activities			
Finance costs	(11,610)	(1,327)	(12,937)
Receipt of loan facility (net of costs)	40,000	4,286	44,286
Repayments of existing loan facility	(91,711)	(12,205)	(103,916)
Net cash used in financing activities	**(63,321)**	**(9,246)**	**(72,567)**
Net decrease in cash	**(3,580)**	**(4,059)**	**(7,639)**
Cash and cash equivalents at the beginning of the year	9,844	5,346	15,190
Cash and cash equivalents at the end of the year	**6,264**	**1,287**	**7,551**