Infinis Energy Group Holdings Limited
Annual Report and Accounts 2022

Powering the Future

Contents

Strategic report

Governance

Financial statements

Other information

Highlights

Revenue

£155.0m

2021: £148.7m

EBITDA[1]

£71.6m

2021: £74.2m

Operating profit

£27.4m

2021: £22.9m

RIDDOR accident rate

0.26

2021: 0.37

Net cash generated from operating activities

£65.6m

2021: £76.8m

Development capital expenditure

£8.8m

2021: £4.8m

[1] The definition and calculation of Alternative Performance Measures (those that are defined by Infinis and not IFRS) is set out on page 72.

infinis

Our mission is to grow into a diversified, renewable and low carbon energy business, leveraging our core expertise to play a key role in achieving the UK's net zero ambitions.

Infinis at a glance

Electricity generation with a positive environmental impact

Electricity generated (GWh)

1,267

2021: 1,404

Operational MWs installed (MW)

460

2021: 472

Our energy generation

Baseload generation

Captured Landfill Methane (CLM)

Generates baseload power through the capture of landfill methane (CH_4), which is carried out by applying suction through a network of installed pipelines and gas wells on landfill sites. Modular gas reciprocating engines then use the methane as a fuel source to generate electricity. Methane is around 25 times more harmful than carbon dioxide (CO_2) as a greenhouse gas.

Fuel source

CLM through a network of pipes and gas wells

Used for

- Renewable baseload electricity generation
- 24/7 Export to Grid

Sites and installed capacity

100 sites

240 MW

Captured Mineral Methane (CMM)

Generates baseload power through the capture of mineral methane which is a naturally occurring methane-rich gas released from closed mines. Controlled extraction through the mine openings or boreholes. The conversion to electricity uses modular reciprocating gas engines in the same way as CLM.

Fuel source

CMM through existing mine openings or boreholes

Used for

- Baseload electricity generation
- 24/7 Export to Grid during operating months

Sites and installed capacity

16 sites

42 MW

MW under development (MW)

215

2021: 71

Positive environmental impact ($MtCO_2$)

5.7

2021: 6.3

Flexible generation

Power Response (PR) provides highly responsive power in local areas connected through the local distribution network closest to consumer demand, using mostly mains natural gas to power modular gas reciprocating engines. PR supports the UK's energy transition and growing intermittent renewable power generation, from wind and solar, whilst also providing back up capacity in the event of grid demand.

Fuel source

Piped natural gas

Used for

- Fast response electricity generation in periods of peak demand

Sites and installed capacity

29 sites

171 MW

Solar energy parks

Solar energy parks use interconnected photovoltaic panels to capture sunlight, creating DC electricity which is then converted to AC by on-site invertors. Solar power is a renewable and infinite resource.

Fuel source

Sunlight

Used for

- Renewable electricity generation

Sites and installed capacity

1 site

7 MW

Chair's statement

Growing a diversified, low carbon energy portfolio

"The last year has been turbulent and pivotal in the transition of the UK to a zero-carbon energy system."

In November, COP26 provided a focal point for civil society, business, and governments, highlighting the need for clear and urgent action to address the climate crisis. As a result, world leaders made commitments to largely eliminate the use of coal and significantly reduce the unabated use of natural gas by replacing them with existing and developing forms of renewable and zero carbon generation. The UK's 10-point plan for a green industrial revolution was published in November 2021 and provided an outline pathway to net zero.

Through the year gas, oil, and electricity prices rose sharply as the global economy reopened after the lockdowns of the COVID-19 pandemic, leading to an affordability crisis for households and businesses across the UK. Pricing was further exacerbated by the impact that Russia's invasion of Ukraine in February 2022 had on markets. The resulting conflict has significant humanitarian implications for Ukrainian nationals. It has also highlighted the dependency of Europe on Russian natural gas.

The UK Government announced the British Energy Security Strategy in April 2022. This strategy set a clear goal to decarbonise the UK electricity system by 2035 through a number of actions, including a five-fold increase in solar PV generation; significant scale of green hydrogen production; and also to make substantial progress on decarbonising the transport and heat sectors through electrification – in turn doubling electricity demand. Under this plan, the generation mix will become very different with an increased requirement for flexibility.

Security of supply and resilience

Against this background, Infinis provides security of supply and resilience.

Infinis' Captured Landfill Methane (CLM) and Captured Mineral Methane (CMM) divisions provide one of the foundations of the existing UK decarbonisation strategy by capturing methane and preventing its release into the atmosphere - a gas which is approximately 25 times more harmful than carbon dioxide to the environment. The electricity is generated 24/7 and not subject to the intermittency of wind and some other forms of renewable generation.

Infinis' Power Response (PR) division provides electricity to grid as and when required during both periods of high demand and/or low generation, and is a segment in which Infinis has invested significantly in the last few years. In FY22, this service has been critical to ensure security of supply to UK households and businesses.

Strategy and investment

The strategy of Infinis is focused and committed to growth and diversification through continued investment in renewable, and low carbon, sources of electricity generation.

During the year the Governing Board have overseen the implementation of this strategy, and agreed to accelerate it and increase the ambition in developing and building a significant pipeline of solar, expanding into Battery Energy Storage Systems (BESS), whilst actively monitoring developments in green gas and hydrogen.

These growth plans represent a significant capital investment for the next five years.

Challenge to growth

Through our shareholder, 3i Infrastructure, and our lenders, Infinis has access to the required capital to fund its growth strategy. However, in order to invest and deliver this growth, I strongly believe that renewable electricity generators, shareholders, and lenders need a clear and consistent framework from Government and regulators to meet the scale of the required investment within the required timeframe. There has been some progress in the last few years, but also concerns:

– Confirmation from BEIS that the Contracts for Difference auction will be an annual process is a significant commitment. This mechanism reduces the cost of capital for investment, and therefore, ultimately, costs to customers and society.

– The Government committed to accelerating the planning process. By co-locating Solar on landfill and developing small footprint BESS focused on brownfield sites, Infinis' development looks to repurpose land with minimal alternative use, protecting green space across the UK. However, the end-to-end development process can often take more than 24 months, which is not consistent with the ambition of accelerating the roll-out of solar.

– Grid access at sufficient scale, appropriate cost, and in a timely manner is a key challenge. Major grid upgrade in transmission and distribution has been slower than is necessary to meet the ambition of the energy transition. In particular, investment in the grid network close to demand, and focused in the areas where Infinis is developing projects, has been limited to date. This must change.

– Work on market arrangements and governance, including the proposed establishment of the Future System Operator (FSO) and consultation on Revised Electricity Market Arrangements (REMA) is welcomed. However, it is important to ensure market arrangements and governance enable an expedited transition at fair cost to customers. This process must be effectively managed to ensure it doesn't distract industry from investing at pace.

> **"The strategy of Infinis is focused and committed to growth and diversification through continued investment in renewable, and low carbon, sources of electricity generation."**

Sustainability and our people

Infinis has a very clear sustainability strategy, which is aligned to the UN SDG's and focused on those goals on which we can have the most impact, including continuing to capture methane and reduce our carbon footprint. As COVID-19 restrictions have eased, I have been fortunate to visit a number of sites and seen at first-hand the commitment of our team and the desire to continue to innovate, as demonstrated by how the sustainability strategy and associated projects have been embraced and driven forward in a short period of time.

During the year, a mix of employees with differing backgrounds and experience have been empowered to focus on reducing the carbon footprint of Infinis' supply chain with a number of very exciting opportunities identified and progressed.

As a Board, we have strongly supported the Executives' commitment to improving the diversity of our team, and are encouraged, but not complacent, by the progress during the year.

Outlook

It is an incredibly exciting time to be involved with Infinis. I look forward with optimism and confidence, underpinned with a culture of strong financial and operational performance delivered by employees who demonstrate passion and commitment in everything they do.

Tony Cocker
Chair and Non-Executive Director

Our ESG focus areas

See pages 23-25

Protecting the health, wellbeing and safety of our people, and the environment

Combating global warming by targeting the reduction of direct carbon emissions

Proactively support society in eliminating exploitive work in the supply chain

Achieving success through a culture of passion, energy, engagement and diversity

Chief Executive's review

Renewed optimism and belief in our vision

Strategy

Our vision of 'generating a low carbon future' is being achieved by focusing on our strategy to grow Infinis into a diversified, renewable and low carbon energy business. Throughout the year we have been enhancing our plans for strategic growth which is focused upon:

Maintaining the strong operational and financial performance of our core business

Accelerating the development and construction of our solar and battery pipeline

Delivering long-term sustainable value and returns to our Shareholder

This year we have focused on accelerating the growth of the business aligned with our strategy of growing Infinis into a more diversified, renewable and low carbon energy generation platform.

The gradual relaxation, and subsequent removal, of COVID-19 restrictions during the year has allowed everyone across the organisation to reconnect, and consequently be re-invigorated to deliver our strategy. Each of our employees is central to our continued success as an organisation, and plays an important role in delivering our growth ambitions. I am delighted to once again be able to spend time with individuals and teams all across the business.

Solar growth

Excellent progress has been made to develop our Solar pipeline. Infinis now has 111MW of fully consented projects, with 97MW planned for construction over the coming 12 months. A further 104MW of projects are within the planning process awaiting determination in due course.

Over the year, we have recruited and promoted employees into the Development Team – a team which provides end to end expertise from planning, through to construction. We have learnt many lessons from navigating the various challenges and complexities of developing on landfill, an experience which has been invaluable to our future growth.

Battery growth

I am excited to announce that our first 36MW of Battery Energy Storage Systems (BESS) have recently been ordered for our initial identified projects which will be constructed in the second half of FY23. We aspire to develop a BESS portfolio of scale over the coming years. This will be a gradual investment dictated by the availability of technology, economics, and time to secure the required equal import and export grid connections for BESS.

BESS is considered to be a critical element of the future generation mix of the UK National Grid to facilitate the energy transition. It offers a highly complementary technology to our Flexible generation base of PR engines.

Market volatility

Flexible generation played a very important role across FY22 to offset periods of low wind, combined with low availability of large generation plant and inter-connectors. September 2021 was a perfect storm (detailed on page 13) and I am immensely proud of the role both the Infinis Baseload and Flexible generation assets have played in providing security of supply to Grid.

EBITDA

£71.6m

2021: £74.2m

MW in development

215MW

2021: 71MW

> I am delighted to once again be able to spend time with individuals and teams all across the business. ”

The successful trading of Flexible generation assets requires a perfect interface between our Operational and Commercial Teams. Maximising availability, whilst also ensuring reliability when despatched, optimises generation and financial performance. Our PR financial results are a testament to the teamwork exhibited over the last 12 months and each employee should feel very proud for their role in 'keeping the lights on' during these challenging periods.

Market outlook

UK power prices have continued on an upward trajectory across the year as detailed in the Market report.

With the majority of exported power forward sold as we enter a financial year, Infinis has not notably benefited from the increased power prices over the last 12 months. Power markets and market commentators project power pricing to remain notably higher than historical averages over the medium term. This clearly represents an opportunity for Infinis which we will gradually look to capture through our progressive hedging strategy.

Sustainability

Our sustainability journey has continued to progress. Our strategy focuses on four key areas:

- Protecting health, wellbeing and safety
- Reduction of direct carbon emissions
- Eliminating exploitative work
- Improving diversity and inclusion

Each area is covered in more detail later in the Strategic report however, I want to focus on the reduction of direct carbon emissions. Our objective is to further maximise the clean, emission free energy generating technologies, while also reducing indirect emissions, which come from our supply chain.

With our Solar strategy on track, significant focus has been placed on understanding and reducing our indirect emissions. Infinis has been accredited with the Carbon Reduce Certification ISO 14064-1:2018 following completion of its Scope 1,2 and 3 carbon assessment. Now that a baseline has been developed, we will engage with suppliers on emissions reducing initiatives.

Social responsibility

Our business continues to invest time, money and energy in supporting activities and investment which make a positive difference to our communities. These include charitable activities and volunteering. Despite continued COVID-19 challenges, it was great to see our employees back out in the communities working on a series of projects.

We have also engaged with the communities surrounding our planned development sites. Through project websites and local parish council presentations we have proactively sought to update communities on each project and, where required, updated our final design and construction plans to address any key concerns. For all of our communities, Infinis has been a long-term neighbour through CLM and it is important we continue this strong relationship through the development of co-located Solar and BESS on these sites.

Looking forward

We commence the new financial year, FY23, in a very strong position. I am grateful for the continued support and commitment of 3iN and the Board in pursuing our vision and strategy.

We are making significant investment through the development and construction of new Solar and BESS projects over the coming years, which is perfectly aligned with the UK energy de-carbonisation strategy. However, we must also ensure our existing business continues to deliver its strong operational and financial performance.

These promise to be exciting years ahead. Thank you to our employees for their support, dedication and passion and for helping to make our vision of generating a low carbon future a reality.

Shane Pickering
Chief Executive Officer

Chief Executive's review continued

How is Infinis positioned in the current energy market?

Why is there an energy crisis?

A: This crisis is due to an ongoing shortage of energy across the world, which is affecting many countries, including the UK. As countries began to recover from the COVID-19 pandemic, demand for energy (and gas in particular) started to increase again. A cold winter in Europe last year put pressure on supplies and, as a result, stored gas levels are much lower than normal. Hot weather in Asia saw more gas used for air-conditioning. The invasion of Ukraine has also increased the risk of gas supply interruptions - leading to an increased pressure on gas supply and pushing prices even higher.

What does it mean for Infinis?

A: Due to our forward power price hedging strategy, Infinis is consciously protected to a large degree from price shocks (positive and negative) for the power we produce. Like all businesses, we see the pressure of higher energy costs coming through in our supply chain with cost increases in imported power, lubricants, component parts and elsewhere.

Higher energy prices over the medium and longer term are clearly a benefit to Infinis and presents an opportunity to accelerate, and potentially increase, our planned deployment of new UK renewable generating assets.

We must also continue to deliver our contractual energy generation commitments to our offtakers to avoid exposure to shortfalls which are more penal in a high price environment.

Does Infinis have links with Russia?

A. The Russian invasion of Ukraine was an unprompted act of aggression with significant humanitarian consequences. On behalf of the Board of Infinis, we condemn these actions and Infinis commits to support, where possible, Ukrainian refugees granted entitlement to live and work in the UK.

Infinis has historically traded with Gazprom's UK subsidiary, which is a large supplier in the UK non-domestic energy market and one of a number of offtakers with whom we have PPAs which provide a route to market for selling our power. We have forward sold some of our power for CLM in a number of seasons through these PPA contracts. Given the connection with Russia, the Board has agreed that we will not make any further trades with Gazprom.

Furthermore, our PR business previously used Gazprom's UK subsidiary to provide a route to market. From 1 April 2022, this trading relationship ended with the PR assets now operating under Statkraft, the established Norwegian state-owned global renewable energy company.

What is Infinis doing to support the cost of living crisis?

A: Firstly, as a renewable and low carbon energy generator, Infinis is not making the 'windfall profits' of the global oil and gas corporations. Our EBITDA is broadly consistent with prior year and reflects an average selling price per MWh which is also consistent to prior years.

Secondly, by investing in renewable generation onshore, in particular Solar, we are at the forefront of the transition to low-cost UK energy generation which can be developed much quicker than offshore wind, albeit at a smaller scale. The quicker the energy transition, the quicker energy bills should reduce.

Finally, when it comes to our employees we continue to actively review that our total remuneration package for each role is appropriate to ensure we attract, and importantly also retain, the best people in the industry. In March 2022, the Remuneration Committee approved a company wide salary uplift broadly double that of the prior year in recognition of both the excellent performance over FY22 and also the cost of living crisis.

Market review

Our commercial environment, and the world around us

"The UK energy sector is going through an unprecedented period of high prices and market volatility."

Market volatility

Infinis retains a focus on the UK energy market, with operations solely located within that region and power sold under PPAs with a range of major offtakers.

FY22 was notable for unprecedented electricity prices and high price volatility. The key factors are considered further below.

Infinis has a well-established trading strategy. This forward hedging strategy (which mitigated the impact of COVID-19 on our achieved sale price for power) conversely means that, although higher prices are now being achieved in forward seasons, market prices have not materially inflated the average selling price (ASP) for wholesale power of £50.68/MWh achieved by Infinis during FY22 (FY21: £53.20/MWh) when compared to an average market day-ahead price within year of £151.01/MWh.

The PR business benefits from higher levels of volatility and exposure to price movements nearer to time of delivery. A case study on page 13 calls out some of the particular market dynamics observed in FY22. Some forward selling of PR output during FY22 also helped support a guaranteed margin for those operations whilst presenting additional trading opportunity in response to changing market conditions.

Energy crisis

The significant and rapid drop in commodity prices during the early stages of the COVID-19 pandemic was matched by the rapid recovery in prices and subsequently rising inflationary pressures during FY22 as the post-COVID-19 economic recovery took hold. This rise in commodity prices supported a strong surge in UK power prices between August 2021 and February 2022.

It is hard to overstate the magnitude of the further impact on both energy prices and policy in Europe as a result of the invasion of Ukraine by Russia in late February 2022. The EU committed to reduce its dependency on Russian oil and gas by two thirds by the end of 2022 and to remove it entirely by 2030. Gas prices reacted very strongly to the invasion given that Russia supplied around 40% of Europe's gas in the period 2018-2021 – with fears around possible interruptions to supply compounding an already low physical storage position across Europe.

Although Russia provides less than 5% of UK gas supplies, the inter-connectivity of gas and power markets means that impacts on international markets including the EU feed into the UK market. Power price rises were most pronounced in the nearer seasons (Summer 2022 and Winter 2022) which initially rose by over 80% and the full forward curve out to Summer 2025 has increased by over 45% since 1 January 2022.

The Government responded to rising energy prices and price volatility in April 2022 with the publication of a British Energy Security Strategy. This supplemented the 10 point plan published in November 2021. Alongside a renewed focus on North Sea fossil resources and further nuclear objectives, it proclaimed bold new commitments to supercharge clean energy and accelerate deployment. These include a new ambition for 50GW of offshore wind by 2030, a doubling of the previous hydrogen production capacity to 10GW by 2030 and an expectation of a five-fold increase in solar PV deployment up to 2035.

Heat pump deployment features as a strategy across Europe including the UK in particular and, combined with the increased aspirations for hydrogen, is likely to significantly increase power demand in the medium term. Market commentators foresee a scenario in which power prices will remain elevated for the foreseeable future as the world adjusts to lesser reliance upon Russian fossil fuels.

In this Market review we consider some of the key themes of the UK power market during FY22.

James Milne
Commercial Director

Pricing

Several markets are quoted for electricity pricing, from short-term within-day and day-ahead 'spot' prices to long-term seasonal markets providing positions up to three years in the future.

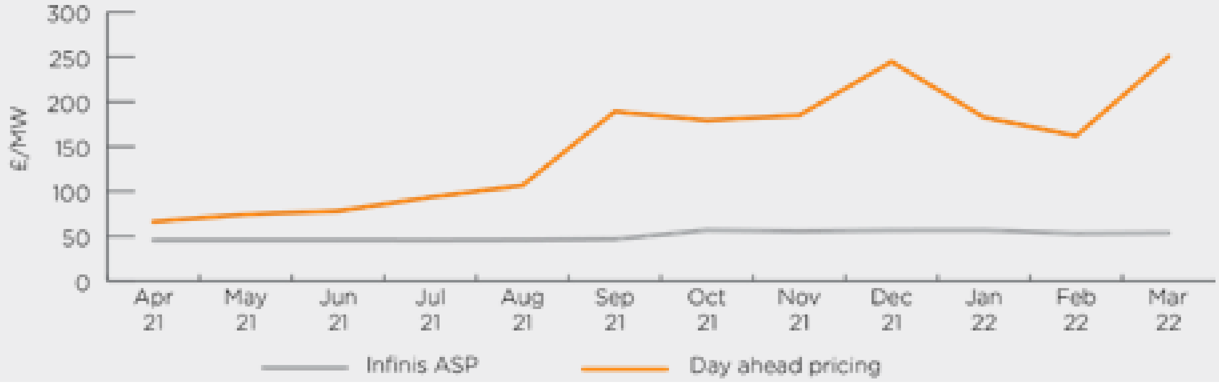
Infinis typically sells exported power from CLM and CMM at prices that are pre-agreed ahead of delivery for the season, with small amounts of exposure to the day-ahead market. PR output is typically sold day-ahead or within-day to take advantage of short-term price signals reflective of supply issues or other market factors impacting pricing.

Wholesale power prices varied significantly during FY22. Day-ahead prices throughout Summer 2021 averaged £101.40/MWh vs £30.37/MWh in Summer 2020 reflecting a post-COVID-19 pandemic surge in demand for commodities, with carbon, coal and gas (in particular Asian LNG prices) reaching all-time highs during the period.

Day-ahead prices averaged an unprecedented £200.63/MWh during Winter 2021 vs £55.79/MWh in Winter 2020. This was driven primarily by supply fears for Russian gas into Europe which, when combined with a tight reserve margin and very high carbon costs, repeatedly pushed power prices through record breaking highs.

Forward season pricing similarly increased by over 200% across the year, supporting a strategy for progressive hedging of future delivered generation.

Energy prices

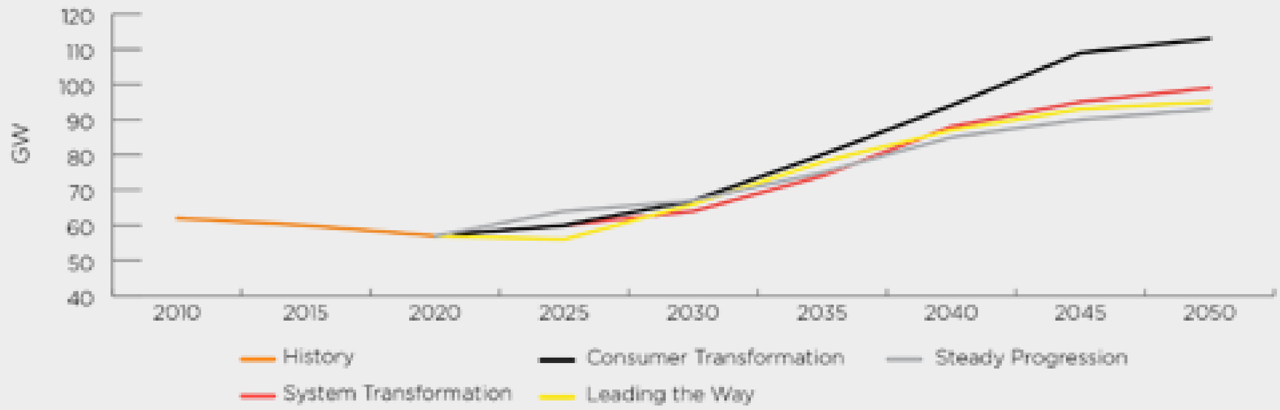


Demand

Despite a mild winter, for the first time since 2011, FY22 saw annual GB power demand increase (by 1.8%). This was primarily driven by the post-COVID-19 economic recovery but it also seems likely that we are now at the inflection point where GB annual power demand starts to increase with increased electrification of transport and heating. Annualised GB power demand peaked around 2006/07 and has subsequently broadly tracked lower with energy efficiency measures. Infinis expect this trend to have now reversed and market forecasts indicate a further increase of c.1% during FY23.

Further policy initiatives linked to Net Zero delivery and the British Energy Security Strategy seem likely to reinforce electrification with the main limiting factors in the near term being the impact of extreme pricing on consumer behaviour and macro-economic considerations.

Electricity price demand



Market review continued

Supply

The share of electricity generated by renewables in the UK fell slightly to 42.7% in FY22 from 42.9% in FY21, driven by low generation from existing wind generation more than offsetting the impact of additional renewable capacity coming online. Generation from coal increased by 18% year-on-year as a result of the low wind conditions and favourable economics when compared to gas fired generation. 2.7GW of coal remains on the system and this capacity is likely to close on or before September 2024, although some of the earlier proposed closures may now be delayed by Government intervention on security of supply grounds. 2.3GW of CCGT capacity remains in long-term mothball through the Calon administration.

Longer term the trend remains for continued retirement of thermal plant, increased deployment of intermittent renewables and a tightening of reserve and flexibility margin. Offshore wind remains a key focus of UK energy policy with rising targets for installed capacity but with solar PV also featuring strongly with an expectation in the British Energy Security Strategy or 14GW installed by 2030.

Regulation and networks

In response to the surging cost of power and gas, record levels of supplier failures and supply fears following Russia's invasion of Ukraine, BEIS, Ofgem and the Treasury have been making regular announcements. Adjustments were made to the way the residential consumer Price Cap works and the volume of capacity BEIS targeted in the T-1 Capacity Market auction (resulting in a record clearing price of £75/MW). A package of financial support to consumers was also announced.

In response to the Ukraine crisis, BEIS intends to usher in a new era of nuclear capacity in the UK, complemented by an accelerated deployment of offshore wind as the mainstays in securing energy independence. These macro-level medium-term aspirations received limited positive support as other countries across Europe provided more immediate assistance, particularly on the demand and financial support side.

Ofgem provided updates during the year in relation to its Access and Forward-Looking Charges review, the key takeaway being the move to a shallower connection charging regime, particularly for import power.

The CfD support regime for renewables was re-opened to established technologies, notably onshore wind and solar, during the year, with the auction having subsequently concluded and in which Infinis has two sites participating totalling 90MW in capacity. BEIS has also committed to having annual auction rounds going forward - this is positive for Infinis' development pipeline and the wider industry in the drive to Net Zero.

Within the published British Energy Security Strategy, the UK government has committed to undertake a comprehensive Review of Electricity Market Arrangements (REMA). High level options for reform of the electricity market in Great Britain are expected to be outlined during the summer of 2022. National Grid has been evolving its own vision of the electricity market through its Net Zero Market Reform programme – now in its fourth phase. This trails a system of 'nodal pricing' in which wholesale pricing would incorporate locational value based on where generated power is supplied to the grid network and more centralised despatch by the Electricity System Operator. These potentially fundamental changes to market design are unlikely to be quick to implement and it will be important that stakeholders are brought along with policy reform.

Case study: September PR performance

Flexible generation has played a very important role across FY22 to offset periods of low wind, combined with low availability of large generation plant and inter-connectors.

September 2021 was a perfect storm with a high level of plant outages (over 18GW across thermal plant and interconnectors) and the lowest wind levels in 40 years for the first three weeks of September. The PR operations duly responded to fill this gap which highlights the role of those assets in supporting tighter capacity margins and renewable generation intermittency as the energy system transitions with thermal plant retirement.

These supply conditions, whilst less extreme than September 2021, were prevalent throughout the peak winter months which resulted in stronger FY22 PR gross margin of £11.2m (FY21: £5.1m).

Our business model

Creating long-term value and a sustainable future

1 What we need to create value

Operational assets
Over 146 operational sites across the UK using modular gas reciprocating engines and solar panels to generate electricity.

Engines

+400

Solar panels

13,200

Capital
A highly skilled and motivated workforce is fundamental to our ongoing success. Investment in the maintenance of our existing assets and spend on development assets generates long-term value.

Invested in 2022

£18.8m

Engine and site maintenance
A key part of our operating platform is to ensure our +400 engines are maintained in line with manufacturer guidelines.

Overhauls and maintenance is completed by our regional field based technicians and engineers, supported by our overhaul facility in Lancaster.

Through our 24/7 logistics centre, we provide round-the-clock environmental compliance monitoring for all our sites while optimising the performance of our generating plants.

National Grid infastrucutre
Our 146 sites connect through regional grid connections managed by distribution network operations (DNOs), transmitting the electricity we generate to nearby consumers.

The reliability of this infrastructure is critical for our existing operations. New DNO grid connections support our growth ambitions.

Landowners
All sites operate through long-term contractual arrangements with our landowners.

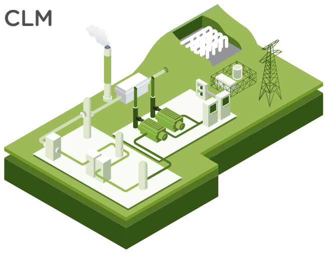
Within CLM our site teams engage daily with the operational staff of our landowners.

2 How we create value

Generate low carbon power which we sell to energy offtakers

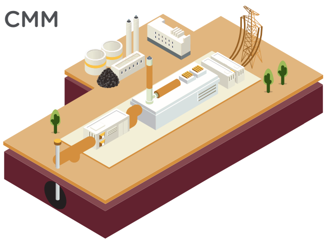
Baseload generation

CLM

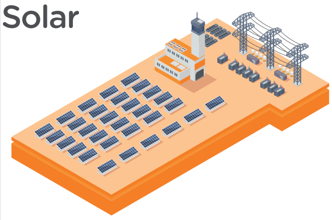


282MWh

CMM

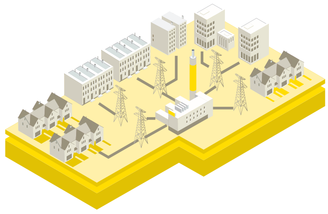


Solar



7MWh

Flexible generation



171MWh

Seasonal forward contracts with fixed volume and price commitments traded through progressive hedging strategy

small number of UK energy offtakers

Longer-term pricing (5-15 years) secured through offtaker PPAs or CfD contracts

Responsive generation traded through our PPA offtaker, Statkraft.

Fixed revenue through capacity market and STOR contracts for providing back up to the UK grid during peak demand periods.

3 The value we create for our stakeholders

Employees
Our 270 employees enjoy a workplace where they are valued and invested in to achieve their full potential in a safe environment. Where being successful is irrespective of race, gender culture or sexual orientation.

Communities
We work closely with the local communities that surround our sites. Listening, responding and supporting our communities is the foundation of our success.

Donations to local charities or causes

46

See pages 29 to 35

Shareholder
Our business model and strategy are focused on maximising the long-term value for our key shareholder 3i Infrastructure plc.

Shareholder distributions

£15.0m

See page 36

Offtakers
Agreements with a small number of large UK energy offtakers, benefit from our reputation of delivering on agreements, and having access to low carbon power.

See page 37

Suppliers
Benefit from a very fair and close working relationship to limit any issues that arise, and ensure a mutually beneficial long-term relationship with sustainable margins and on time payments.

See page 38

Environment
We are committed to generating low carbon energy, and we are already delivering a positive impact on the climate change and the environment at large.

Net zero

See page 39

Key performance indicators

Business priority	Objectives	KPIs	KPI definition
Safety	Maintain high standards of health and safety compliance	**RIDDOR accident frequency rate**	Number of instances for every 100,000 hours worked
		Total recordable injury rate (TRIR)	Other accidents requiring more than first aid or involving lost time or restricted work
		Safety observations raised	Number of safety observations raised
		3rd party accreditations from RoSPA and BSC	Achievement of both RoSPA President's gold award and British Safety Council (BSC) International Award
Operational excellence	Maintain, protect and safeguard assets	**Reliability (%)**	Run hours/adjusted dispatched hours
	Build and maintain an outstanding reputation	**ISO accreditations**	Accredited in ISO 45001, 9001 and 14001
	Maintain stable and predictable financial performance and cash flows	**EBITDA (£m)**	Earnings before interest, tax depreciation, amortisation and operating exceptional items
Sustainability and equality	Maintain highest standards of environmental compliance	**Scope 1, 2 and 3 emissions (tonnes of CO_2 equivalent)**	Total operational carbon footprint as defined in the Greenhouse Gas Protocol
		Positive carbon impact (tonnes of CO_2) equivalent	Carbon positive impact from Infinis' operations
	Attract and retain a diverse workforce	**Diversity and inclusion (%)**	Percentage of female employees
Growth	Deliver appropriate development on schedule and within budget	**Constructed MW**	Fully constructed projects
		Consented MW	Projects which have received planning consent but are not yet constructed
		MW in planning	Projects in planning process, including pre-planning
		In-house Development Team headcount	Number of employees in the Development Team

KPI measurement	KPI commentary
0.26 2021: 0.37	The Health and Safety of our workforce is central to the way we operate. Only two minor RIDDORs were reported during FY22 (FY21: three).
0.39 2021: 0.89	TRIR dropped back to its historic levels following a slight increase in FY21 which was attributed to the reduced management supervision during periods of lone working on site during the COVID-19 pandemic.
2,294 2021: 2,310	Safety observations are a critical focus area to ensure accidents are avoided. Maintaining and encouraging a high level of safety observations from all staff across the business is one of our primary preventative controls. See page 29 for further details on how we promote this across the organisation.
Yes 2021: Yes	External accreditation of our Health and Safety policies and procedures ensures we maintain excellence while also benefitting from potential improvements as we benchmark against our peers in the sector.
95.46 2021: 96.24	Our financial and operational performance depends on high operational asset availability, without which revenue generation across all divisions would be reduced. We have maintained excellent reliability in the year.
Yes 2021: Yes	External accreditation of our operational and business policies and procedures ensures we maintain excellence whilst also benefitting from potential improvements as we benchmark against our peers in the sector.
71.6 2021: 74.2	As our key financial KPI, EBITDA provides a proxy for the cash generated from our operations before financing and capital investment. EBITDA performance is detailed further within the Operating and Financial Performance review on page 18.
64,094 2021: 99,733	The carbon impact of our operations does not include the positive environmental impact from the capture of methane below.
5,730,546 2021: 6,319,356	Infinis CMM and CLM operations capture methane which is around 25 times more damaging to the Earth's atmosphere than CO_2. This positive environmental impact in practice eliminated the Scope 1-3 emmissios above. The reduction year-on-year is merely a factor of the reducing methane produced from our CLM and CMM sites as detailed on page 20.
15.3 2021: 14.1	Continued progress has been made against our objectives in this area.
7 2021: 7	Ling Hall Solar site became operational at the end of March 2021.
111 2021: 0	Five Solar projects now have planning consent. Three of these projects (97MW) will be constucted over FY23.
104 2021: 71	Good progress has been made adding further projects into the planning process.
19 2021: 15	As our Solar projects move into construction, additional resource has been recruited to effectively manage the projects. In addition, with our new focus on BESS, additional technical resource has been recruited within this area.

Operational and financial performance

Strong financial results in an unprecedented year

"Infinis has recorded a very strong EBITDA for the year. The solid results against a backdrop of the energy crisis and the record failure of UK energy suppliers further goes to illustrate the resilient nature of Infinis' revenues and earnings."

Keith Reid
Chief Financial Officer

Financial performance

Group revenue

£155.0m

Group statutory revenue increased to £155.0m (2021: £148.7m) driven by improved performance within PR and ROC Recycle revenue in CLM.

CLM and CMM revenue decreased to £117.4m (2021: £122.5m) and £4.9m (2021: £8.0m) respectively, in line with the projected baseload CLM and CMM methane decline. PR revenue was £32.5m (2021: £18.1m).

An analysis of year-on-year movements is set out in the segment performance section of this report.

Group EBITDA

£71.6m

Group EBITDA was £71.6m (2021: £74.2m). On a like-for-like basis, Group EBITDA decreased to £67.8m (2021: £72.3m), driven by the projected baseload CLM and CMM methane decline.

CLM gross profit reduced by £5.1m to £70.7m (2021: £75.8m). PR gross profit increased by £6.1m to £11.2m (2021: £5.1m).

An analysis of year-on-year divisional gross profit and EBITDA movements is set out in the segment performance section of this report.

Operating profit

£27.4m

Group operating profit increased to £27.4m (2021: £22.9m) with the £2.6m reduction in Group EBITDA fully offset by a £6.7m reduction in amortisation following an uplift in projected future methane volumes within our CLM business.

Group finance costs before significant one-off items are consistent year-on-year at £26.5m (2021: £27.0m). £5.2m of significant one-off refinancing costs were included in 2021.

Group profit before tax was £0.9m (2021: loss of £9.3m) before reflecting a tax charge of £11.5m (2021: £0.1m) which includes a £10.6m deferred tax charge primarily related to the restatement of the opening deferred tax liability to the new tax rate of 25% (2021: 19%).

Like-for-like performance

£'000	2022	2021	
Group revenue	155,005	148,688	
Adjust for CP19 ROC Recycle	(4,800)	4,800	Given the high number of supplier defaults and threat of potential regulator intervention, the directors concluded at March 2021, it was not possible to accurately calculate CP19 ROC Recycle revenue, nor was it sufficiently certain that revenue would not be reversed, therefore revenue was recognised on receipt in FY22.
Adjust for BSUoS	-	(7,100)	BSUoS revenue ended as an embedded benefit for Infinis from April 2021 (2021: £7.1m revenue; £5.7m EBITDA).
Like-for-like revenue	150,205	146,388	

£'000	2022	2021
Group EBITDA	71,553	74,168
Adjust for CP19 ROC Recycle	(3,800)	3,800
Adjust for BSUoS	-	(5,700)
Like-for-like EBITDA	67,753	72,268

On a like-for-like basis, Group EBITDA decreased to £67.8m (2021: £72.3m).

Cashflow

Net cash generated from operations was £65.6m (2021: £76.8m) equating to a cash conversion on EBITDA of 92% (2021: 104%).

Working capital moved from an inflow of £5.9m in FY21 to an outflow of £4.4m in FY22 mainly due to the recognition of ROC Recycle revenue. This was partially offset by a £1.7m reduction in tax paid as the enhanced capital allowance mechanism reduced the tax due.

This consistent high level of cash conversion provides the Group the opportunity to utilise cash flow from operations to invest in growth CAPEX to self-fund its growth strategy and/or continue to voluntarily reduce its net debt.

£8.8m (2021: £4.7m) of development CAPEX funds were invested. In addition £8.9m was invested in acquisitions to supplement the Group's solar development plans. Maintenance CAPEX of £9.5m (2021: £12.8m) was invested in scheduled overhauls on our operational engines across CLM, CMM and PR.

Net cash generated from financing activities of £14.1m (2021: £86.9m cash used in financing activities) mostly reflected proceeds from RCF draw down of £38.0m (2021: nil) offset by interest on borrowings and shareholder loans. In 2021 a net repayment of £42.3m was made against borrowings. Interest paid on borrowing remained broadly consistent at £8.1m (2021: £8.8m) and payments on shareholder loans (comprising interest and principal) total £15.0m (2021: £27.6m).

Net cash from operating activities

£65.6m

2021: £76.8m

Net debt

£181.5m

2021: £195.9m

Shareholder distributions

£15.0m

2021: £27.6m

Operational and financial performance continued

Segment performance

Exported power (GWh)	2022	2021	Variance	%
CLM	1,052	1,096	(44)	(4.0%)
CMM	100	132	(32)	(24.2%)
PR	110	176	(66)	(37.5%)
Solar	5	-	5	-
Total	**1,267**	**1,404**	**(137)**	**(9.8%)**

Group exported power was 1,267 GWh (2021: 1,404 GWh) with CLM exported power reducing by 4.0% in line with expectation and reduced operational run hours in CMM and PR driven by a combination of market factors for PR and lower forecast methane availability on three CMM sites.

Revenue (£'000)	2022	2021	Variance	%
CLM	117,367	122,548	(5,181)	(4.2%)
CMM	4,856	8,002	(3,146)	(39.3%)
PR	32,540	18,138	14,402	79.4%
Solar	242	-	242	-
Total	**155,005**	**148,688**	**6,317**	**4.2%**

Gross profit (£'000)[1]	2022	2021	Variance	%
CLM	70,733	75,812	(5,079)	(6.7%)
CMM	2,206	4,845	(2,639)	(54.5%)
PR	11,198	5,141	6,057	117.8%
Solar	189	-	189	-
Total	**84,326**	**85,798**	**(1,472)**	**(1.7%)**

[1] a reconciliation of segment performance to the income statement is set out in note 5 on page 78.

Group gross profit is consistent with 2021 at £84.3m (2021: £85.8m):

– PR revenue has increased two-fold on 2021 to £32.5m (2021: £18.1m) driven by the market power price on peak demand half hour periods across the year. PR is traded on a margin spread and when market conditions are above minimum margin, the assets will be despatched. The PR gross margin contains a fuel cost of £17.5m (2021: £8.1m) which has increased three-fold on 2021 resulting in divisional gross profit of £11.2m, double that of FY21. The key performance metric, margin per MWh, increased to £99.5/MWh (2021: £28.9/MWh) reflecting grid supply tightness over the period September to January.

– CLM gross profit reduced by £5.1m (6.7%) broadly consistent with the revenue reduction of £5.2m (4.2%). After adjusting for the like-for-like revenue adjustments which both apply to CLM the revenue variance reduces to £2.8m which is driven by the volume reduction in exported power and a modest decrease after these adjustments of 2.5% in average selling price (2022: £107.00/MWh; 2021: £109.72 / MWh).

– CMM gross profit reduced to £2.2m (2021: £4.8m). The reduction of 54.5% is driven by the reduction in exported power (24.2%) compounded by costs incurred for the buy-back of power in the market to honour contractual exported power commitments to the offtaker.

– Solar gross profit of £0.2m (2021: nil) was in line with expectation and related to the first year of contribution from the Ling Hall Solar energy park.

Financial position and outlook

At 31 March 2022 the Group had a cash balance of £62.6m (2021: £10.2m) and undrawn RCF of £2.0m (FY21: £39.0m). During March 2022, given market volatility post the Russian invasion of Ukraine and the Group's investment plans, the decision was made to draw £38.0m of the RCF and hold this balance in higher interest treasury accounts. Adjusting for the RCF cash balance, closing cash would be £24.6m.

Net Current Assets are £64.7m (2021: £9.3m) with the cash balance increasing by £52.4m.

Net assets have reduced £5.2m compared to March 2021 reflecting significant movement on the interest rate hedge of £5.4m (moving from a £2.1m liability to £3.4m asset) offsetting the loss for the year of £10.6m (2021: £9.4m loss). The balance sheet position reflects the capital structure of the business with £206.9m of shareholder loans held as long-term liabilities rather than equity.

Projecting forward, net cash generated from operating activities for FY23 is projected at a similar level to FY22. The majority of this cash flow will be re-invested in the construction of 97MW of Solar and an initial 36MW of BESS projects. This capital investment is in line with the projections shared with our lenders for the January 2021 refinancing process and therefore the capital structure is considered appropriately sized to confidently commit to this investment. While net debt will naturally increase during construction there will remain significant headroom on the facility.

Net current assets

£64.7m

2021: £9.3m

Cash balance

£62.6m

2021: £10.2m

Projected FY23 capital investment

£79.7m

Treasury policies and control

Liquidity risk, the risk that the Group will have insufficient funds to meet its liabilities, is managed by the Group's treasury function.

Treasury is also responsible for managing the banking and liquidity requirements of the Group, risk management relating to interest rate risk, and managing the credit risk relating to the banking counterparties with which it transacts, including ensuring compliance with any banking covenants.

Short-term liquidity is closely monitored by the treasury function, while the longer-term liquidity position is reviewed on a regular basis by the Governing Board.

The Group's policy is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Based on the Group's forecasts and committed bank facilities with no near-term maturing dates, the Group considers it has adequate headroom and will continue to meet liabilities as they fall due.

0

fatalities and major injuries

Health and safety is embedded within the Infinis culture, demonstrated by our exceptional health and safety record, with safety at the forefront of everything we do. Throughout the organisation, there is complete focus on ensuring that our operational sites, electrical generation equipment and operational practices are safe and that we do everything possible to protect the health, safety and wellbeing of all our employees.

Sustainability in action

Infinis sits at the forefront of the UK energy sector

Infinis is committed to generating a low carbon future and is already delivering a positive impact on climate change. By capturing 257,000 tonnes of methane it prevents this harmful greenhouse gas entering the atmosphere as well as using that fuel resource to generate renewable electricity.

We are committed to protecting the environment and our natural resources, and enhancing the social and economic impact of our activities. Supporting the United Nations Sustainable Development Goals, our employees have identified the areas where Infinis can have the greatest impact and have focused on the four key areas outlined in this section.

	FY22	FY21
Carbon intensive of operations (g CO_2 equivalent emissions per kWh generated)	52.1	68.2

Operational carbon footprint
(tonnes CO_2 equivalent)

Scope[1]	Type[2]	FY22	FY21
1	Road mileage of our company vehicles	941	1,050
2	Fuel we purchase	58,755	95,520
2	Electricity we purchase		
	- Market	-	-
	- Location	3,130	2,988
3	Business travel (e.g. flights, taxi, personal car)	222	175
3	Supply chain	346	N/a
Total		**63,394**	**99,733**

[1] Scope 1,2 and 3 are as defined in the international accepted Greenhouse Gas Protocol (www.ghgprotocol.org)

[2] We have reported on emission sources required under Companies Act 2006 (Strategic report and Directors' Reports) Regulations 2018. We have used the GHG Protocol Corporate Accounting and Reporting Standard (revised edition) and emission factors from UK Government's Greenhouse gas reporting: conversion factors 2019.

Su Ruthven
Head of HSQ, EC and Sustainability

Having worked with Infinis for over 19 years, leading sustainability is a new chapter in my development as I work with our operational and development teams, management and supply chain to focus on delivering our sustainability goals. Being part of the Senior Management Team, I can confidently say that the commitment to our sustainability strategy flows from Board level down throughout the organisation. Ideas and objectives for projects and focus areas come from across the organisation – one existing project focusing on how to reduce our import power usage is a perfect example of the company-wide commitment to deliver improvement.

Protecting the health, wellbeing and safety of our people, customers and the environment

3 GOOD HEALTH AND WELL-BEING
8 DECENT WORK AND ECONOMIC GROWTH

Goal	Status
Zero fatalities and major injuries	See page 29
Zero significant environmental incidents	No significant environmental incidents in the last three years.
15% of employees trained as mental health first aiders	17% of employees mental health first aid trained.

Sustainability in action continued

Combating global warming by targeting the reduction of direct carbon emissions

Goal	Status
Remove inefficient and higher emitter generation plant	A significant milestone was achieved during the year, when the long-standing Brogborough diesel generator engines were fully decommissioned in readiness for re-purposing to a BESS site. Only two propane sites now remain in operation, and these are awaiting suitable alternative options.
Target >200MW of installed solar over the next five years, displacing higher carbon intensity generation technology from the UK Grid	Our strategy to accelerate growth is expected to see the target exceeded - see case study. **See pages 26 and 27**
Electrify the vehicle fleet (including those with company car allowance) and utilise Infinis CLM and CMM sites to provide electricity generated on site to charge vehicles	Our push to electrify the fleet vehicles is underway following the success of our trial last year. Our North region fleet will take a major step towards electrification when eight Vauxhall Vivaro-e vans arrive late next year. Whilst the development of longer range commercial van batteries is lagging behind cars, we hope that this will be addressed in the coming years. As part of our commitment to electrification of the fleet, we have also identified strategic UK-wide locations to install 'behind the meter' electric charging points. By switching from diesel to electric vans, we forecast an 82% reduction in CO_2e emissions for the selected vehicle.
Evaluate the supply chain and identify areas to reduce carbon impact through review of raw materials used, transport and production methods	It is challenging to assess the CO_2e impact from our supply chain and work out a methodology to achieve this. By partnering with external consultants this work has now been completed. We will start to consider ways of engaging our highest emitting suppliers, to help them conduct emissions-reducing initiatives. As we look to our strategy, it is vital that the construction methods we adopt and technologies we invest in have as low a carbon intensity as possible. In terms of technology, Infinis does not have the scale to influence product innovation with the global technology suppliers. Equally, with suppliers for Solar PV panels and BESS often in the Far East, shipping and transport is significant. However, we can ensure that we are selecting products which operate at high efficiency, reliability and optimise clean energy generation. Equally, in our construction methods we work with our construction partners to explore all aspects of the construction process from compound power to construction methods and materials. We have also developed and launched the Infinis Employee Green Benefits Scheme. This includes a range of staff benefits that align with our vision for a sustainable future.
Optimise engine efficiency on each CLM and CMM site through engine rightsizing and also minimising the number of operating engines on each site	**Engine rightsizing** Our Operations and Development teams complete an ongoing review of lower generation CLM and CMM sites and look to replace larger engines with smaller more efficient engines. **Automatic Load Balancing (ALB)** ALB is an internally developed application which evaluates the level of methane and other operational conditions on a site and looks to maximise engine load, and therefore efficiency, by limiting the number of engines operating on CLM sites to the minimum number required.

Proactively support society in eliminating exploitive work in the supply chain

8 DECENT WORK AND ECONOMIC GROWTH

<table>
<tr><th>Goal</th><th>Status</th></tr>
<tr><td>No human rights violations within our control</td><td rowspan="2">We have not identified any cases of modern slavery or exploitative work in our supply chain, and our business risk profile is deemed to be low. However, we can't be complacent. We continue to extensively vet and screen our supply chain, to ensure that both existing and new suppliers operate within the same humanitarian principles as we do.

The supply of Solar and BESS products increases the risk profile slightly, given the location of those supply chains and some industry concerns raised about alleged human rights violations. Infinis Solar has signed the Solar Energy UK statement. This condemns all abuse of human rights and supports the development of an industry-led protocol on traceability of supplies.

Our procurement initiatives are also focused on supplier due diligence and securing commitments that supplies are sourced from factories which respect human rights.</td></tr>
<tr><td>Adequate mitigation measures initiated for all human rights risks identified</td></tr>
</table>

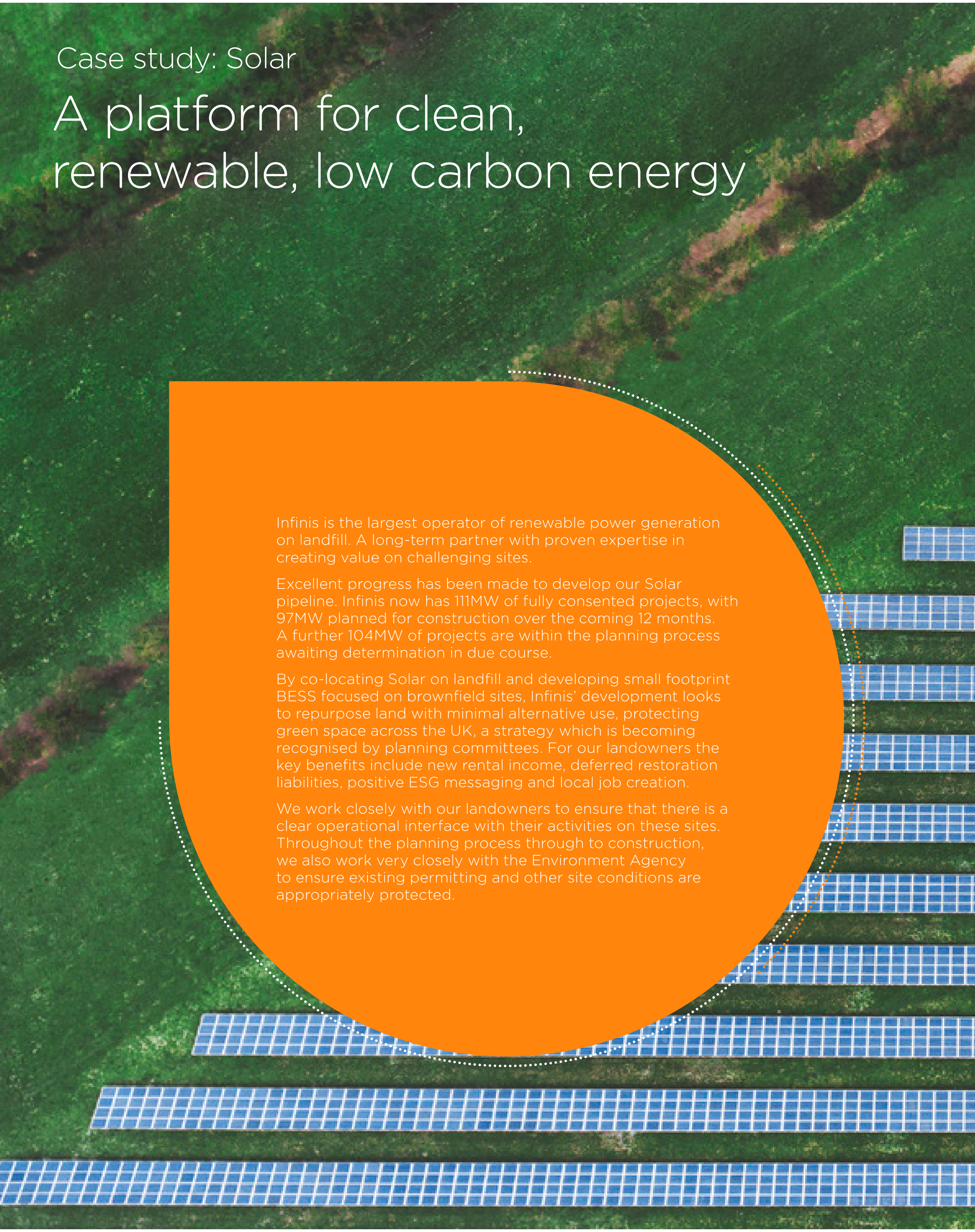
Achieving success through a culture of passion, energy, engagement and diversity

5 GENDER EQUALITY

10 REDUCED INEQUALITIES

<table>
<tr><th>Goal</th><th>Status</th></tr>
<tr><td>Increase company-wide diversity</td><td rowspan="2">We continued to improve on both our key metrics for diversity and inclusion. Female representation increased from 14.1% to 15.3% at March 2022, and our ethnic minority UK representation has improved from 8.2% to 9.6%. Our 2025 goal of achieving 20% gender diversity is getting ever closer. Further steps to improve awareness have been implemented, for example (i) all Operations managers completed unconscious bias training; and (ii) our recent talent accelerator programme (see page 30) includes a module on diversity and inclusion.</td></tr>
<tr><td>Achieve gender pay equality</td></tr>
<tr><td>Year-on-year increase in number of hours committed to community projects and/or the value of donations to local or national charities and sport and community clubs in the UK</td><td>See our Communities section.

See pages 34 to 35</td></tr>
</table>



Case study: Solar

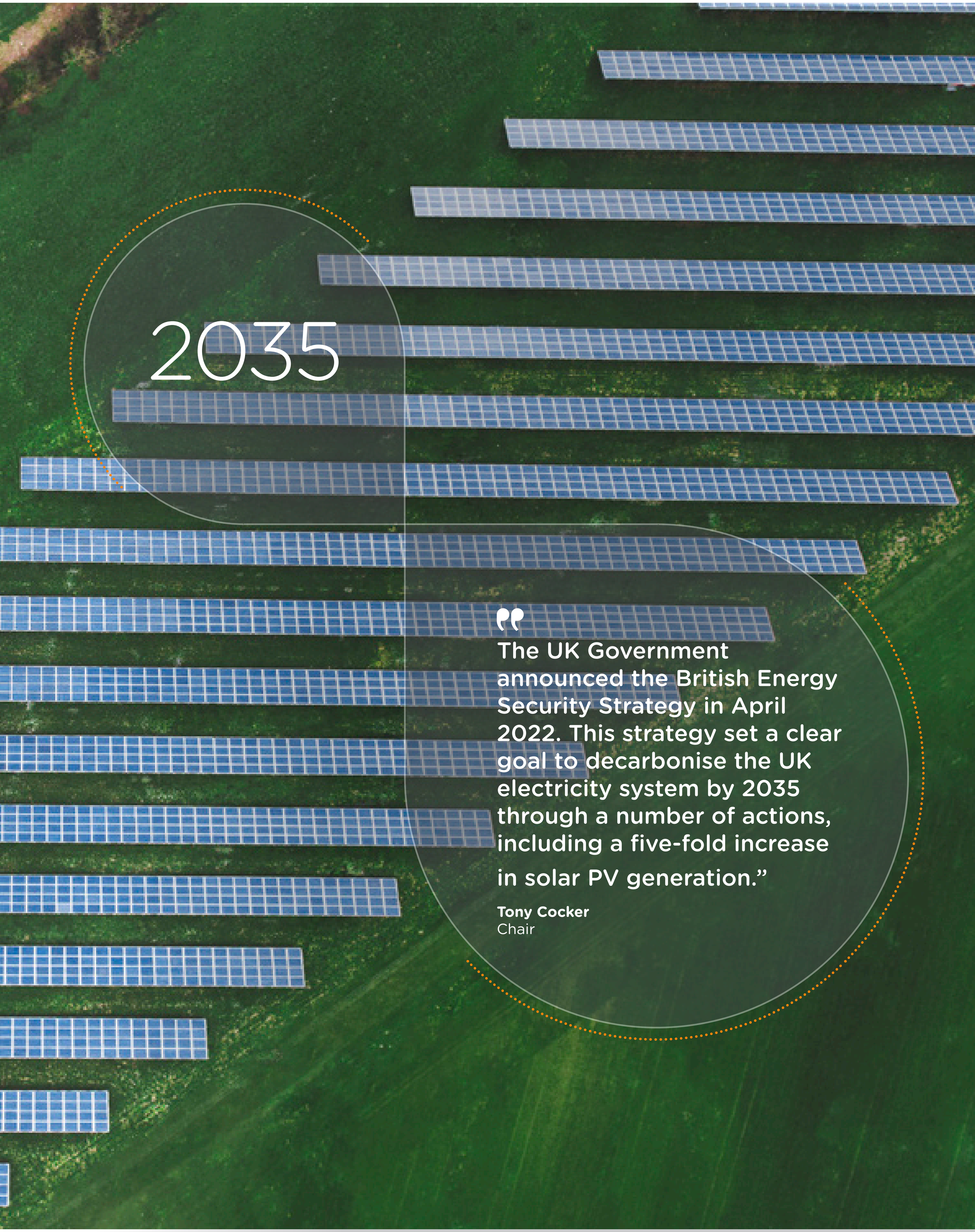
A platform for clean, renewable, low carbon energy

Infinis is the largest operator of renewable power generation on landfill. A long-term partner with proven expertise in creating value on challenging sites.

Excellent progress has been made to develop our Solar pipeline. Infinis now has 111MW of fully consented projects, with 97MW planned for construction over the coming 12 months. A further 104MW of projects are within the planning process awaiting determination in due course.

By co-locating Solar on landfill and developing small footprint BESS focused on brownfield sites, Infinis' development looks to repurpose land with minimal alternative use, protecting green space across the UK, a strategy which is becoming recognised by planning committees. For our landowners the key benefits include new rental income, deferred restoration liabilities, positive ESG messaging and local job creation.

We work closely with our landowners to ensure that there is a clear operational interface with their activities on these sites. Throughout the planning process through to construction, we also work very closely with the Environment Agency to ensure existing permitting and other site conditions are appropriately protected.



2035

> "The UK Government announced the British Energy Security Strategy in April 2022. This strategy set a clear goal to decarbonise the UK electricity system by 2035 through a number of actions, including a five-fold increase in solar PV generation."

Tony Cocker
Chair

Stakeholder engagement

Our stakeholders are fundamental to our success

Stakeholder engagement

The Governing Board recognise that engaging with stakeholders is fundamental to the success of Infinis. By listening to, and collaborating with, all key stakeholders, Infinis can maximise shareholder value through operating in an effective and considered way with all those directly or indirectly involved in, or impacted by, Infinis' operational activities.

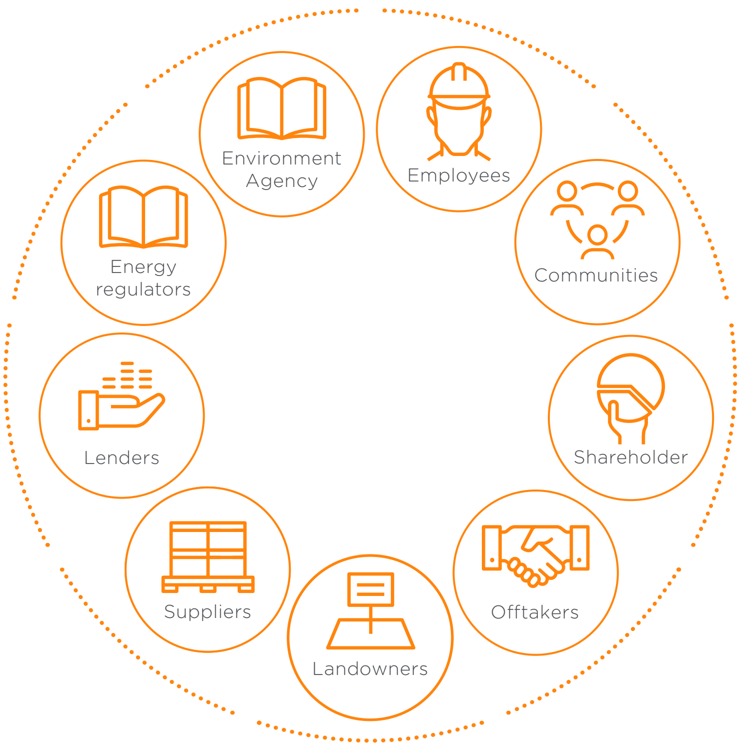
Effective stakeholder engagement should help to ensure that Infinis is a company for which people want to work, which businesses want to supply, with which people want to partner (locally or nationally), in which our regulators have confidence and trust, to which financial institutions want to lend, and in which our shareholders want to invest.

A pro-active approach to stakeholder engagement

Baseload and Flexible generation operations are established and stable operations. Effective stakeholder engagement on these operations is achieved through a formal six-monthly review. As required, should a key stakeholder's interests significantly alter, or a new key stakeholder emerge, the nature of engagement with the party identified will be presented to the Governing Board for discussion and consideration at the appropriate point.

Any new potential Infinis sites and/or new operational technologies require pro-active consideration of all stakeholders impacted, or potentially impacted, by the project at the inception stage. Where applicable, an engagement strategy will be developed and delivered. If a new category of key stakeholder exists, and/or the considerations of identified stakeholders materially differ to those of the existing operations, the Executive Directors will prepare an appropriate engagement strategy which will also require the approval of the Governing Board.

Key stakeholders



The role of the Governing Board in stakeholder engagement

- Ensure that the strategy of Infinis is set in the context of the perspectives, insights and opinions of relevant stakeholders.

- Set an expectation that all key operational, investment or business decisions taken by Infinis demonstrably take account of the perspectives, insights and opinions of relevant stakeholders.

- Require Executive Directors and other senior managers to engage with relevant stakeholders in a dynamic way that ensures current and emerging perspectives, insights and opinions are understood and demonstrably taken account of.

- Encourage all employees to take a progressive view of stakeholder engagement, embracing the spirit as well as the letter of all statutory or regulatory requirements.

Our employees

Health and safety

Health and safety is embedded within the Infinis culture, demonstrated by our exceptional health and safety record, with safety at the forefront of everything we do. Throughout the organisation, there is complete focus on ensuring that our operational sites, electrical generation equipment and operational practices are safe and that we do everything possible to protect the health, safety and wellbeing of all our employees.

Workplace safety

Our overall performance has once again been excellent, further improving on last year. There were only two minor RIDDOR injuries and three minor recordable injuries, which were associated with muscle strains and slips and trips.

External accreditation of our working practices

Our safety performance has again been independently recognised through:

- The Royal Society for the Prevention of Accidents (RoSPA) awarded our 14th Gold President's Award; and
- British Safety Council's International Safety Award for Excellence in Health and Safety with Distinction.

Our safe systems of work, processes, risk assessments and operational guidance were also reviewed as part of our annual ISO audit, which resulted in being awarded re-accreditation for ISO 45001, ISO 4001 and ISO 9001.

Employee wellbeing

The COVID-19 pandemic created many physical and mental challenges and most people will have been impacted directly, or indirectly through family members, in some way by this. This acted as a catalyst for the Senior Management Team to consider what more could be done to support our employee wellbeing.

Three key areas were focused on over the last 12 months:

Occupational Health
Wellness International was appointed as our Occupational Health provider in May 2021. They provide specialist support including reviewing preplacement questionnaires for all new starters, and supporting the HR Team and line management in appropriately managing any long-term sickness cases.

Health Surveillance
Our Health Surveillance programme was rolled out to relevant operational staff in January 2022, with Wellness International attending sites across all regions and Lancaster. This aimed to ensure all staff had a health review in line with revised risk assessments for their roles. These assessments establish a health baseline to ensure any specific identified risks are managed appropriately and help minimise future impacts to individual health. The assessments were well received, allowing several staff to identify potential early warning signs.

Employee Assistance Programme (EAP)
Validium were appointed as the new EAP provider. This benefit allows employees and their immediate family members to access expert guidance and wellbeing support 24 hours a day via a confidential helpline and website.

Workplace safety

Over 2,200 safety observations were raised during the year. By promoting a culture of pro-actively identifying safety observations, we ensure our employees do not ignore even the smallest potential risk, which allows preventative action to be taken. Each safety observation raised results in a £25 donation to the staff-nominated charity of the year. During the year, we also introduced an additional charity donation each quarter for the nominated charity of the employee who raised the most observations in the quarter.

Stakeholder engagement continued

Our employees continued

Achieving full potential

Our current strong business performance and future success can only be achieved through developing and investing in our people and ensuring there are no barriers to prevent any employee achieving their full potential.

Culture and inclusion
All employees at Infinis can succeed and develop irrespective of race, gender, religion or belief, marital status, age, culture, sexual orientation, disability, or background.

Our commitment to diversity and equality ensures Infinis recruit, develop and promote our employees based on the most skilled and experienced for the role.

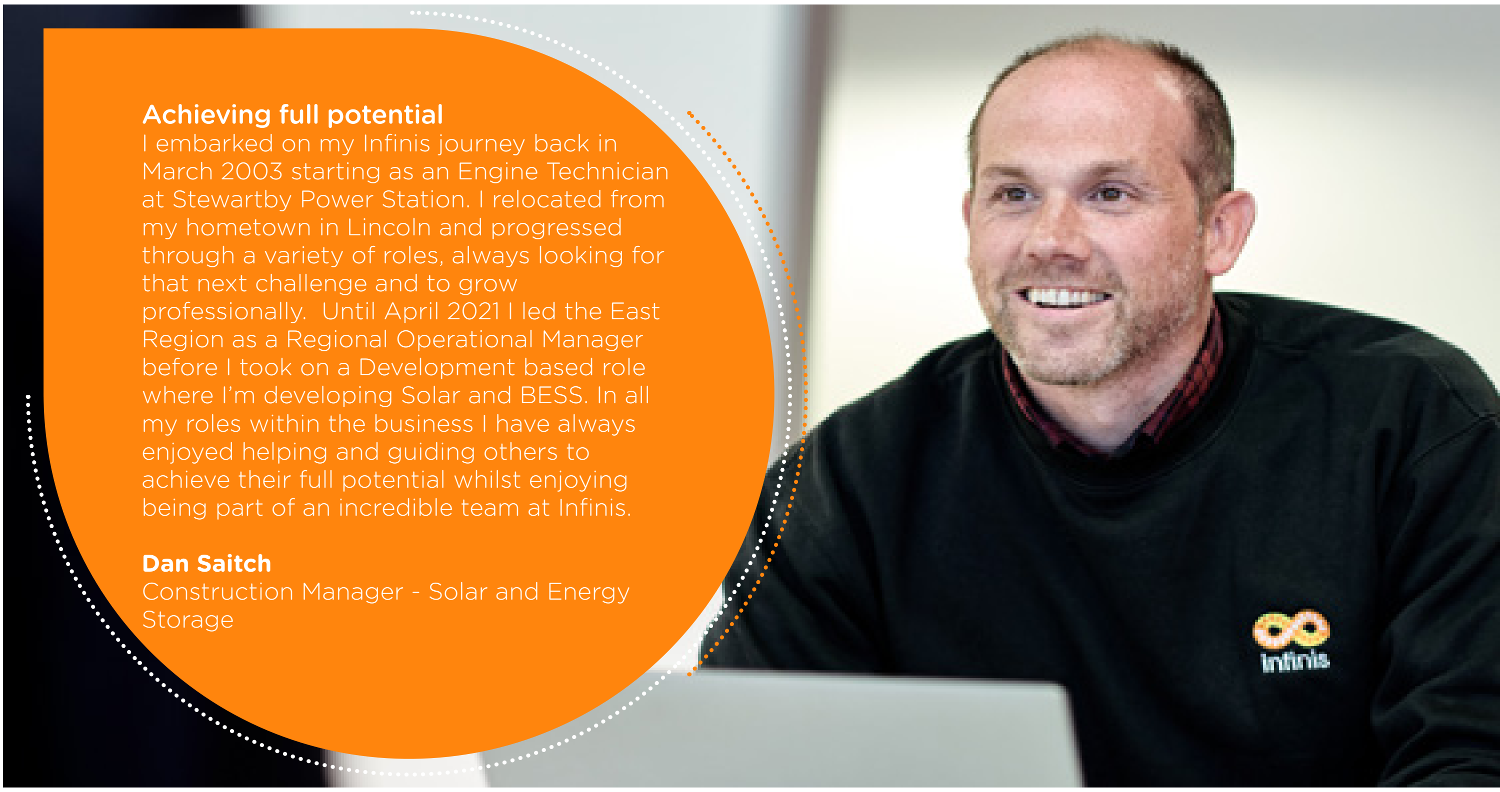
With the growth of the business, opportunities are created for newroles, career progression and personal development across the organisation.

Employee development
All roles within Infinis are clearly defined. Technical operational roles, and certain support function roles, have a structured and progressive grading level, offering each employee opportunity to progress upwards and into more managerial roles as their skills and experience develop.

Enabling employees to get the most out of their careers through a strong training and development platform is fundamental to our success.

The annual appraisal process allows appropriate development goals to be established early in the year and progress assessed throughout the year. Tailored technical and vocational training and development needs are identified and addressed as part of this process. A new appraisal system has been developed and 'Appraisd' was launched to the organisation at the end of the year, with the aim of providing a more structured and tailored appraisal process. Identifying personal and technical development and training needs provides all employees the opportunity to develop.

The Senior Management Team were also tasked with identifying a pool of employees with high potential, and ultimately could be the future leaders of the organisation. Seventeen employees were selected and split over two externally delivered talent accelerator programmes, which focused on developing management and personal impact skills. Following the success of this programme, further similar programmes are being planned over the coming years.



Achieving full potential
I embarked on my Infinis journey back in March 2003 starting as an Engine Technician at Stewartby Power Station. I relocated from my hometown in Lincoln and progressed through a variety of roles, always looking for that next challenge and to grow professionally. Until April 2021 I led the East Region as a Regional Operational Manager before I took on a Development based role where I'm developing Solar and BESS. In all my roles within the business I have always enjoyed helping and guiding others to achieve their full potential whilst enjoying being part of an incredible team at Infinis.

Dan Saitch
Construction Manager - Solar and Energy Storage

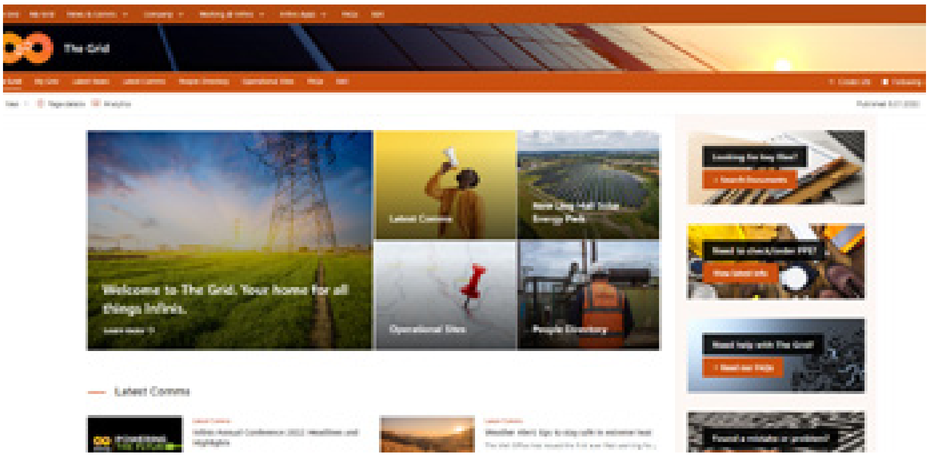
Apprenticeships
We were delighted to offer apprenticeship positions to another two employees during the last year, based in the Electrical Team and at the Lancaster overhaul facility. The business has a strong track record of developing apprentices.

Succession planning
All key management positions within the organisation have an identified successor, or route to find a successor. Development plans are in place, which range from management training through to internal and external mentoring and coaching.

Effective communication
Effective company communication has never been more important. Our operational workforce, approximately two thirds of Infinis' employees, work remotely across the four UK operating regions. Post COVID-19 restrictions being lifted, employees are working from the Northampton Head office on a hybrid basis typically two days per week. With the business developing new energy generation technology, the Senior Management Team has more to communicate than ever before. Equally our employees have a desire to understand the growth strategy and have a platform for asking 'what does it mean for me?'.

A new intranet, The Grid, was launched in February 2022. The platform is part of our drive to improve communications across the business and has been well received as a clear and concise corporate communication tool, but also as a medium for supporting the employees in their daily roles.

Our Senior Management Team has also proactively focused on re-establishing our frequent site presence, something not possible in the prior year due to COVID-19 working protocols. Through a series of site visits, informal 'meet the CEO' sessions and regional business updates, the ability of all employees to listen, and challenge, senior management has significantly increased.



Kerry James
Communications Manager

During the year, we updated our communications strategy and created a dedicated role to build engagement. This approach is all about making the most of the incredible talent in our team and finding new and improved ways to communicate.

Launching our new intranet was a positive milestone. But that's just the start. We're also exploring new technologies, touchpoints and feedback mechanisms to inspire and develop our people, and reflect the demands of today's more flexible workplace.

Alongside this, we're committed to consulting and engaging a range of stakeholders – including business partners, landowners and communities – through our busy development programme.

Stakeholder engagement continued

Our employees continued

Diversity and gender pay

The UK energy sector has a number of diversity challenges relative to other sectors and countries; in particular it has the lowest proportion of female engineers in Europe. Infinis is committed to proactively addressing this. A set of challenging goals have been developed over recent years which include (i) management targets for diversity and (ii) the requirement that all new roles recruited externally must include candidates long-listed from diverse backgrounds, including race, ethnicity and gender.

Our 2021 Gender Pay Report was issued in March 2022 and continues to show progress towards our objectives, with accelerated progress against both our internal objectives and continued positive positioning relative to the averages across UK industry and the UK Energy Sector, according to data provided by the Office of National Statistics.

Diversity: age (% as at end of period)

	2022	2021
Under 30	**13**	13
30–39	**26**	26
40–49	**29**	29
Over 50	**32**	32

Diversity: gender (% as at end of period)

	2022		2021	
	Employees	**Senior management**	Employees	Senior management
Male	**84.7**	**100.0**	85.5	100.0
Female	**15.3**	**0.0**	14.1	0.0
Other	**0.0**	**0.0**	0.4	0.0

Diversity: ethnic diversity (% as at end of period)

	2022	2021
White (UK)	**90**	93
White (Other)	**2**	1
Black (African)	**2**	2
Black (Caribbean)	**1**	1
Asian (Indian)	**1**	0
Asian (Pakistani)	**1**	0
Other (Mixed background)	**3**	3

Thank you to all at Infinis

Stakeholder engagement continued

Our communities

Infinis is committed to being a good neighbour and supporting and investing back into local communities across the UK.

Working with our neighbours

The communities which surround our sites are key stakeholders in our business. Listening and responding to, and supporting these communities is a foundation of our success. Existing sites, by their nature, are established and stable operations and our operational activity is undertaken under long-term contractual arrangements, meaning that we want to be a considerate and supportive neighbour. Our established processes ensure that noise and emissions from our operations are minimised to well within planning, permit and other requirements.

For new developments, such as new solar projects, pro-active community engagement is critical (see Aldeby case study below).

Investing back into our communities

Our business continues to invest time, money and energy in supporting activities and investment which make a positive difference to our communities. These include charitable activity and volunteering. Despite the continued challenges of COVID-19, it was great to be back out in the communities delivering projects across our four UK operating regions.

Charitable activity

Our Charity Committee continues to co-ordinate the distribution of funds to charitable organisations, community groups and good causes throughout the UK, nominated by our employees. Donations were given to 46 organisations over the last 12 months ranging from local cancer hospices to community school projects and the Anthony Nolan Trust.

Aldeby case study

Aldeby, in Norfolk, is a CLM site that Infinis has operated for over 20 years. The site has been progressing as a co-located Solar development project since April 2020. It was presented to the planning committee during 2021 and received consent in March 2022. As part of our standard development process, we presented details of the project on a website and then attended several public presentations to present the project, answer questions and look to respond to concerns. The feedback from the local communities and a number of other interest groups was considered, and the project and construction plan were amended in response. It was noted by the Planning Committee that Infinis had 'listened and reflected' on feedback on the project and this was a key element to consent being granted for the project.

Case study: Community engagement

Air Ambulance - Charity of the year

All employees across the business are asked to nominate a registered charity that is close to their heart. Either due to personal involvement, support of friends or family, or simply a cause that they feel particularly strongly about.

The Charity Committee will then make a shortlist based on nominations received and conduct a final employee vote.

The Air Ambulance Service was confirmed as our new Charity of the Year in August 2021.

Our charity of the year receives £25 from each safety observation raised, in addition to funds raised from other activities by the Infinis employees.

Trussell Trust

We wanted to recognise the growing importance of foodbanks in our communities as the cost of living becomes an ever growing challenge across all of our communities. Through working with the Trussell Trust, a series of financial donations were made in December to organisations operating across the UK.

Stakeholder engagement continued

Shareholder

Our strategy is focused on maximising the long-term value creation for our shareholder, 3i Infrastructure Plc (3iN). The relationship with our shareholder, 3iN, is one of openness and honesty. The Board and Senior Management Team work in partnership with 3iN Partners, Directors and Associates on all new aspects of strategy, together with key near-term business matters. Interaction is as frequent as required, with Executive Directors typically engaging at least weekly with one of the 3iN team.

Our management teams genuinely value a shareholder who can challenge and broaden our thinking on key strategic initiatives, together with facilitating introductions to other relevant portfolio companies who have successfully delivered similar strategies.

Our Corporate governance statement (on page 54 to 56) outlines our formal process for engaging with the Shareholder and Non-Executive Directors to provide effective management, governance and control of the business.

Over the last 12 months, our strategy has been focused on growth and there has been regular dialogue with 3iN on the status of each project in the development cycle, together with the associated commercial strategy for Solar and BESS development once operational, including the UK Contract for Difference auction in June 2022. The rising power market, combined with increased market volatility, has created new commercial risks and opportunities, which have been reviewed with the Shareholder and Non-Executive Directors to ensure our documented commercial trading strategy remains an appropriate governance framework for the current market. In March, the evolving risk of sanctions on Gazprom and a potential 'special administration' in the UK involved an extensive review of our contractual arrangements which was shared with 3iN (further details are included in the Corporate risk assessment on page 41).

Landowners

All sites operate through long-term contractual agreements with our landowners. In CLM, our landowners require Infinis to effectively manage the methane produced from the landfill to avoid environmental emissions and ensure that the landowners fulfil their permit obligations to the Environment Agency.

Our site teams engage daily with the operational staff of our landowners, with operational management meetings on a quarterly basis. This is a true long-term partnership and we have built, and continue to actively promote, a culture of trust by ensuring we perform all our duties to the best of our abilities and, where needed, go the extra mile to support our landowners' activities.

Extensive contractual arrangements exist which, for the majority of sites, cover the expected life of methane generation from the site. A number of smaller sites have agreements which expire sooner - these are proactively negotiated and renewed with the landowner by our Estates Team.

In all of our CLM agreements, Infinis maintains provisions for terminating the agreement early should the site become uneconomic, a key provision ensuring no site operates with a negative cash flow. The Estates Team proactively works with landowners on lower generation sites to ensure that we are able to support them for as long as economically viable.

CMM and PR sites operate via standard compound lease agreements, aligned with a standard commercial property lease, and are based on market terms.

New development in BESS requires similar lease arrangements to PR. Development in Solar, if on landfill, is more complex, with typically a 40-year lease supported by a suite of interrelated documents which govern the interface of the solar project, landfill gas management and operational/aftercare landfill management by the landowner.

Offtakers

The majority of electricity generated by Infinis is sold under PPAs to a small number of large, high credit worthy, UK-based energy offtakers. Electricity is typically forward sold up to three years ahead on a fixed volume and price commitment.

Our average offtaker relationship extends more than 10 years, although volume sold per six-month season may fluctuate from year to year. No more than 30% of seasonal volume is typically placed with any single offtaker. In April 2022, Statkraft replaced Gazprom as the route to market provider for our PR assets.

Our Commercial Team will engage weekly with each offtaker's trading desk, aiming to optimise our commercial strategy across the CLM and CMM divisions looking to capture optimal pricing based on daily market pricing. For PR, this communication is more frequent to make decisions on minimum margin targets and MWs available to trade.

Infinis has established a reputation for delivering against its CLM commitments. While our contractual arrangements with offtakers are extensive, the high reliability and availability levels of the engines, combined with ensuring trades are diversified across multiple sites, means our minimum traded power commitments are typically delivered to all of our offtakers. In a market with high power prices, there is heightened importance of honouring contracting commitments.

As noted on page 42, reduced methane availability on three CMM sites during the year resulted in contractual minimum thresholds for CMM being missed and costs being incurred due to the requirement to buy back power at the high prevailing prices. We have worked with our CMM offtaker to reset future contractual minimum export and have introduced frequent performance reporting and rolling forecasting to provide them with a frequent update of our trading position.

Our offtakers have also faced significant financial challenges during the year in response to current market conditions. Throughout FY21 and into FY22, Elexon, the UK Energy market operator, has required a five-fold increase in the credit required for market energy trading meaning most have had to significantly increase their credit facilities.

A large number of the energy supplier defaults in the year were driven by non-asset backed energy retailers who have been unable to post the incremental credit requirement to honour existing and future trades. This credit risk places a heightened risk of default on all offtakers and has required us to carefully evaluate all of our contractual positions, details of which are included in the corporate risk assessment.

Capacity Market and STOR contracts, received by CMM and PR assets, are contracted directly with National Grid to provide emergency back-up power to the UK Grid. While these contracts provide a fixed income stream without operating daily, there is a need to achieve a minimum annual number of test runs each year to ensure the associated engines are evidenced as operational and hence are available when called. With the supply tightness experienced over the winter months, there was notification of a number of potential capacity market events, although all were subsequently cancelled. This is a relationship underpinned by trust, with National Grid reliant on Infinis to ensure engines are well maintained and ready when needed. Failure to effectively operate when called will result in financial penalties initially and potentially the loss of the relevant contracts.

Stakeholder engagement continued

Suppliers

Our supply base is changing. Long standing supply agreements with key engine part suppliers remain incredibly important to support our core business and deliver our long-term projections. As exported power in CLM and CMM gradually reduces over time, like-for-like spend with our key engine manufacturers, oil suppliers and certain outsourced services on our sites is expected to reduce. The trading relationships remain key for both parties and, to support this, there is regular engagement, including quarterly performance management sessions supported by forward projections on spend.

From a development perspective, we have onboarded a number of construction companies and large overseas equipment providers:

– Construction contracts are extensive contractual documents where it is essential that the scope of each party is well defined, the programme well considered and a contractual liability structure for late delivery or unresolved performance issues post completion is fair to both parties. These negotiations are iterative and often take several months;

– Equipment suppliers initially undergo a detailed analysis of equipment specifics, performance, warranties and other important performance criteria. When selected, an extensive onboarding process is undertaken with particular focus placed on the due diligence of their supply chain to gain assurance that the supplier is not in breach of UK or other applicable global modern slavery legislation. We require new suppliers to operate with the same humanitarian principles as we do. Following concerns raised in the media during the year on the working conditions of certain global solar panel manufacturers, Infinis has signed the Solar Energy UK statement condemning all abuse of human rights and supporting the development of an industry-led protocol on supply traceability.

Since the start of the COVID-19 pandemic, our suppliers have experienced a gradual weakening of their own supply chains resulting in increasing product shortages, and lead times. Global inflation has compounded this over recent months. The situation is challenging to both Infinis and its supply chain, with margins ultimately under pressure for both going forward.

It is important that Infinis maintains its key supply chain and therefore it is important that no supplier experiences undue pressure during the contractual term. A series of price increases have been approved in recent months under either contractual pricing mechanisms or based on evidence provided by the supplier of material cost change. In relation to development projects, a more open book approach has been adopted ahead of contract finalisation with certain items, such as global shipping costs open book throughout the contract. We have also proactively funded, via letter of intent, upfront deposits to secure key pricing ahead of construction contracts being signed to mitigate, where possible, pricing risk on these larger projects.

Our top 20 suppliers equated to 68% of total spend (direct costs (ex-royalty), overheads and CAPEX) with an average length of tenure of eight years. Our payment pattern has remained consistent with suppliers paid on time and normally 30 days from month end. Our procurement model is designed to deliver appropriate and sustainable margins.

Lenders

Our capital structure is a blend of shareholder equity (through shareholder loans) and also long-term debt. Having refinanced the business in January 2021, the existing £246m debt facility (£65m, 11-year institutional debt and £181m, five-year senior bank facility inclusive of a £40m RCF) remains appropriate to support our planned development and construction of Solar to several hundred megawatts over the coming years.

Two trading updates (in May 2021 and January 2022) were provided for lenders, together with the required information under the Facilities Agreement including the annual and half-year financial statements for Infinis Energy Management Limited, covenant compliance certificates at March 2021 and September 2021 and the annual budget.

In December 2021, the lender base reference interest rate (LIBOR) transitioned to a new reference rate (SONIA). While this transition was provisioned within our existing documents, and to a large extent was mechanical, a series of minor provisions within the hedging instruments had to be amended. This process was completed through consultation with all lenders providing hedging instruments.

Our Shareholder has historically demonstrated its commitment to inject further equity where the Board considers there to be a requirement to do so.

The Board includes experienced finance professionals and, through both this experience and consideration of key lender metrics, we seek to ensure that any new strategic project or shareholder payment does not prejudice the position of our lenders.

Regulators

Ofgem & BEIS

As outlined in the Chair's statement (pages 4 to 5) and Market review (pages 10 to 13) , BEIS have been heavily involved in designing the UK Government's future energy strategy and subsequent 'British Energy Security Strategy', the stated purpose of which is to redesign the generation, grid and market mechanisms for the UK Energy Sector over the next 20 years. Ultimately, this will involve significant consultation with BEIS in the years ahead to ensure existing renewable generation can be retained during this period of transition, and that grid investment and planning process reform can facilitate scale development of onshore renewable generation.

As outlined in the Market review, there has been no Ofgem regulatory reform applicable to Infinis in the year, with the core focus on managing the significant failures within the retail energy sector and ensuring domestic customers supply is appropriately transitioned.

Environment Agency

Infinis works closely with the Environment Agency (EA), reflecting the key environmental compliance role performed by the CLM division. While permits are held by our landowners, it is vital to operate to the highest standard and best practice in providing our services to them. The EA are proactively encouraged to visit our sites and we have strong relationships regionally and nationally.

Our larger PR assets require Medium Combustion Plant Directive (MCPD) permits, which ensure that emissions are within acceptable levels. All the required permits are held for our sites and our run hours are controlled to ensure that emissions are well within the permit level. During the year, six more sites have required these permits.

As we increase our development of Solar on landfill and other brownfield sites across the UK, there is increased proactive engagement with the EA both as part of the development process and through the pre-construction stage. The EA's primary focus is to ensure that the construction and operation of the solar project preserves the existing landfill cap. With caps designed to different depths and of different materials, the solution proposed on each project can, and does, vary. We work closely with each local EA officer and our technical advisors to ensure solutions are appropriate for each site.

Risk management

We adopt a continuous, structured and disciplined approach to risk management

Approach to risk management

The Group has a Risk Management Policy, approved by the Board, which defines its approach to risk management. Our approach is continuous, collaborative and designed to protect and enhance value. Our processes aim to support the Group's strategy, whilst ensuring appropriate systems and controls are in place to operate within the defined risk appetite levels.

The Governing Board exercises oversight of the risk management process at Board and Audit Committee meetings.

The aim of our Risk Management Policy is to:

- improve decision-making and increase the likelihood that the Group's objectives will be achieved;
- reduce the probability that damaging events will occur; and
- if damaging events do occur, minimise their impact.

Risk management process

Pertinent risks are reported to the Board at least monthly and more frequently if required. Our formal risk management process is summarised below:

The current economic and market conditions, creates a more dynamic risk environment for the energy sector than in recent years. The Board are consequently monitoring risks on a more dynamic and ongoing basis.

Risk management process

Six-monthly functional risk review

Each business function has responsibility for proactively managing its applicable risks and maintaining its own risk register to formally identify and manage risk. These registers identify inherent risk, mitigating controls and residual risk after taking account of those control measures.

Business functions formally review the management of risks under their ownership on a half-yearly basis.

Corporate risk register

The individual functional risk registers are consolidated into a corporate risk register, through which key risks can be monitored.

Board review and assessment of controls

A consolidated Group risk report is presented to the Audit Committee and the Governing Board. This highlights material changes in risk profile, any recent material events which have tested the risk management process, and responses to those events.

Executive Directors consider whether any new risks have materialised or deteriorated on an ongoing basis and, if required, these are reported on more frequently.

Company-wide employee awareness

To ensure that understanding and managing risk is at the core of how we operate, results of the risk management process are embedded in the Group's systems and procedures where appropriate, and periodic briefings are made to our management teams.

Internal control

Infinis has well-defined systems and controls that are supported by policies and documented levels of authority that encourage appropriate accountability for decision-making in the business. Internal controls are key to mitigating the likelihood or impact of a risk adversely affecting the business.

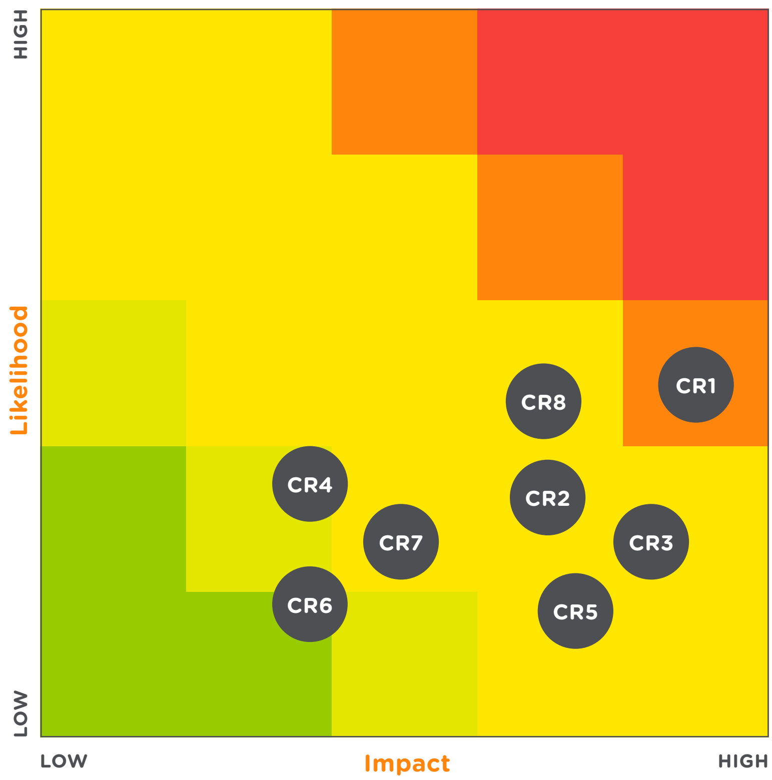
The Board defines those matters which are required to be brought to it for a decision, below which authority is delegated through the Executive Committee to a combination of subcommittees and management enabling them to make decisions on a day-to-day basis. The internal control system is designed to ensure that the Directors and executives maintain effective oversight and direction for all material strategic, operational, financial and organisational issues.

The main elements of the Group's internal control system comprise:

A well-defined governance structure within which the Group operates

- Clearly-defined delegated levels of authority
  - Documentation and communication of policies and key business processes
- Plans and annual budgets developed which will deliver the Group's strategy
  - Regular reporting of performance against these plans and budgets to the Board. This includes both financial and non-financial measures
- Promotion of an open culture
  - A culture of continuous improvement which ensures that we learn from any incidents or control weaknesses identified
- Assurance arrangements to ensure that policies and procedures are adhered to
  - Internal and external audit

Overall risk assessment



Set out below are the principal risks reflected in the Group's risk assessment process:

Key

CR1	Macroeconomic impact on pricing
CR2	Lower than expected exported power
CR3	Without diversification the natural decline in CLM and CMM will lead to a shrinking business over time
CR4	Loss or expiry of landowner leases
CR5	Availability of funds to achieve business objectives
CR6	Business continuity including cyber risk
CR7	Energy offtaker default risk
CR8	Macroeconomic risk - inflation

Principal risks and uncertainty

We proactively monitor our key risks

In the table below the key risks with mitigating actions and monitoring are set out:

Key

- Risk assessed to have increased
- Risk assessed as unchanged
- Risk assessed to have decreased

Risk description	Mitigation and monitoring

1. Macroeconomic impact on pricing

Infinis' baseload revenue pricing comprises a market price, ROC subsidy for CLM, Capacity Market subsidy for PR and embedded benefits for all divisions. Both regulation and market pricing risk could result in lower revenues being generated by the business.

Regulatory

As outlined in the Chair's statement on pages 4 to 5 and the Market review on pages 10 to 13, the last 12 months have seen a number of clear policy statements on de-carbonising the energy sector and accelerating renewable deployment, with this is a clear commitment to review the markets and charging mechanisms (REMA). This review will undoubtedly take several years and updates will be provided in subsequent years reports.

The Significant Code Review (SCR), published by Ofgem in May 2022, commits to reform the costs to access and use the transmission network. National Grid has also published its views on a 'nodal pricing' model for network charging. Infinis, as an embedded generator, does not currently pay cost to access the transmission network and, while this is a risk, the geographic locations of most sites close to demand should limit this. In terms of development, the cost and timeframe to access new grid connections is a significant inhibitor to the scale and speed of development and consequently a shallower and lower cost access model presents a significant upside opportunity.

Pricing risk

As a price taker, the business is impacted by wholesale power prices which generate a significant proportion the Group's revenue.

Regulatory

Infinis closely monitors developments in the energy industry, which has enabled the business to identify any changes that could impact the Group.

In order to mitigate regulatory risk, we ensure that we have close working relationships with industry trade bodies to remain informed and influence decisions. Having foresight of impending decisions also enables informed investment decisions to be made.

The alignment of our strategy with Government Energy Policy should ensure that any regulatory impact is of limited adverse impact.

Pricing risk

The Market review on pages 10 to 13 outlines the drivers of the continued power price increase across the year. The likelihood is that the Russia Ukraine conflict may now be drawn out for the foreseeable future, which will continue to add a 'risk premium' to liquid seasons and drive value in the outer liquid power markets (currently through to Summer 2026). Market commentators' recent power curve projections have all been notably uplifted over the medium-term beyond this.

Infinis' developed and documented Board approved progressive hedging strategy means that when entering any given year, a majority of CLM, CMM and Solar revenue will be forward sold and fixed.

Long-term price fixing (5-15 years) is regularly reviewed through corporate and utility PPAs. Solar is in high demand for these products but are often at a significant discount to market. The re-opening of the CfD support regime for renewables provides a 15-year indexed link government backed long-term contract for our Solar projects, with an initial 92MW of solar projects pre-qualified for the July 2022 CfD auction. The Government has recently announced the CfD regime will be an annual process. By providing long-term power price fixing, market volatility risk is removed over the contractual period, securing index-linked earnings that will grow to offset cost base inflation which is of increasing importance in the currently high inflation environment (see Corporate risk 8).

Imbalance risk

During FY22, Infinis' Winter 21 PPA exported power volume tolerance was missed in CMM, which resulted in penalties and the reset of the year ahead volumes. This resulted in the need to buy back volume in the market for the shortfall to the reference volume for the Winter 22. CMM contracted volumes are now aligned with expected export.

CLM risk is significantly reduced. With 100 sites, most operating multiple engines, our PPAs are capable of being spread over multiple sites ensuring that no one site issue should present a risk to contracted volume. Furthermore, our extensive experience of operating and forecasting these sites allows a higher level of forward forecasting accuracy on exported power.

Risk description | **Mitigation and monitoring**

1. Macroeconomic impact on pricing continued

Imbalance risk

High power pricing creates an increased risk of financial liabilities, should exported power be below PPA reference volumes. Delivery under the minimum tolerance on a PPA requires the shortfall to be purchased back at market pricing, which can be a significant unforecast liability.

Imbalance risk continued

Risk on Solar primarily comes from the project being delivered later than programme. This risk is managed by ensuring appropriate contractual compensation, through liquidated damages mechanisms aligned to current power pricing, is secured in the construction contract. No Solar power is sold until a project is within a signed construction contract with a known generation date and the project is sufficiently progressed on site.

2. Lower than expected exported power

Exported power can be impacted by the availability and reliability of generating assets; for CLM and CMM, methane availability and, for Solar, irradiation.

– Availability and reliability are key KPIs in the business and our performance and projections are based on maintaining our excellent record. Reductions in both metrics, can occur during periods of extreme temperature (see climate risk assessment physical risks on pages 48 to 51) potentially reducing revenue.

– For PR, to maximise the margin opportunity, availability must be maximised and all of these assets need to operate at high reliability. By nature of these assets being forward sold for a set margin, failure to deliver that traded position can result in significant additional costs.

– CLM and CMM methane availability across our portfolio may decline faster than anticipated due to inaccurate estimates, changes in waste volumes, waste mix, mine flooding and early site closure. Weather, in particular prolonged periods of high temperatures, may further impact this.

A reduction in exported power, holding pricing flat, would result in lower revenues (see also risk 1 for additional imbalance cost risk on PPAs) and consequently lower, profits and operating cash flows. The impact of this could result in:

– Reduced net operating cash flow to fund future planned development

– Increased senior debt leverage

– Reduced shareholder distributions / loan repayments

– Financial impairment of the carrying value of goodwill (if applicable), intangible assets and property, plant and equipment

Reliability and availability

These KPIs are monitored for all assets on a daily basis. All sites and engines are remotely monitored and controlled by the Logistics centre. Many site issues can be remotely actioned through the communications and data links that exist for remote management. More complex issues may require our UK wide team of field based technicians to be sent to a site.

All medium and larger CLM and CMM sites have spare engine capacity which can be started remotely should an engine be taken out of operation.

Our PR assets are typically sold day ahead. There is daily engagement between the commercial and operational teams of the business to ensure that the MW position sold each day aligns to the assets which are available to despatch. In periods of high market pricing, a small proportion of assets may be held back and traded intra-day for system pricing to act as a hedge on reliability issues on forward sold volume.

New developments (Solar and BESS) are constructed under major construction contracts which provide an initial performance warranty for the two years post construction. Manufacturers provide long-term product warranties on solar panels, mounting structures, invertors, transformers and battery cells which provide contractual recourse for replacement product and/or financial compensation should products under perform.

CLM and CMM methane availability

Our in-depth understanding of the composition of CLM sites enables us to take a data driven approach to forecasting gas output. Forecasting assumptions are periodically benchmarked with third party specialists, the most recent occurring in November 2021.

Our estimates are updated at least annually in line with the annual reporting cycle, to reflect latest waste volumes/mix and tipping plans provided by landfill operators. Our strong relationships with landfill operators enable us to understand how their activity may impact levels of waste and composition.

There is a strong track record of accurate forecasting of available gas. Over the last five years, output from across the CLM portfolio has varied between +/- 2% compared with budget, with FY22 +1% (FY21: +2%).

CMM follows a similar process but operates from a smaller portfolio, and the production of methane from mines is harder to quantify by our third-party consultants given there are no other CMM portfolios of scale across the UK.

Solar irradiation

Solar generation assumptions are based on third party external data sources which confirm the average daily irradiation for the site location. This is an established data source for the UK Solar industry and therefore highly accurate.

Principal risks and uncertainty continued

Risk description	Mitigation and monitoring

3. Without diversification, the natural decline in CLM and CMM will lead to a shrinking business over time

Diversification changes the revenue and cost profile and introduces new commercial and operational models for new technologies which can take time to understand and optimise.

The Company is committed to a strategy of organic and acquisitive growth.

Organic strategy
Infinis has now secured several planning consents for developing Solar on landfill. Continued identification of new projects and securing planning for these and existing projects is important to deliver the organic strategy. The end-to-end development process continues to take c.24 months, with projects in final planning for c.12 months. Accessing new development projects continues to be dictated by availability of grid.

Acquisitions
A targeted acquisition strategy, focused on securing operational businesses or scale consented development sites, can significantly accelerate the planned growth and diversification of the Group.

All renewable assets, in particular operational or those projects with planning consent, are in high demand by corporate and institutional investors. This, combined with current market pricing, is driving price expectations above historical averages, making both assets harder to secure and increasing the potential risk of overpaying.

Procurement
Procurement is extremely challenging within the UK market for onshore renewable construction. There are limited UK-based solar EPC contractors with the required experience to construct major projects. Current and projected inflation (see Corporate risk 8) create a challenge for securing EPC contracts and fixing these for the duration of the project.

Product lead times for Solar and BESS average from 9-12 months from order through to delivery. High demand, shipping and key component cost increases are also driving pricing higher.

Infinis' strategy is based on investing in established and proven technology. There is minimal risk that organic or acquired new assets would carry new technology risks.

Recognising the scale of planned development to deliver our strategy, the Development team has, and will continue to be, scaled up. Accessing and retaining the necessary talent pool is essential to deliver the strategy.

Development project – organic and acquisitive
All organic projects undergo a standardised gated development process from project feasibility, planning, construction, and operation. Key external consultants support the planning process. Financial models are updated ahead of the decision to submit to planning, and again during the pre-construction process.

No projects proceed into planning without secured grid, ensuring that all developments are buildable once planning is secured.

Operational business acquisitions
These can be acquired as either single sites or portfolios. An established due diligence process is completed on each project, including review of historical exported power, planning and permitting, financial performance, operational maintenance records and completing site visits. The business has individuals with experience of due diligence across all functions but, where required, additional external consultants will be used to supplement this knowledge.

There is regular interaction with our Shareholder, 3iN, on all new projects whether organic or acquisitive.

Procurement
Our Procurement team are proactively engaging with technology suppliers and construction companies to ensure that a competitive procurement process can be completed. Additional resource has been recruited into the Procurement Team, along with a technical manager and quantity surveyor resource in the Development Team to ensure that all quotes are complete and that tenders received back can be actively validated and benchmarked.

All key projects are actively tendered, both on commercial and contractual terms. Once a supplier is selected, a process of preconstruction work commences ahead of final contract finalisation. To secure pricing, the company may issue a letter of intent, committing funds ahead of contract signing to secure pricing and lead time.

Risk description	Mitigation and monitoring

4. Loss or expiry of landowner leases

Risk description	Mitigation and monitoring
Infinis is dependent on long-term lease and/or operating agreements. Failure to comply with the terms could result in termination of the lease. When CLM and CMM sites are no longer economically viable, lease provisions allow Infinis to exit that site, at which point certain obligations may arise.	The majority of leases cover the economic life of the operations on a site. On an annual basis, a small proportion of lower-generating CLM sites can require lease renewal and we will enter a process with the landowner six months in advance of expiry to work through the new economics of a shorter lease over the remaining economic life of the site. Periodic meetings with key CLM landowners are held. These are designed as an interactive session to discuss any site or performance issues. There is an effective process for discharging payment obligations and monitoring lease expiries, to enable us to engage promptly with landowners. The average remaining lease duration on site leases is 20 years. The business has site exit procedures, which ensure all of our obligations are met at the end of the lease. For new developments, our planning team initially work with land owners to secure heads of terms and then, shortly after planning consent, lease documentation will be entered into. The development process can also require a series of wayleave agreements, typically for export cable runs to the nearest substation, to be secured with landowners there is no existing or proposed ongoing relationship with. Third party consultants support this process.

5. Availability of funds to achieve business objectives

Risk description	Mitigation and monitoring
To retain our debt funding Infinis is required to ensure it does not default on the lending facilities. The Group has a £246m financing facility, comprising a £141m five-year term loan expiring in January 2026, a £65m 11-year term loan expiring in January 2032 and a £40m revolving credit facility (RCF). Further details on the Facility are set out in note 15 to the financial statements on page 85. In order to grow the business, Infinis may require additional funding to support organic and M&A growth ambitions.	The business operates, and is projected to operate, comfortably within its financial covenants of leverage and interest cover. As at 31 March 2022, the Group had available funds including RCF of £63.6m (FY21: £49.2m). Compliance with our financing facilities is closely monitored on both an actual and forecast basis. Cash generated from operations and net debt are key performance metrics and the Governing Board reviews covenant compliance on a routine basis with six-monthly reporting to the senior lenders. There is regular engagement and dialogue with current and future lenders to ensure financing options are understood and assessed. Our Shareholder has extensive experience in financing to support these activities.

Principal risks and uncertainty continued

Risk description	Mitigation and monitoring

6. Business continuity including cyber risk

Risk description

Adverse events, such as weather, or site incidents resulting in damage to the generating equipment, may result in a reduction in exported power output for a period. Within CLM, there may also be a need to flare gas, should engines and/or export grid be unavailable. Both of these factors would lead to lower revenues, profits and cashflows.

There are also potential reputational and financial losses from responding to any adverse business continuity events.

IT applications and communications

Failure of IT equipment and communication links to sites could result in the lack of visibility of the site operations and the loss of the ability to remotely control the site.

Cyber risk

Cybercrime continues to grow generally and, consequently, is an ongoing risk for all businesses. The war in the Ukraine has been accompanied by an increase in malicious activity directed at UK businesses. Malicious cyber-attacks on IT infrastructure and core systems are typically designed to either lockout systems until a 'ransom' is paid; or attempt to extract sensitive business information, potentially including personal data.

Mitigation and monitoring

Our sites are geographically dispersed across the UK, with no site contributing more than 6.2% of revenue in FY22 (FY21: 6.2%). Unlike many in the energy sector, Infinis is not significantly exposed by the loss of a single site. Business interruption and property damage insurance cover is maintained up to a limit of £25m, for loss of profit and reinstatement of any site.

Engines are controlled via the Logistics centre. Site monitoring and remote site management, including engine load balancing, is also centralised through the Logistics centre.

The business has a Business Continuity Plan that would be implemented in the event of a catastrophic event. As evidenced by the business's performance over the last two years, the ability to work remotely while delivering resilient earnings during the COVID-19 pandemic illustrates how robust the sites, operating practices, IT and management systems are.

IT applications and communications

The majority of our core applications are externally hosted on cloud-based servers. This ensures a resilient application landscape which can be accessed anywhere in the UK and also has a continual real-time back-up process which is routinely tested.

The loss of the Northampton office, or any site, would not impact the operation of our IT applications.

Cyber risk

Our IT security systems and controls are routinely tested against the threats of malicious attacks and security breaches using expert third parties.

Significant investment has been made over the last five years to continually evolve our cyber security, including removal of external IP addresses from all sites, multi-factor authentication for all core application logins, inbound email scanning and a complex multiple firewall network structure. Application security patching is routinely completed and carried out immediately should urgent patch updates be required for identified security weaknesses.

An ongoing training programme is in place to ensure all employees are kept aware of the cybercrime risk, with mandatory quarterly cybercrime modules for all staff to complete. The Group also maintains appropriate insurance policies.

Risk description	Mitigation and monitoring

7. Energy offtaker default risk

The electricity Infinis generates is sold to a small number of UK counterparties under a variety of contractual arrangements. Across 2021, a high proportion (30+) of the energy retail sector failed due to rising power prices and increased credit requirements from the market trading regulator (Elexon). While Infinis' offtakers are mainly asset-backed and part of large blue chip global energy groups, the risk of failure was increased in our last risk review, driven by the volume of incremental credit being required on global energy markets. Failure of a counterparty to honour a contract may result in loss of revenue/cash flow for power already delivered, or for power not yet delivered until such time that the power can be exported to a different offtaker.

The Ukraine conflict has created significant challenges for Gazprom and some specific risks to Infinis trading relationships namely, insolvency risk, sanctions risk and our ongoing trading strategy. As outlined on page 8, whilst Infinis has taken steps to reduce trading arrangements with Gazprom, they remain a key offtaker for the next 12 months. Sanctions on Gazprom also remain a risk. In the event of sanctions, Infinis would be required to approach its lenders to ensure that it was not in breach of the terms of its financing arrangements.

Offtaker default

Infinis enters into contracts with creditworthy counterparties. The trading strategy limits no more than 30% of a season, being placed with a single offtaker without Governing Board approval.

As a wholesale energy provider, Infinis is not directly exposed to the Ofgem consumer price cap and would never be in a position where it was trading a contract at a loss. Furthermore, as a highly solvent asset-backed generator, not trading within the regulated energy markets, there has historically been no requirement to post letters of credit to support forward selling of power.

The credit worthiness of our offtakers is reviewed on an ongoing basis. Creditsafe is used to monitor the credit ratings of all of our key offtakers and provides prompt notification of any deterioration in creditworthiness. Actions are taken where credit exposure exceeds agreed credit limits. Our credit exposure is reviewed by the Board on a regular basis. All offtakers operate well within recommended credit limits.

Where required, parent company guarantees are further utilised to mitigate the risk of an offtakers contracting subsidiary failing, providing Infinis the ability to recover losses against the parent.

With the exception of ROC Recycle and Triad income, the majority of revenue is received within 30 days of the applicable month end to which it is recognised.

Gazprom

An Ofgem Special Administration looked likely in April 2022 for Gazprom Marketing and Trading Limited which created risk specifically to the recovery of CP20 ROC Recycle and potentially March 2022 ROC buyout. Sanctions against Gazprom were also a possibility. These risks reduced with the parent company in Germany being taken over by the German state in early May 2022. We continue to monitor the solvency of the UK and German entity closely.

Monthly revenue to Gazprom is currently c.£1.0m reducing to c.£0.5m for September through to March 2023 as trading volumes reduce.

In the event of an insolvency, all offtaker PPAs would automatically terminate. Were sanctions to be imposed on any offtaker, the PPAs would terminate either immediately or at differing periods through to 90 days. Consequently, the contractual trading arrangements are not exposed to the risk of sanctions on offtakers.

8. Macroeconomic risk – Inflation

The UK is experiencing the highest inflation in 40 years and the latest Bank of England forecast is for an average of 9% CPI inflation for 2022 – key drivers are the cost of energy, fuel, commodity prices and global supply shortages. This has been further compounded by the Russian invasion of Ukraine. In response, the Bank of England base rate has been increased to 1.25% (as of 16 June 2022). High cost base inflation can reduce operating profits and cash flows, with higher interest cost increasing financing costs and cashflows.

Inflation and the associated economic uncertainty is also weakening the pound against the other major global currencies further increasing power prices.

Market power pricing, as a key driver of inflation, is growing faster than CPI inflation currently.

Should power pricing fall away and high inflation remain, the business has a number of inflation uplift mechanisms within its key revenue streams, namely CLM ROC revenue which is indexed linked on RPI. This, combined with one other large indexing PPA, provides a natural hedge on earnings inflation risk.

The Group utilises interest rate hedges on a proportion of its debt, full details of which are provided in note 20 to the financial statements from page 87. £65.0m of Group debt is also on a fixed interest basis and not subject to a rising base rate. The drawn RCF (£38.0m) facility is not hedged and is fully exposed to base rate changes although the additional interest cost is not significant to the financial statements.

Climate risk assessment

The Board of Directors now annually evaluates climate change risk to the business

With reference to the Task Force on Climate Related Financial Disclosures (TCFD), the Board focuses on evaluating the impact of likely climate change scenarios on both the existing and planned future generation mix of the business. The Group is not seeking to fully comply with the TCFD requirements nor is it yet required to comply with TCFD requirements, we have drawn on and will continue to draw on emerging best practice in this area.

Infinis' operations are based solely within the UK and our future strategy is focused on growing our renewable and low carbon generation within the UK. The UK Environment Agency guidance (summarised below) has been used to define parameters for climate change in the UK over the period to 2100 – these parameters would be consistent with a 4 degrees Celsius rise in the global mean temperature over the same period.

	Mean daily max summer temp	Summer daily average rainfall	Mean daily max winter temp	Winter daily average rainfall	Rainfall intensity	increase in peak river flows	Max reduction in monthly river flows	Increase in sea levels	Increase in wave height	Increase in storm surge	Increase in wind speeds
Existing Average	20.1°C	191mm	7.2°C	229mm	-	-	-	-	-	-	-
By 2069	+6.3°C to +7.4°C (to 27.5°C)	-31% to 45%	+3.8°C to +4.4°C (to 11.6°C)	+25% to 44%	+25% to +50%	+25%	-82%	+60cm	+5%	+35cm	+5%
By 2099	+9.9°C to +11.7°C (to 31.8°C)	-44% to 59%	+5.7°C to +6.6°C (to 13.8°C)	+39% to 75%	+50% to +105%	+105%	-87%	+100cm	+10%	+70cm	+10%

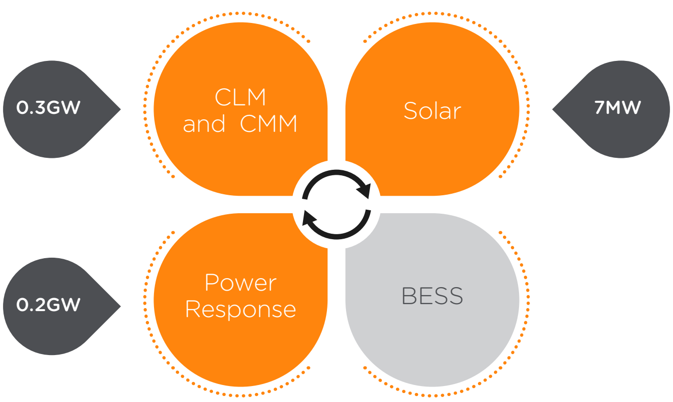
Climate-related risk can have an impact on financial stability of the business through two principal categories of risk:

– Physical risks arising from extreme meteorological and climatological events

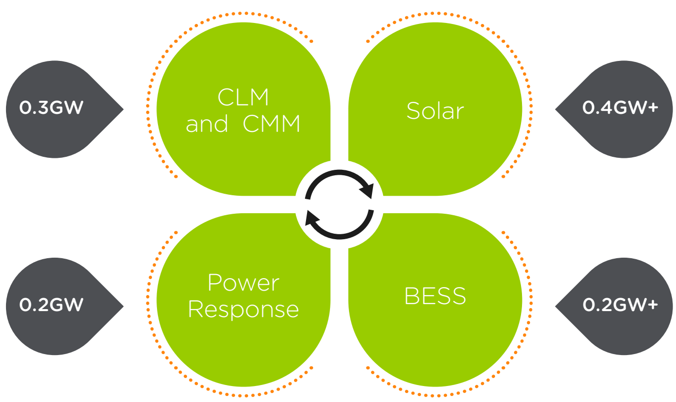
– Transition risks arising from the transition to a low carbon economy.

Strategy
Our strategy is outlined on page 6 and is focused in the near to medium term on developing, constructing and operating an increasing Solar and BESS portfolio.

Generation mix - 2022



Indicative generation mix - post 2040



In assessing climate risk, the Board have evaluated the existing business exposure to climate change, and also evaluated the proposed future generation mix (post 2040) to ensure it is designed for projected climatic conditions.

By being at an early stage of our strategy, Infinis has a unique opportunity to future proof the design of all new projects for the projected change in climate. The technologies we are investing in are proven to operate in areas of the globe with significantly warmer, and more volatile, climates to the UK. This gives us confidence in our ability to deliver robust predictable earnings despite a changing UK climate.

All new projects undergo a thorough design process which factors in the risk of climate change in addition to the more standard planning requirements, such as flood risk assessments. By definition, new investment is designed around climate change risk in order to protect future generation and earnings.

Further to the change in generation mix, the following are important factors relating to the earning profile of each technology over the period to 2040 and the associated risk to climate change:

– CLM exported power is projected to gradually reduce in line with historical percentages. By 2040, the projected exported power will be 40-50% of the current level. Earnings are further impacted by the loss of Renewable Obligation Certificate (ROC) revenue over the period 2028 to 2031.

– Solar traded power revenue is broadly one tenth per MW when compared to CLM. In the UK , Solar revenue is typically maximised during export in the peak summer months for six to eight hours per day. This reflects the seasonality and irradiation profile of the UK with c.70% of total revenue weighted to the April to September period. CLM revenue is 24/7 and more consistent across the year.

– Flexible generation assets, PR and BESS, earnings are driven by market factors and in particular shortage of generation in peak periods of demand. The profile is harder to project and reflects an element of historical run rate supported by the global change in UK generation technology and UK demand. Shorter periods of intermittency are currently more aligned with the BESS market with PR engines complimenting this by having the capability to operate for longer periods.

Risk assessment

Overall, climate change is considered a low risk for the business.

Given the planned change in the generation mix, transitional climate risks create a larger focus area for Infinis than physical climate risk. While 2022 has been a year of UK Government Energy strategy, it is too early to evaluate, and therefore accurately quantify or risk assess, how UK Energy strategy will be implemented and the potential impact for Infinis. Given the alignment of our strategy with overall policy objectives, the business is well positioned to avoid any material adverse impacts to its future earnings projections.

Physical climate risk assessment

Risk	CLM and CMM	Solar	PR and BESS
Operational site infrastructure performance issues from increased summer temperatures.	**Low risk** As landfill sites have closed, incidents of fire have reduced significantly, however risk increases with periods of dry weather. Fires can prevent methane being extracted from areas of the landfill for a prolonged period. Higher temperatures also: (i) reduce the efficiency of engines requiring loads to be reduced to avoid overheating; and (ii) result in thermal expansion of surface laid pipework which can lead to unplanned gas infrastructure disconnections. Over time as methane levels reduce, this increases spare asset capacity on site and allows more assets to be operated for shorter periods at lower temperatures.	**Low risk** Solar technology is designed to operate within high temperatures.	**Low risk** BESS have integrated cooling systems (air and liquid) and this technology is continually improved. Lithium Ion systems prefer short operation and are not currently operating in the 'time shifting' model projected in future years, which will cause the assets to operate at higher levels of heat. BESS technology warranties now include 'minimum off time' after specific periods of operation. PR engines typically operate intermittently, often only for 2-4 hours per day in the summer months and hence naturally cool between operating. For sites with longer running profiles investment has been made in larger radiators and other cooling systems.

Climate risk assessment continued

Risk	CLM and CMM	Solar	PR and BESS
Flooding of operational sites by increased surface water flooding from wetter winters and higher intensity of rainfall. Flooding of operational sites by increased river levels or sea storm surges.	**Low risk** Increased rainfall will elevate leachate levels in the landfill and potentially reduce gas availability although our existing royalty arrangements with landowners incentivise them to effectively manage and remove leachate. Increased risk of compound flooding. In the last three years, three smaller sites and one medium site have flooded driven by surface water run-off during periods of prolonged rain. See the Flood risk assessment case study.	**Low risk** Flood risk is factored into the development and construction process. New Development will not be constructed in areas of high flood risk.	
Operational site infrastructure issues from increased wind speeds Increased occurrences of high wind speeds may lead to infrastructure damage across all technologies. Immediate loss of generation in the affected area can continue for a prolonged time resulting in loss of revenue. Business interruption and property damage insurance exists across all key sites and therefore any 'loss' from a major event is limited to the excess on the policy.	**Low risk** Six storms occurred in FY22 with Storm Arwen and Eunice causing short periods (1-3 days) of disruption to site infrastructure.	**Low risk** Solar panels are particularly susceptible to damage from flying objects and also stress-related damage on the mounting system. – Our investment models assume an element of replacement CAPEX for panel damage over time. – During construction, significant technical evaluation is completed on the impact of wind and the design is specific for each site. We anticipate a higher level of design required over time which may marginally increase costs.	**Low risk** Due to their containerised design, BESS and PR systems are very robust.
Damage to third party transmission and distribution infrastructure due to extreme weather events Loss of export capacity at a site, due to third party grid connections and substations can prevent the export of power. Import of supply of power and natural gas is essential to operate BESS and PR respectively. Telecoms infrastructure is important to ensure the ability to remotely communicate with each site and each generating asset.	**Low risk** Grid outages result in a loss of export capacity and a direct loss of revenue. There is no recourse back to DNOs for periods of major outage, with business interruption insurance the only available compensation. However, Grid outages are typically limited to single sites for periods up to a week and are therefore not considered significant. During FY22 there were two grid outages impacting larger sites with each lasting no more than five days. Electrical teams have built strong relationships with DNOs which allows them to influence DNO response times. Natural gas infrastructure (which may transport an element of hydrogen in the future) is typically below ground and less susceptible to weather related damage. Outages of natural gas pipelines are extremely rare, with no occurrences in the last three years. Telecoms infrastructure to all sites is fibre, satellite and/or 4G and therefore less susceptible to weather related damage.		

Transitional climate risk and opportunity assessment

<table>
<tr><th>Risk</th><th>CLM and CMM</th><th>Solar</th><th>PR and BESS</th></tr>
<tr><td>Policy and Legal</td><td colspan="3">Low risk
To decarbonise the energy sector, it is likely over time that more inefficient technology will come under increased greenhouse gas emission legislation and compliance requirements/costs:

– Enhanced emissions reporting is likely across all applicable technologies, which may capture CLM, CMM and PR adding a small annual compliance cost.

– The removal of the exemption for carbon tax on small PR sites is possible in the coming years although how and if this would impact PR margins is not possible to quanitfy at this stage.

While the risks above are only assessed as low impact to the business, we continue to work with regulatory bodies such as the Environment Agency and trade associations such as the REMA to ensure that the position of smaller generators such as Infinis is appropriately understood, in particular with regard to ensuring the key environmental compliance role provided by CLM and CMM is not adversely impacted.

Developing appropriate subsidies to promote renewable investment while also maintaining mechanisms (capacity market, ROC) which support existing renewable generation on the grid would accelerate private investment and represent a potential upside opportunity to the existing planned ‘subsidy-free’ investment.</td></tr>
<tr><td>Technology</td><td colspan="3">Low risk
With our commitment to invest in zero emission generating technology, there is no significant retrospective investment requirement to improve emissions from existing assets.

Infinis will continue to invest in proven technology. Over the coming years, there will be significant innovation - the major UK energy generators are all investing significant R&D capital particularly in hydrogen generation. Green hydrogen generation opportunities will exist across Solar projects allowing opportunity to potentially develop to a larger scale than available grid.</td></tr>
<tr><td>Markets</td><td colspan="3">Low risk
Corporate consumers are driving an increasing demand for green power driving both increased market value for REGOs, in particular for Solar, as corporates looks to achieve net zero targets through their energy consumption. Verification of origin certification of REGOs, and perhaps all generation, is a possible requirement over the coming years, creating a market opportunity for Infinis’ truly renewable and clean electicity.

Increasing renewable generation places a larger challenge and cost on Offtakers to shape and balance. This is a growing cost and a barrier to securing longer term renewable corporate PPAs. This becomes less of a concern so long as the Government continues to provide fundable long-term alternatives such as the CfD regime.</td></tr>
<tr><td>Reputation</td><td colspan="3">Low risk
Infinis is not a retail energy supplier and delivers a small proportion of UK energy generation. Public perception of the brand is limited and therefore the business needs to align with the energy transition rather than be at the leading edge.

Being a renewable and clean energy, low carbon generator presents a unique opportunity to secure the next generation of talent for the organisation. The Infinis strategy is aligned with the required transition to Net Zero and the de-carbonization of the UK Energy Sector. Stakeholder perception is consequently positive.</td></tr>
</table>

Case study – flood risk assessment

During FY22, a flood risk assessment was completed utilising historic knowledge of all sites combined with the associated Environment Agency flood risk assessment of each geographic location by Golder Associates. The assessment included both the current flooding risk for all sites from the sea, rivers and surface water flooding which identified 23 sites with ratings above low risk.

For those sites, potential flooding scenarios were projected forward to 2050 and 2080. While flood risk increases over time, this relates to existing sites which due to declining methane levels over the same period, flood risk has a reducing financial impact to projected financial performance. Reflecting the findings of this work

– Environment Agency flood alerts have integrated into our Operational Control centre

– Infinis is working with land owners to manage surface water on site and protect compounds from flooding

– Seven higher risk sites have had flood detection equipment installed which allows safe and prompt isolation of the electricity connection, and shuts down the generating equipment on site protecting it from damage.

Board of Directors

An experienced leadership team

Shane Pickering
Chief Executive Officer

Committee membership

E

Appointed to the Board
Infinis Energy Group Holdings Limited – 13 January 2017

Infinis Energy Management Limited – 13 January 2017

Other key appointments
None

Shane joined the Infinis Board as CEO following the acquisition of the CLM business by 3i. From May 2015, he held the position of Infinis Director of Operations, responsible for both the wind and CLM portfolio. Prior to that, Shane was Regional Director of Operations at Intergen.

James Milne
Commercial Director

Committee membership

E

Appointed to the Board
Infinis Energy Group Holdings Limited – 13 January 2017

Infinis Energy Management Limited – 13 January 2017

Other key appointments
None

James worked as Head of Legal for Infinis from March 2011. He leads the Group's commercial and legal activities. Prior to Infinis, James was a partner at the international law firm, Herbert Smith, specialising in corporate advisory work.

Keith Reid
Chief Financial Officer

Committee membership

E

Appointed to the Board
Infinis Energy Group Holdings Limited – 25 April 2019

Infinis Energy Management Limited – 26 March 2019

Other key appointments
None

Keith joined Infinis in March 2019 as Chief Financial Officer. He is a KPMG qualified chartered accountant and has held Group CFO roles in both UK and International private equity backed businesses.

Tony Cocker
Chair and Non-Executive Director

Committee membership

R A

Appointed to the Board
Infinis Energy Management Limited – 1 August 2017

Other key appointments
Senior Independent Director, SSE plc; Governor and Deputy Chairman, Warwick Independent Schools Foundation.

Tony was appointed Chair and Non-Executive Director on 1 August 2017. He previously worked for E.ON and Powergen in a number of roles from 1996 to 2017, including Chair and CEO of E.ON UK plc, CEO of E.ON Energy Trading SE and Managing Director of E.ON UK Energy Wholesale.

Key

- A Audit Committee
- E Executive Committee
- R Remuneration Committee
- Committee Chair

Tim Short
Shareholder Director

Committee membership

R A

Appointed to the Board:
Infinis Energy Group Holdings Limited – 17 October 2016

Infinis Energy Management Limited – 18 October 2016

Other key appointments
Supervisory Board member of Scandlines Infrastructure ApS.

Tim is a Partner in 3i's infrastructure division focused on the origination, execution and financing of infrastructure investments. His transaction experience includes Attero, East Surrey Pipelines, Elenia, ESVAGT, Ionisos, Global Cloud Xchange, Joulz, Oystercatcher, Scandlines, Tampnet and TCR.

Matthew Edwards
Shareholder Director

Committee membership

R A

Appointed to the Board:
Infinis Energy Management Limited – 25 February 2020

Other key appointments
Holds a number of directorships for 3iN portfolio companies

Matt is a Director in 3i's Infrastructure team focusing on the infrastructure and energy sectors in the UK and continental Europe. Prior to joining 3i, Matt was Investment Director at Innisfree Limited.

Scott Longhurst
Non-Executive Director

Committee membership

R A

Appointed to the Board
Infinis Energy Management Limited – 10 May 2017

Other key appointments
Non-Executive Director of FCC Aqualia; Non-Executive Director and audit chair of the Supervisory Board of Evos BV; Director of Water Meadows Consulting Limited; Senior Adviser to First Sentier Investments.

Scott joined the Infinis Board on 10 May 2017. He holds a number of Non-Executive Director positions in the UK and Europe. He was formerly Group Finance Director of Anglian Water Group (AWG) and Managing Director of its non-regulated business. Prior to AWG, he spent most of his career with Shell.

Richard Lewis
Non-Executive Director

Committee membership

R A

Appointed to the Board
Infinis Energy Management Limited – 1 September 2019

Other key appointments
Director of the energy hedge fund, Nanook; adviser to Squeaky Clean Energy Limited

Richard has 25 years of experience in the energy industry, specialising in trading, investing and origination in the power, gas, fuels, biofuels and renewables sectors. He previously held senior roles at RWE, Barclays and Enron.

Corporate governance statement

A robust and effective governance framework which supports our strategy

The Infinis Group's corporate governance structure is set by the Board of Directors of Infinis Energy Management Limited.

Governance structure

The Board of Directors (the 'Governing Board') of Infinis Energy Management Limited (the 'Governing Company'), the Company's wholly-owned subsidiary, is responsible for establishing, overseeing and managing the delivery of the strategy and the corporate governance structure of the Infinis Group. These governance arrangements are formalised in the Corporate Governance Policy as approved by the Governing Board.

The operating subsidiaries of the Infinis Group are owned by the Governing Company. The Directors are responsible for implementing the Group's strategy and business plans and have delegated the oversight of the day-to-day management of the Infinis Group to the Executive Committee.

The Infinis Group maintains an active dialogue with its Shareholder, as set out in the Stakeholder engagement section on page 28. The Shareholder Directors have weighted voting rights and de facto control of the Boards of the Company and the Governing Company.

The Governing Company is committed to achieving highly effective and relevant standards of corporate governance and to comply with the Walker Guidelines for Disclosure and Transparency in Private Equity.

Set out below are further details of the main governance structures of the Infinis Group and key terms of the Corporate Governance Policy. Details of directorships and committee memberships set out below are as at the date of this report.

Board composition

Biographies and other details of the members of the Company Board and the Governing Board can be found on pages 52 and 53.

Board meetings

The Governing Board meets regularly, generally on a monthly basis, with other meetings being convened where circumstances require. In FY22 the Governing Board held eleven meetings.

Board committees

The Governing Board has established the Executive Committee, Audit Committee and Remuneration Committee, each of which operates under clearly defined terms of reference.

No one other than the committee chair and members is entitled to be present at a committee meeting and vote on matters. The chair may request others to attend by invitation as referred to below.

Board and sub committees

Board committees

Executive Committee

Day-to-day management of the Infinis Group in accordance with the authorities delegated to it by the Governing Board.

Shane Pickering (Chair)

James Milne

Keith Reid

Audit Committee

Responsible for ensuring a robust control environment and that the audit processes are properly conducted.

Scott Longhurst (Chair)

Tony Cocker

Tim Short

Matthew Edwards

Richard Lewis

Remuneration Committee

Optimising the organisational structure and employment policies.

Tony Cocker (Chair)

Tim Short

Matthew Edwards

Scott Longhurst

Richard Lewis

Board procedure

The Directors of the Infinis Group take decisions for the long-term and aim to uphold the highest standards of conduct. The Directors recognise the importance of understanding and respecting the views and needs of our stakeholders, including customers, employees, the communities in which we operate, our suppliers and our Shareholder, to further the success of our business.

The Governing Board conducts a regular review of business issues and key performance metrics in a timely and structured way. The Company's and the Governing Company's Directors discharge their responsibilities in accordance with Group policy, set strategy and business plans of the Infinis Group, provide leadership to the Infinis Group within a framework of prudent and effective controls, and assess and manage risk.

An agenda and briefing pack are prepared for all Governing Board meetings, which includes routine business items for monthly scheduled meetings, including health and safety, financial and operational performance, a review of commercial activities, stakeholder engagement and an overview of operations and development opportunities. All members of the Governing Board receive sufficient information in a timely manner on agenda items, whether or not they are able to attend, and minutes are prepared and approved as an accurate record of proceedings. This ensures a regular update to the Governing Board on all key matters and enables Board members to discharge their duties.

Regular updates on risk management are also given to the Governing Board by the Executive Directors.

The agreed principles of corporate governance applicable to the Infinis Group, including terms of reference for committees of the Governing Board, are set out in the Corporate Governance Policy and record the overarching internal policies by which the Infinis Group should operate, without restricting the legal independence of any Group Company and whilst ensuring that key policy and strategic decisions relating to the Infinis Group are made by the Governing Board. The Governing Board's formal schedule of delegated authorities, reviewed annually by the Governing Board, sets out the financial authorities delegated to its committees, the Chief Executive Officer and other directors, officers and employees (the 'Delegated Authorities'). Matters which must be brought to the Governing Board for approval in accordance with the Delegated Authorities include, but are not limited to, strategy, the annual business plan, the Infinis Group budget, power trading strategy, all acquisitions and disposals and any proposed change to the capital structure.

Internal control and risk management

The Governing Board understands its responsibilities to present a fair, balanced and understandable assessment of the Group's position and prospects and to provide the information necessary for the Shareholder to assess the Group's performance, business model and strategy.

The Group's approach to risk management is set out in further detail in the risk management section on pages 40 and 41.

The Group's risk management and internal controls processes are designed to ensure that the risks associated with conducting our business activities are effectively controlled in line with the Group's risk appetite. The Governing Board believe the processes provide reasonable, but not absolute, assurance against material misstatement or loss.

The Governing Board, through the Audit Committee, has reviewed the assessment of risks and the risk management process, and has considered the effectiveness of the system of internal controls for the year and up to the date of approval of this report by the Governing Board. There are established procedures and controls in place to identify entities whose results must be consolidated with the Group's results.

The process followed by the Governing Board in reviewing the system of internal controls reflects the Governing Board's responsibility for determining the nature and extent of the risk it is willing to take in achieving its strategic objectives. The Governing Board provides oversight to help ensure that the Group maintains sound risk management and internal control systems.

Board and sub committee attendance

	Company	Governing Committee	Executive Committee	Audit Committee	Remuneration Committee
Tony Cocker	-	11 of 11	-	4 of 4	8 of 8
Matthew Edwards	-	11 of 11	-	3 of 4	8 of 8
Richard Lewis	-	11 of 11	-	4 of 4	8 of 8
Scott Longhurst	-	11 of 11	-	4 of 4	8 of 8
James Milne	3 of 3	11 of 11	10 of 11	-	-
Shane Pickering	3 of 3	11 of 11	11 of 11	-	-
Keith Reid	3 of 3	11 of 11	11 of 11	-	-
Tim Short	3 of 3	11 of 11	-	4 of 4	8 of 8

Corporate governance statement continued

Audit Committee

The Audit Committee comprises the Shareholder Directors and the Non-Executive Directors. In addition, the Group Corporate Governance Policy provides that the Executive Directors may be invited to attend meetings but may not vote. The Audit Committee meets as often as required and at least twice annually. In FY22 there were four meetings of the Audit Committee.

The Audit Committee is responsible for ensuring that internal and external audit processes are carried out in the best interests of the Infinis Group's stakeholders. In assisting the Governing Board to fulfil its duties, specific duties and responsibilities of the Committee include:

– overseeing the Group's relationship with the external auditors;

– agreeing the nature and scope of the audit and reviewing the audit plan;

– advising the Governing Board regarding the appointment and re-appointment of the external auditors of the Company and Group Companies;

– recommending to the Governing Board the remuneration and terms of engagement of the external auditors of the Company and Group Companies;

– reviewing with the Governing Company's, and any Group Company's, external auditor, the interim (if any) and the annual financial statements of the Group before submission to the Governing Board;

– discussing audit findings with the external auditors, including any major issues or reservations which arose during the course of the audit and their resolution, and recommendations made to management by the auditors and management's response;

– deciding on the implementation of the Group's internal audit programme, ensuring coordination between the internal and external auditor and ensuring that the internal audit function is adequately resourced;

– recommending to the Governing Board appropriate policies of risk and internal control and ensuring that the implementation of such policies is formulated, operated and monitored. Such policies shall help to ensure the quality of internal and external reporting and adoption of suitable risk control measures, and shall specifically include a review by the Committee of the Chief Financial Officer's report on risks affecting the Group (which the Chief Financial Officer shall make no less frequently than twice each year); and

– considering other topics relating to the audit of the financial systems or records of the Group as determined by any member of the Committee.

Since the year end, the Committee met on 29 June 2022 and 27 July 2022 to consider the consolidated report and accounts of the Company and of the Governing Company. The final form of the report and accounts of the Group and Company was approved by the Directors on 27 July 2022. For good governance, the Committee met with the auditors in June 2022 without the presence of the Executive Directors to discuss the audit and the relationship with the Finance Team.

Remuneration Committee

The Remuneration Committee comprises the Shareholder Directors and the Non-Executive Directors. The Corporate Governance Policy provides that the Chief Executive Officer shall have the right to attend but not vote at meetings of the Remuneration Committee. The Committee meets at least once a year and at such other times as the Governing Board requires. In FY22 the Committee met eight times.

The Remuneration Committee's specific duties and responsibilities include discretions or authorities in respect of:

- the organisational structure of the Governing Company and any Group Company and the Group as a whole;
- the appointment and termination of any Executive Director and Senior Management Team members of any Group Company and terms and conditions of appointment or employment;
- any policies and terms and conditions of employment of any employees of the Governing Company or senior Senior Management Team member of any Group Company;
- any significant changes to the role of any Executive Director or Senior Management Team member;
- any recommendation from the Executives in respect of the implementation of material redundancies;
- the structure, eligibility of participants and the performance against the Long Term Incentive Plan;
- the remuneration and benefits of any Executive Director or Senior Management Team members; and
- approval of annual salary increases, bonuses and incentive programmes and overall bonus levels for all staff.

In addition, the Remuneration Committee engages with the Executive Team to discuss succession planning, talent development, and diversity initiatives and targets.

Key Board activities in FY22

Financial performance

The Executive Committee present the performance of the business to the Governing Board monthly. Key risks and opportunities are considered during these meetings.

EBITDA

£71.6m

2021: £74.2m

Diversity and inclusion

The Gender Pay Report was presented to the Board with actions identified to continue to promote equality of opportunity.

Risk management

The corporate risk register is presented biannually. Risk updates are also provided monthly.

Sustainability

The sustainability strategy was presented to the Board.

Infinis are well placed to be a market leader in the UK's push for Net Zero, but like all businesses we are on a journey to understand and improve our carbon footprint.

The Group's growth plans through investing in Solar and BESS have been at the forefront of the Board's discussions.

MW under development

215 MW

2021: 71 MW

Strategy

The Governing Board ran two strategy workshops in the year that sets out in detail the future plans for the business.

Directors' report

The Directors present their report and the audited consolidated financial statements for the year ended 31 March 2022.

Strategic report

The Companies Act 2006 requires the Directors to present a fair, balanced and understandable perspective of the Company's and Group's business during the year ended 31 March 2022 and of the position of the Group at the end of the financial year, together with a description of the principal risks and uncertainties facing the Group.

The Directors' business review is set out as part of the Strategic report which can be found on pages 1 to 51.

Corporate governance statement

A corporate governance statement can be found on pages 54 to 56 and is incorporated into the Directors' report by reference.

Private equity ownership

The Company heads a group of companies (the 'Infinis Group') and was incorporated in October 2016 with its subsidiary, Infinis Energy Management Limited, by 3i Infrastructure plc (3iN).

3iN, part of 3i Group, is an economic infrastructure business which invests for the long-term of between 20 and 30 years in utilities, energy, transport and communications and is listed on the London Stock Exchange.

Going concern

When considering the going concern assertion, the Directors review several factors including the ability of the Group to meet its banking covenants and operate within its banking facilities based on current financial plans. A series of more pessimistic trading scenarios, that were deemed severe but plausible, were also reviewed.

The Group and Company statements of financial position, which can be found on page 70 and 92, respectively, both reflect overall net assets.

The Company generated a loss in the year of £1.3m due to tax charges as a consequence of restrictions on interest deductibility. The Company has net current liabilities at 31 March 2022 due to this tax liability, settlement of the liability will be facilitated through group settlement arrangement.

The Group generated a loss in the year of £11.5m. Included within this number are £44.1m of non-cash expenses relating to amortisation and depreciation as well as a £10.1m deferred tax charge, including a charge of £11.5m in relation to the change in tax rate to 25%. Adjusting for this, the reported performance for the year was a £44.1m profit. Net cash from operating activities was £65.6m with strong closing cash and notable covenant headroom on senior secured debt.

The Group has a financing facility that provides certainty over future funding arrangements to support growth, as detailed in note 15 on page 85.

The Directors consider that the Group and parent Company have adequate resources to continue in operation for the foreseeable future, and that it is therefore appropriate to adopt the going concern basis in preparing the consolidated and individual financial statements of the Company.

Financial risk management

Details of financial instruments and the Group's approach to capital management and financial risk are provided in note 20 on pages 87 to 89 to the accounts.

Directors

Biographical details of the Directors of the Company and of the Governing Company currently serving on the Boards and their dates of appointment are set out on pages 52 to 53.

A summary of all Directors who served in the year is set out in the Corporate governance statement on page 54.

Results and dividends

The results for the year ended 31 March 2022 are set out on page 68 to 71.

No dividend was proposed or paid for the year ended 31 March 2022 (FY21: nil).

Employee involvement

Details of the Company's policies on employment, training, career development and promotion of disabled persons, and a statement on employee involvement in the financial year, are set out on pages 29 to 33.

Sustainability

Details of the Company's commitment to the progressive introduction of appropriate measures to limit the adverse effects of its operations upon the environment are set out on pages 23 to 27.

Stakeholder engagement and key decisions

Details of the key decisions and discussions of the Governing Board during the year and the main stakeholder inputs into those decisions are set out in the Strategic report.

Disclosures relating to s172 of the Companies Act require the Directors to identify the issues, factors and stakeholders they consider relevant to comply with their duty to have regard to stakeholders.

This consideration of our stakeholders is reflected in our values. The Governing Board considers the effect of s172 in all of its decisions and the impact on any of the specified groups. The Governing Board considers the interests of the Group's employees and other stakeholders, including the impact of its activities on the community, environment and the Group's reputation, when making decisions. The Governing Board, acting fairly between members, and acting in good faith, considers what is most likely to promote the success of the Group for its shareholders in the long-term. Further information in relation to the specific considerations of the Governing Board are set out below:

	Consideration	Information
A	Likely consequences of any decision in the long-term	See pages 2 to 51
B	Interests of the Company's employees	See pages 29 to 33
C	Need to foster the Company's business relationships with suppliers, customers and others	See pages 36 to 39
D	Impact of the Company's operations on the community and the environment	See pages 23 to 25 and 34 to 35
E	Desirability of the Company maintaining a reputation for high standards of business conduct	See pages 28 to 39
F	Need to act fairly as between members of the Company	See pages 28 to 39

Policy and practice on payment of creditors

Infinis' payment policy and practices are outlined on page 38.

Political and charitable donations

No political donations were made during the year. The Infinis Group made charitable donations of £78,000 (FY21: £67,000) during the year.

Significant agreements

The Infinis Group has several contractual relationships with customers, operational counterparties and banks, which are essential to our business and with whom we work proactively.

(i) Customers

The Infinis Group has a relatively small customer base, the majority of which consists of energy offtakers with investment grade ratings. Contracts are for the delivery of power for a season (six months) with a minimum and maximum threshold for exported MWhs under each contract.

(ii) Operational counterparties

Our primary operational counterparties for the CLM business are the waste companies or local authorities with whom we work, most notably FCC Environment, Veolia and Biffa. The business also operates under licenses from the Oil and Gas Authority for operating the CMM business.

(iii) Banks

The Governing Company has a total financing facility of £246,000,000 which is provided by a syndicate of financial institutions (further details are set out on page 85).

Directors' indemnities

During the financial year the Governing Company has agreed to indemnify past and present Directors in accordance with and subject to the terms of the Corporate Governance Policy for the Infinis Group, against liability and all expenses reasonably incurred or paid by them in connection with any claim, action suit or proceeding in which they become involved in the performance of their duties as a Director and against amounts paid or incurred by them. These are qualifying third party indemnity provisions for the purposes of section 234 of the Companies Act 2006 and are in place at the date of approval of the Directors' report.

The Company has also arranged directors' and officers' liability insurance.

Auditors

The auditors, PricewaterhouseCoopers LLP (PwC), have indicated their willingness to continue in office and, pursuant to section 487 of the Companies Act 2006, PwC are deemed to be reappointed as auditors and will therefore continue in office.

Directors' report continued

Statement of Directors' responsibilities in respect of the financial statements

The Directors are responsible for preparing the Annual Report and Accounts 2022 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 financial statements in accordance with UK-adopted international accounting standards and the Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", 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 UK-adopted international accounting standards have been followed for the Group financial statements and United Kingdom Accounting Standards, comprising FRS 101 have been followed for the Company financial statements, 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 also 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 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.

The directors are responsible for the maintenance and integrity of the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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 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 and Company's auditors are aware of that information.

The Directors' report was approved by the Governing Board on 27 July 2022. By order of the Board.

Keith Reid
Director

Independent Auditors' report to the members of Infinis Energy Group Holdings Limited

Report on the audit of the financial statements

Opinion

In our opinion:

- Infinis Energy Group Holdings 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 March 2022 and of the Group's loss and the Group's cash flows for the year then ended;
- the Group financial statements have been properly prepared in accordance with with UK-adopted international accounting standards;
- the Company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Accounts (the "Annual Report"), which comprise: Consolidated statement of financial position and Company statement of financial position as at 31 March 2022; the Consolidated income statement, Consolidated statement of comprehensive income, Consolidated cash flow statement, Consolidated statement of changes in equity and Company statement of changes in equity 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.

Our audit approach

Overview

Audit scope

- Our responsibility is to form an opinion on the Group and Company Financial Statements of Infinis Energy Group Holdings Limited for the financial year ended 31 March 2022

Key audit matters

- Impairment of goodwill and other intangible assets (Group)
- Accounting for and valuation of recycle ROC's (Group)
- Acquisition accounting (Group)
- Carrying value of investments (Company)

Materiality

- Overall Group materiality: £1,790,000 (2021: £1,854,000) based on 2.5% of EBITDA.
- Overall Company materiality: £1,412,000 (2021: £1,761,000) based on 1% of Total assets.
- Performance materiality: £1,341,000 (2021: £1,391,000) (Group) and £1,059,000 (2021: £1,321,000) (Company).

Independent Auditors' report to the members of Infinis Energy Group Holdings Limited continued

The scope of our audit
As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements.

Key audit matters
Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

This is not a complete list of all risks identified by our audit.

Acquisition accounting and Carrying value of investments are new key audit matters this year. Going concern and impairment consideration relating to Coronavirus (COVID-19), which was a key audit matter last year, is no longer included because of business and economic recovery to pre-pandemic levels. Otherwise, the key audit matters below are consistent with last year.

Key audit matter	How our audit addressed the key audit matter
Impairment of goodwill and other intangible assets (Group) The value of the goodwill and other intangible assets per note 12 of the annual report are material to the financial statements and the carrying value thereof rely on significant management judgements and estimates in considering whether the carrying value of those assets or cash generating units are recoverable. Determining the recoverable amount involves significant estimation including: — forecasting future cash flows; — forecasting future generation profiles; — forecasting future commodity prices; — estimating gas reserves; and — determining an appropriate discount rate. As disclosed in note 12, the total book value of goodwill and other intangible assets is £335.9 million and following management's impairment testing, there was no impairment required in the year. The Group has modelled and disclosed the key sensitivities in note 12.	– In relation to audit of the goodwill and other intangible assets impairment, we evaluated and challenged the Directors' assumptions and estimates used to determine the recoverable value of the goodwill and other intangible assets. – This included assessing management's experts with regard to gas volume data and short and long-term pricing assumptions. We tested these assumptions by reference to third party documentation where available, such as power price forecasts and inquiry with operational management. – We used PwC valuation specialists to help us assess the reasonableness of the price curves and discount rates used by management. The output of these impairment reviews are sensitive to the assumptions. – We tested and challenged the disclosed sensitivities to ensure appropriate judgement had been applied. We performed further sensitivities around key drivers of cash flow forecasts, including output volumes, power prices, operating costs including royalties, capex and expected life of assets. – Based on our analysis we did not identify any material issues with the impairment conclusions and the valuation of the goodwill and other intangible assets.

Key audit matter	How our audit addressed the key audit matter
Accounting for and valuation of recycle ROC's (Group) The value of the recycle ROC revenue as disclosed in note 6 of the annual report relies on judgements and assumptions. This includes a number of factors (some of which are unknown at the time of estimating the price, and/or outside of the Group's influence), including expected electricity demand, targets set for renewable generation in the UK and estimates of the actual amount of renewable energy generated in the year. In the prior year, the uncertainty and volatility in the market resulted in revenue not being recognised. In the current year due to increased demand driving higher prices and certainty of future payment, recognition criteria for revenue has been met. Management have estimated the value of recycle ROC revenue, based on their estimates of the key variables and recognised revenue based on the certainty of future receipts to the value of £7.3m. The Group has recognised the recycle ROC from FY21 to the value of £5.5m in the current year which has all been received. The total ROC revenue has been disclosed in note 6.	– We have assessed and challenged management's methodology to estimate the recycle ROC price, including the expected electricity demand, targets set for renewable generation in the UK and estimates of the actual amount of renewable energy generated in the year. – We have assessed the accuracy of management's historical forecasting in this area. We have considered the extent that it is highly probable that there will be no significant subsequent reversal in the cumulative amount of recognised recycle ROC revenue, and seen evidence to support the factors outside of the entity's influence. – We have validated the revenue to receipts in the year as they relate to the revenue recognised from FY21. – We have read and agreed the disclosures in this area. – We did not identify any exceptions in respect of recycle ROC recognition and disclosure.
Acquisition accounting (Group) The Group acquired 2 companies which own the rights for development of solar farm sites. In the group financial statements, an intangible asset has been recognised for £9.8m, being the value of the intangible asset which is the planning consideration for the development of the solar farm. An associated deferred tax liability has also been recognised and will be offset against the future amortisation charge. The acquisition has been disclosed in note 22.	– We have obtained the contract for the acquisition of the two companies. – We have obtained management's paper and calculations documenting the accounting treatment of the acquisition. – We have assessed the accounting treatment of the acquisition is in line with contract and as required by the relevant accounting standards. – We have agreed the consideration paid to bank statements. – We have assessed the disclosure within the financial statements in line with reporting requirements. The accounting treatment of the acquistion and the disclosure is appropriate.
Carrying value of investments (Company) An investment in subsidiary undertakings of £237.7m is recognised in the financial statements. We have focussed on this area given the balance is material and there is a risk of possible impairment to the carrying value of investments held. This has been disclosed in note 27.	– We have verified the carrying value of the investments at year end and assessed whether there were any impairment triggers identified. None have been noted. – In addition, we have also challenged managements assumptions and forecasts included in their long-term plan. – From our testing performed, there has been no indication that an impairment of the carrying value of investments has been identified and this has been appropriately disclosed in the financial statements.

Independent Auditors' report to the members of Infinis Energy Group Holdings Limited continued

How we tailored the audit scope
We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the Group and the Company, the accounting processes and controls, and the industry in which they operate.

Our audit has focused on the Group consolidated financial statements of Infinis Energy Group Holdings Limited, auditing the underlying trade in the subsidiary companies that we deem to be significant to the Group. The coverage from our audit procedures is 96% of Group EBITDA, 95% of revenue, 99% of total assets and 100% of net assets.

Materiality
The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

	Financial statements - Group	Financial statements - Company
Overall materiality	£1,790,000 (2021: £1,854,000).	£1,412,000 (2021: £1,761,000).
How we determined it	2.5% of EBITDA	1% of Total assets
Rationale for benchmark applied	EBITDA is the primary measure used by the shareholders in assessing the performance of the Group.	We believe that total assets is the primary measure used by the shareholders in assessing the performance of the Company, and is a generally accepted auditing benchmark.

For each component in the scope of our Group audit, we allocated a materiality that is less than our overall Group materiality. The range of materiality allocated across components was £1,700 to £1,412,000. Certain components were audited to a local statutory audit materiality that was also less than our overall Group materiality.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality was 75% (2021: 75%) of overall materiality, amounting to £1,341,000 (2021: £1,391,000) for the Group financial statements and £1,059,000 (2021: £1,321,000) for the Company financial statements.

In determining the performance materiality, we considered a number of factors - the history of misstatements, risk assessment and aggregation risk and the effectiveness of controls - and concluded that an amount at the upper end of our normal range was appropriate.

We agreed with those charged with governance that we would report to them misstatements identified during our audit above £89,000 (Group audit) (2021: £93,000) and £70,000 (Company audit) (2021: £88,000) as well as misstatements below those amounts that, in our view, warranted reporting for qualitative reasons.

Conclusions relating to going concern

Our evaluation of the Directors' assessment of the Group's and the Company's ability to continue to adopt the going concern basis of accounting included:

- We assessed management's base case scenario, challenging assumptions, agreeing to board approved budgets and checking mathematical accuracy.
- We assessed management's stress test scenarios including considering a severe but plausible scenario to demonstrate the financial resilience of the Group. We have considered levers available to management to mitigate the impacts of downside scenarios. Based on the information available at the time of the Directors' approval of the financial statements and us signing our audit opinion, we consider the scenarios to be reasonable.
- We challenged management on the key assumptions included in the scenarios and confirmed management's mitigating actions are within their control.
- We read disclosure related to going concern to ensure consistency with our understanding.

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 March 2022 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.

Independent Auditors' report to the members of Infinis Energy Group Holdings Limited continued

Responsibilities for the financial statements and the audit

Responsibilities of the Directors for the financial statements

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

In preparing the financial statements, the Directors are responsible for assessing the 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 health and safety, employment legislation, Data Protection Act 1998, RIDDOR (Reporting of Injuries, Diseases and Dangerous Occurrences Regulations), OFGEM regulations and the listing rules for TISE (The International Stock Exchange for the Channel Islands), 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 the Companies Act 2006 and, tax legislation.
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 management's posting of inappropriate journal entries and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- enquiry of management around actual and potential frauds, litigations or claims against or by the Company;
- understanding and evaluating the key elements of the Company's internal controls relating to estimates;
- testing of journals posted in the year that have unusual account combinations;
- assessing significant accounting estimates for bias and validating the support behind the assumptions and judgments made by management, and evaluating the business rationale of significant or unusual transactions outside the normal course of business; and
- incorporating elements of unpredictability into our audit procedures.

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.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

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. In our engagement letter, we also agreed to describe our audit approach, including communicating key audit matters.

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.

Andrew Lyon (Senior Statutory Auditor)

for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
East Midlands
28 July 2022

Consolidated income statement

For the year ended 31 March 2022

	Note	2022[1] £'000	Business performance £'000	Significant one-off items (note 7) £'000	2021 Total £'000
Revenue	6	155,005	148,688	–	148,688
Cost of sales		(98,573)	(91,376)	–	(91,376)
Gross profit		**56,432**	**57,312**	–	**57,312**
Administrative expenses		(29,011)	(34,451)	–	(34,451)
EBITDA		**71,553**	**74,168**	–	**74,168**
Depreciation of property, plant and equipment	7a	(28,679)	(29,114)	–	(29,114)
Amortisation of intangible fixed assets	7a	(15,453)	(22,193)	–	(22,193)
Operating profit		**27,421**	**22,861**	**–**	**22,861**
Finance costs	9	(26,512)	(27,023)	(5,195)	(32,218)
Finance income	9	3	59	–	59
Net finance costs		**(26,509)**	**(26,964)**	**(5,195)**	**(32,159)**
Profit/(loss) before income tax		**912**	**(4,103)**	**(5,195)**	**(9,298)**
Income tax expense	10	(11,509)			(57)
Loss for the year		**(10,597)**			**(9,355)**

[1] There were no significant one-off items in the year ended 31 March 2022.

The notes on pages 72 to 91 form part of these financial statements.

Consolidated statement of comprehensive income

For the year ended 31 March 2022

	2022 £'000	2021 £'000
Loss for the year	**(10,597)**	**(9,355)**
Other comprehensive Income/(expense)		
Items that may be reclassified subsequently to the profit or loss:		
Recycling of discontinued cash flow hedges	–	2,321
Impact of discontinued hedges	432	–
Amounts recycled to profit and loss	1,194	1,893
Fair value movement on cash flow hedges	5,584	(624)
Tax on movement in cash flow hedges	(1,802)	(621)
Remeasurement of defined benefit liability	–	(34)
Total other comprehensive income/(expense)	**5,408**	**2,935**
Total comprehensive expense for the year	**(5,189)**	**(6,420)**

The notes on pages 72 to 91 form part of these financial statements.

Consolidated statement of changes in equity

For the year ended 31 March 2022

	Share capital £'000	Hedging reserve £'000	Accumulated losses £'000	Total £'000
At 1 April 2020	**35,000**	**(5,025)**	**(14,907)**	**15,068**
Loss for the year	–	–	(9,355)	(9,355)
Recycling of discontinued cash flow hedges	–	2,321	–	2,321
Amounts recycled to profit and loss	–	1,893	–	1,893
Fair value movement on cash flow hedges	–	(624)	–	(624)
Tax on movement in cash flow hedges	–	(621)	–	(621)
Remeasurement of defined benefit liability	–	–	(34)	(34)
Total comprehensive income/(expense) for the year	**–**	**2,969**	**(9,389)**	**(6,420)**
At 31 March 2021	**35,000**	**(2,056)**	**(24,296)**	**8,648**
Loss for the year	–	–	(10,597)	(10,597)
Impact of discontinued hedges	–	432	–	432
Amounts recycled to profit and loss	–	1,194	–	1,194
Fair value movement on cash flow hedges	–	5,584	–	5,584
Tax on movement in cash flow hedges	–	(1,802)	–	(1,802)
Total comprehensive income/(expense) for the year	–	**5,408**	**(10,597)**	**(5,189)**
At 31 March 2022	**35,000**	**3,352**	**(34,893)**	**3,459**

The notes on pages 72 to 91 form part of these financial statements.

Consolidated statement of financial position

At 31 March 2022

	Note	**31 March 2022 £'000**	31 March 2021 £'000
Non-current assets			
Property, plant and equipment	11	102,593	115,394
Goodwill	12	68,230	68,230
Other intangible assets	12	270,322	272,556
Derivative financial assets	20	5,282	1,082
		446,427	**457,262**
Current assets			
Inventories	13	4,237	4,369
Trade and other receivables	14	33,076	28,499
Cash and cash equivalents		62,649	10,246
		99,962	**43,114**
Total assets		**546,389**	**500,376**
Current liabilities			
Interest-bearing loans and borrowings	15	422	882
Trade and other payables	18	34,827	32,961
		35,249	**33,843**
Non-current liabilities			
Interest-bearing loans and borrowings	15	448,907	409,661
Deferred tax	16	46,536	33,572
Provisions	17	8,711	9,628
Derivative financial liabilities	20	–	2,578
Other payables	18	3,527	2,446
		507,681	**457,885**
Total liabilities		**542,930**	**491,728**
Net assets		**3,459**	**8,648**
Equity			
Share capital	19	35,000	35,000
Hedging reserve		3,352	(2,056)
Accumulated losses		(34,893)	(24,296)
Total equity		**3,459**	**8,648**

The financial statements on pages 68 to 91 were approved by the Board of Directors on 27 July 2022 and were signed on its behalf by

K Reid
Director

S S Pickering
Director

Company number: 10432005

The notes on pages 72 to 91 form part of these financial statements.

Consolidated cash flow statement

For the year ended 31 March 2022

	2022 £'000	2021 £'000
Cash flow used in operating activities		
Loss for the year	(10,597)	(9,355)
Adjustments for:		
Depreciation of tangible fixed assets	28,679	29,114
Amortisation of intangible fixed assets	15,453	22,193
Finance costs	26,512	32,218
Finance income	(3)	(59)
Taxation	11,509	57
Operating cash flow before changes in working capital and provisions	**71,553**	**74,168**
(Increase)/decrease in trade and other receivables	(4,577)	9,765
Decrease/(increase) in inventories	132	(1,976)
Increase/(decrease) in trade and other payables	936	(1,862)
Decrease in provisions	(917)	(8)
Cash generated from operations	**67,127**	**80,087**
Interest paid on leases	(101)	(143)
Tax paid	(1,475)	(3,170)
Net cash generated from operating activities	**65,551**	**76,774**
Cash used in investing activities		
Interest received	3	59
Acquisition of intangibles	(11,268)	(1,662)
Acquisition of property, plant and equipment	(16,008)	(15,896)
Net cash used in investing activities	**(27,273)**	**(17,499)**
Cash generated from/(used in) financing activities		
Proceeds from borrowings	38,000	65,000
Repayment of borrowings	–	(107,300)
Repayment of shareholder loans	–	(6,323)
Interest paid on borrowings	(8,054)	(8,815)
Settlement of interest rate swaps	–	(3,365)
Interest paid on shareholder loans	(15,000)	(21,287)
Principal elements of lease payments	(821)	(967)
Arrangement fees on new loans	–	(3,874)
Net cash generated from/(used in) financing activities	**14,125**	**(86,931)**
Net increase/(decrease) in cash and cash equivalents	**52,403**	**(27,656)**
Cash and cash equivalents at the beginning of the year	10,246	37,902
Cash and cash equivalents at the end of the year	**62,649**	**10,246**

The notes on pages 72 to 91 form part of these financial statements.

Notes forming part of the financial statements

For the year ended 31 March 2022

1. General information

Infinis Energy Group Holdings Limited (the 'Company') is a private company limited by shares, incorporated and domiciled in the UK and registered in England and Wales.

The Group financial statements consolidate the results of the Company and its subsidiaries (together referred to as the 'Group') for the year ended 31 March 2022. The Company financial statements present information about the Company as a separate entity and not about its Group.

1.1 Basis of preparation and consolidation

The Group financial statements have been prepared and approved by the Directors in accordance with UK-adopted International Accounting Standards in conformity with the requirements of the Companies Act 2006 and International Financial Reporting Standards adopted pursuant to Regulation (EC) No 16060/2002 as it applies in the European Union. The Company has elected to prepare its Company financial statements in accordance with FRS 101. These are presented on pages 92 to 97. Having made enquiries, the Directors consider that the Company and its subsidiaries have adequate resources to continue in operation for the foreseeable future and it is therefore appropriate to adopt the going concern basis in preparing these financial statements. Further information regarding the Directors assessment of the going concern basis of preparation is set out on page 58.

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial results of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Intra-group balances and transactions, and any unrealised income and expense arising from intra-group transactions, are eliminated. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

The principal accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements, except where mentioned otherwise. The financial statements are prepared on the historical cost basis except for certain financial instruments which are stated at their fair value. All values are rounded to the nearest thousand (£'000) except where otherwise indicated.

1.2 Alternative Performance Measures (APM)

The Group presents APMs on the face of the Income Statement that are not defined terms under IFRS. The Directors believe that these APMs provide useful additional information on business performance. These measures are used for both internal and external performance reporting purposes.

EBITDA: earnings before interest, tax, depreciation, amortisation, impairment of non-current assets and exceptional items. EBITDA is included as a key performance measure used by the Group's key stakeholders, including lenders, to evaluate business performance and allow a clear evaluation of performance year-on-year.

To further aid the transparency of the financial performance, where applicable, the Group splits its EBITDA and Operating profit between business performance and significant one-off items, which aggregate to the overall reported results for the year.

Significant one-off items are material items which because of their size and nature, merit separate presentation in the income statement to allow a better understanding of the Group's financial performance. These items are typically one-off in nature and are disclosed within EBITDA if they relate to the core business activity or disclosed within exceptional if they relate to significant non-core, non-recurring items. Impairment of non-current assets is included in significant one-off items.

2. New standards and interpretations

Standards, amendments and interpretations in issue but not yet effective

There are a number of amendments to standards which will be effective in the following year's financial statements, however none of these are expected to have a material impact on the financial reporting of the Group.

3. Critical accounting estimates and judgments

In the process of applying the Group's accounting policies, management makes judgments and estimates that have a significant impact on the values recognised in the financial statements. Changes in the assumptions underlying these judgments and estimates could result in a significant impact to the financial statements. The most critical of these accounting judgments and estimates are explained below.

Accounting estimates

Acquisition accounting

When the Group completes a business combination the date of acquisition is the date at which control of the acquired business passes to the Group. This can involve a degree of judgment. The fair values of the identifiable assets and liabilities acquired, including intangible assets, are recognised at their fair value. The determination of the fair value of acquired assets and liabilities is based, to a considerable extent, on management's judgment. In estimating fair value, particularly in relation to identifiable intangible assets, management is required to estimate the useful economic life of each asset and the future cash flows expected to arise from each asset and apply a suitable discount rate.

Gas rights acquired are initially valued based on the net present value of expected cash flows from electricity generation. A number of assumptions are made in arriving at such a valuation which include price, method and uniformity of gas production, gas availability and methane content. The judgments applied, and the assumptions underpinning them, are considered to be appropriate at the time of valuation.

Where sites are acquired with existing planning permission the rights to develop solar/battery on these sites are considered to constitute an intangible asset. The fair value of the intangible asset must be assessed to ensure the purchase price does not exceed the value attributable to the intangible asset.

The carrying value of the intangible assets is disclosed in note 12.

Impairment

In assessing impairment, judgment is required to establish whether there have been any indicators of impairment, either internal or external, for all amortising and depreciating non-current assets. Goodwill is tested annually for impairment.

Where there is the need to determine the recoverable value of an asset, this requires judgments and assumptions on the expected future cashflows of the Group's divisions. Further details regarding impairment testing and the applied assumptions can be found in note 12.

ROC Recycle revenue

ROC Recycle is separately identified as a component of revenue. It is intrinsically linked to the generation of power and is therefore recognised as it accrues. The pricing is variable, therefore ROC Recycle revenue is recognised to the extent that it is highly probable there will be no significant subsequent reversal in the cumulative amount of revenue recognised. The Group considers that ROC Recycle revenue can be estimated reliably using a standard methodology including key market information.

ROC mutualisation, which is a component of ROC Recycle and covers suppliers who have ceased trading in the current year is paid over a 12-month period commencing from the November, 18 months following the year end to the extent it is collectable by Ofgem and consequently is recognised on receipt.

Provision for decommissioning costs

The Group recognises provisions for decommissioning assets and restoring sites at the end of their expected useful life. These provisions are the discounted estimated costs of the work required at the expected date of decommissioning. Significant judgments and estimates are required about both the costs and the expected dates. The Group's estimates are based on limited experience of actual decommissioning to date.

Long-term incentives

The Group operates a cash-settled Long Term Incentive Plan for selected senior management and directors. The calculation is based on Total Shareholder Return (TSR) over a three-year period. Each year an accrual is made equating to a third of the expected pay-out. In calculating this accrual, a forecast equity valuation at the end of the scheme is calculated using a discounted cashflow forecast methodology consistent with that used in the impairment review.

Critical judgments

There are no additional material judgments in the financial statements.

4. Significant accounting policies

Business combinations

The Group accounts for business combinations, using the acquisition method, when control is obtained by the Group. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill arising is tested immediately for impairment. Any gain on a bargain purchase is recognised in the income statement immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

Notes forming part of the financial statements continued

For the year ended 31 March 2022

4. Significant accounting policies continued

Revenue from contracts with offtakers

The Group's three main revenue streams are as follows:

i. Traded power

Revenue relating to the sale of electricity produced by baseload power, power response and solar is recognised at the point in time that electricity is exported, i.e. when the offtakers obtains control. Revenue is recognised at this point provided that the revenue and costs can be measured reliably, the recovery of the consideration is probable and there is no continuing management involvement with the supply.

ii. Renewable Obligation Certificates (ROCs)

ROCs are a product related to government initiatives to encourage investment in renewable energy sources. ROCs are certificates issued where electricity has been sourced from renewable energy sources. Revenue arises from two elements:

- the 'Buy Out' price - the sale of the certificate itself (almost always to the customer purchasing the electricity); and
- the 'Recycle' price - a share of a central fund comprising aggregate penalty payments Ofgem receives from electricity suppliers who did not meet their obligations to obtain supply from renewable sources.

Revenue from ROC Buy Out certificates is recognised as exported. The customer does not receive the certificate until confirmation is received from Ofgem but control relating to the certificates passes from the Group at export and the customer is contractually obliged to accept it.

Where ROC Recycle revenue is recognised, it is in line with exported power. ROC Recycle revenue is estimated as outlined in note 3 and is accrued each year end and then invoiced when the final ROC Recycle figure is announced in October following the year end. Revenue is accrued based on the ROC Recycle amount for the current year less the amount to be paid by mutualisation which is accounted for on a cash basis when received due to its less certain nature.

iii. Other revenue

Other revenue includes Capacity Market revenue, embedded benefits such as Triad, Generator Distribution Use of System (GDUoS) and Balancing Services Use of System (BSUoS) and disposal of generating infrastructure.

- Capacity Market revenue is received for providing available capacity to the National Grid that can be called upon when it is needed. Fixed monthly payments are received for assets entered into the Capacity Market on a per MW basis. Revenue is recognised at a point in time as the revenue accrues according to the contract.
- Triad periods are the three 30-minute time periods with the highest energy demand across the grid between the start of November and the end of February each year. National Grid incentivises high power production during these periods. Prices for the year are announced by National Grid in March and attract an income premium. Triad income is recognised once the Triad periods and the associated prices are announced.
- GDUoS income is received for generating in the local network and revenue is recognised in line with exported power. BSUoS income is received for the avoidance of charges levied on electricity suppliers who use National Grid to transmit their electricity from one point in the UK to another to fund National Grid's balancing services. Revenue is recognised on delivery in line with recognition of traded power as it is contractual income with the customer. BSUoS ceased as a revenue stream in March 2021.
- The sale of site infrastructure may occur when Infinis exits a site, revenue is recognised at the point in time that the asset is transferred.

Royalty payments

Royalty payments to land owners are recognised in the income statement as they accrue, based on the level of electricity generation at each site and according to specific site agreements.

Finance income and costs

Finance income arises on cash deposits and funds invested and is recognised in the income statement as it accrues, using the effective interest method.

Finance costs are recognised in the income statement as they accrue, using the effective interest method.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the instrument to the gross carrying amount of the financial asset or the amortised cost of the financial liability.

Finance costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial time to get ready for their intended use, are added to the cost of those assets, until such time as the assets are ready for use. Where instruments have been taken out to hedge against interest rate risk, capitalised borrowing costs will reflect the interest rate after taking into account the effect of the hedging instrument.

Costs incurred in raising finance are capitalised and amortised over the length of the borrowing. Additional costs incurred due to the redemption of a facility are charged to the income statement in the year in which they are incurred.

Exceptional items
Exceptional items are income or expenditure including but are not limited to significant reorganisation costs; income / expenditure related to significant restructuring of the organisational design, changes in investment in subsidiaries (including acquisition and disposal of all or part of a shareholding) and capital structure of the Group (including refinancing related costs). Directly related costs to these activities including professional fees, transaction costs and employee related costs are included within exceptional items. Exceptional items are excluded from the calculation of EBITDA.

Inventories
Inventory is measured at the lower of cost and net realisable value. Cost is based on average costs and includes expenditure in acquiring the stocks and bringing them to their existing location and condition.

Employee benefits
Pension arrangements
The Group provides pension arrangements for employees and certain Directors who are members of the Aviva Stakeholder or Aviva Group Personal defined contribution schemes. Contributions to these schemes are charged to the income statement as they accrue.

Long-term incentives
The Group recognises a provision in respect of long-term incentives as the amount of the future benefit that employees have earned in return for their service in the current and prior periods. Obligations are measured at their present value and included in emolument disclosures when paid.

Income Tax
Income tax comprises current and deferred tax. Tax is recognised in the income statement except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable on the taxable income for the year and any adjustment to the tax payable or receivable in previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination; and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future.

Deferred tax assets are recognised for unused tax losses and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the year end.

Property, plant and equipment (PP&E)
PP&E is stated at cost less accumulated depreciation and impairment. Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, and attributable borrowing costs during its construction. During the construction phase these assets are held separately with depreciation commencing once the asset is commissioned and ready for use.

Depreciation is charged to the income statement on a straight-line basis, assuming assets have no residual value, over the estimated useful life of the asset.

The cost of replacing an item of PP&E is capitalised if it is probable that the future economic benefits will flow to the Group. The carrying amount of the asset replaced is then de-recognised. The costs of the day-to-day servicing of PP&E are recognised in the income statement as incurred.

PP&E include plant, equipment and gas assets used in running the operating sites. Solar and BESS sites are capitalised as PP&E once construction begins. The cost of decommissioning the sites is included within plant and equipment. Engines are subject to overhauls and are depreciated over the period between each overhaul.

Notes forming part of the financial statements continued

For the year ended 31 March 2022

4. Significant accounting policies continued

The estimated useful lives are as follows:

Plant and equipment	Over the shorter of the minimum lease term of each specific operating site and the expected life of the asset, being 2–20 years
Decommissioning	Over the expected life of the operating site
Engine overhauls	2–4 years
Solar	25 years

Intangible assets and goodwill

Goodwill on acquisition is initially measured as the excess of the cost of the business combination over the fair value of the net assets acquired.

Goodwill is stated at cost less any accumulated impairment. Goodwill is allocated to the relevant cash generating unit (CGU) of the business and is not amortised but is tested annually for impairment.

Other intangible assets are stated at cost less accumulated amortisation and impairment. Other intangible assets include CLM generation rights, STOR contracts, technology, brand, BESS and Solar development.

Solar and BESS development costs include costs incurred to progress the Group's organic development of solar energy parks through from initial feasibility to securing planning, land and grid and being ready for construction. Costs are capitalised as an intangible asset if, on a project by project basis, the Directors consider that each project is highly probable of securing planning consent, has land options signed and has Grid offers where required. Projects are only progressed from initial feasibility if the projected returns exceed the minimum internal post-tax rate of return. The intangible asset is amortised from the point the site becomes operational. Acquired solar planning costs are held as an intangible asset and amortised from the point that the site begins operating.

Details of the accounting estimates and judgments made in the valuation of these assets are disclosed in note 3.

Amortisation of intangible assets

Generation rights

Amortisation of CLM generation rights allocates the cost of the asset over its estimated useful life using a profile that reflects the decline in available methane reserves.

Technology & brand

Technology and brand are amortised on a straight-line basis over five and ten years, respectively.

Solar energy parks

Solar energy parks intangible assets will be written off over the minimum period of the site lease for each solar energy park.

Impairment

The carrying amounts of the Group's non-current non-financial assets, other than goodwill and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment, based on the judgment techniques explained in note 3. Where an indication of impairment exists on such assets, testing for impairment is undertaken. Any impairment loss is expensed immediately to the income statement. Further details regarding impairment testing can be found in note 12.

Provisions

Provisions are determined by discounting the future expected cash flows at a pre-tax rate that reflects the time value of money. The unwinding of the discount is recognised as a finance cost.

Provisions for the decommissioning of assets and site restoration are recognised where a legal or contractual obligation exists. An equivalent amount of the provision is captured within property, plant and equipment. Given recent experience the Directors consider they have sufficient information to estimate the costs required and timing for decommissioning and restoration on a reasonable basis.

Leases

The Group leases various offices and vehicles. All operational vehicles are typically leased for 3 to 4 years. Office contracts are typically 5 to 10 years in duration.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- payments expected to be made under reasonably certain extension options;
- amounts expected to be payable by the group under residual value guarantees;
- the exercise price of a purchase option if the group is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the group exercising that option.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:
- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs; and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

The Group enters into lease-like arrangements with land owners for the long-term right to capture methane and use it as a fuel source for generation of electricity. The legal form of these arrangements is a lease or a licence with an annual rental or royalty payment based on electricity output. The use of the methane as a fuel source in electricity production does not constitute a lease for the purpose of IFRS 16 as the methane itself is not a leased asset.

Financial instruments

The classification and subsequent measurement of the Group's financial assets depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. The group classifies financial assets as either of the following:
- Financial assets held at amortised cost: Assets that are held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest, are subsequently measured at amortised cost.
- Financial assets held at fair value through profit and loss: Assets that are held with the purpose of selling the financial asset, or where the assets' cash flows do not represent solely payments of principal and interest, are subsequently measured at fair value and movements are recognised within the profit and loss account.

The group classifies and subsequently measures all financial liabilities at amortised cost, unless they are required to be measured at fair value through profit or loss.

Derivative financial instruments – cash flow hedges

The Group utilises derivative financial instruments in the normal course of business to hedge its exposure to fluctuations in interest rates. The Group adopts a policy of ensuring that it has limited exposure to changes in interest rates on borrowings. The Group enters into and designates interest rate swaps as hedges of the variability in cash flows attributable to interest rate risk.

Derivatives are recognised initially at fair value; attributable transaction costs are recognised in the income statement when incurred. Subsequent to initial recognition, derivatives used as cash flow hedges are measured at fair value and changes in the fair value are recognised directly in equity to the extent that the hedge is effective. To the extent that the hedge is ineffective, changes in fair value are recognised in the income statement.

Notes forming part of the financial statements continued

For the year ended 31 March 2022

4. Significant accounting policies continued

If the hedging instrument no longer meets the criteria for hedge accounting, expires or is sold, terminated or exercised, then hedge accounting is discontinued prospectively. The cumulative gain or loss previously recognised in equity remains there until the forecast transaction occurs. When the hedged item is a non-financial asset, the amount recognised in equity is transferred to the carrying amount of the asset when it is recognised. In other cases, the amount recognised in equity is transferred to the income statement in the same year that the hedged item impacts the income statement.

Investments and other financial assets - Impairment
Financial assets are assessed for impairment using the expected credit loss model which requires expected credit losses and changes to expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. Financial assets measured at amortised cost or fair value through other comprehensive income ('FVOCI') will be subject to the impairment provisions of IFRS 9. The Group applies the simplified model to recognise lifetime expected credit losses for its trade receivables and other receivables by making an accounting policy election.

Investments and other financial assets - Non-derivative financial instruments
Non-derivative financial instruments comprise trade and other receivables, accrued income, cash and cash equivalents, loans and borrowings and trade and other payables. Non-derivative financial instruments are recognised initially at fair value. Subsequent to initial recognition, they are measured as described below:

(i) Trade and other receivables are carried at original invoice amount less any allowance for uncollectable amounts. An estimate for doubtful debts is made under the expected credit loss model which assesses the expected loss rates based on historical credit losses experienced. Bad debts are written-off in the income statement when identified.

(ii) Cash and cash equivalents comprise cash balances and call deposits. Cash and cash equivalents may include restricted cash balances, which principally relate to the debt service requirements of certain borrowings undertaken by the Group.

(iii) Interest-bearing loans and borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing loans and borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in the income statement over the period of the borrowings on an effective interest basis.

(iv) Trade and other payables are carried at cost. Due to their short-term nature, their carrying value approximates their fair value.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the year end, taking into account the risks and uncertainties surrounding the obligation. If the effect of the time value of money is material, discounting is applied.

5. Segmental information

In the year ended 31 March 2022 the Group reports four divisions: Captured Landfill Methane (CLM), Captured Mineral Methane (CMM), Power Response (PR) and Solar (SOL). Solar was not a separately identified division in year ended 31 March 2021. Information regarding the results of each operating segment is included below and is reported information provided to the Senior Management Team and the Board for the reportable segments for the year ended 31 March 2022:

£'000	CLM	CMM	PR	SOL	2022 Total	CLM	CMM	PR	2021 (restated)[2] Total
Revenue	**117,367**	**4,856**	**32,540**	**242**	**155,005**	**122,548**	**8,002**	**18,138**	**148,688**
Operating expenses[1]	(46,634)	(2,650)	(21,342)	(53)	(70,679)	(46,736)	(3,157)	(12,997)	(62,890)
Gross profit	**70,733**	**2,206**	**11,198**	**189**	**84,326**	**75,812**	**4,845**	**5,141**	**85,798**
Administrative expenses[1]	(6,711)	(1,074)	(1,947)	(67)	(9,799)	(6,626)	(1,020)	(1,912)	(9,558)
Segment EBITDA	**64,022**	**1,132**	**9,251**	**122**	**74,527**	**69,186**	**3,825**	**3,229**	**76,240**
Maintenance capital expenditure	(7,818)	(518)	(1,646)	–	(9,982)	(10,847)	(1,154)	(653)	(12,654)
Segment EBITDA after maintenance capital expenditure	**56,204**	**614**	**7,605**	**122**	**64,545**	**58,339**	**2,671**	**2,576**	**63,586**
Development capital expenditure	**457**	**–**	**1,943**	**6,878**	**9,278**	**275**	**–**	**1,281**	**1,556**

In the year ended 31 March 2021 Solar development capital expenditure of £3.4m was incurred.

Reconciliation to the income statement:

£'000	2022	2021
Segment EBITDA	**74,527**	**76,240**
Amounts not allocated to segments:		
Management expenses	**(1,332)**	(716)
Development expenditure	**(1,642)**	(1,356)
Depreciation, amortisation and impairment	**(44,132)**	(51,307)
Operating profit	**27,421**	**22,861**

[1] Depreciation, amortisation, impairment, LTIP, development expenditure, other gains and operating exceptional items are not allocated to segments as this type of activity is driven centrally, and not reported segmentally. Administrative expenses, which exclude management expenses and development expenses, are allocated according to the number of sites in each division.

[2] 2021 comparative information has been restated to be consistent with 2022. In 2021 management expenses and development expenses were included within the administrative expenses, however management consider it more appropriate to present these separately, as outlined in the information above.

6. Revenue

A description of the principal revenue streams is set out in the accounting policies. All revenue is generated in the UK. The Group recognises all revenue from the transfer of goods and services at a point in time in the following revenue types:

Revenue from contracts with customers by type

	2022 £'000	2021 £'000
Traded power	82,877	76,002
Renewable Obligation Certificates	62,377	53,923
Other revenue	9,751	18,763
Total	**155,005**	**148,688**

Total ROC revenue was £62.4m (FY21: £53.9m) split ROC buy-out £49.6m (FY21: £53.2m) and Recycled ROC £12.8m (FY21: 0.7m). The basis for Recycled ROC income is outlined in note 3 and relies on a series of estimates and judgments which are not confirmed by Ofgem until the following October. FY22 ROC Recycle revenue comprises £7.3m current year (CP20) ROC Recycle (FY21: £nil) and ROC Recycle revenue related to prior year (CP19) of £5.5m (FY21: £0.7m). In the year ended 31 March 2021 the Directors did not consider it possible at the date of signing the financial statements to accurately calculate, nor be sufficiently certain, of ROC Recycle revenue related to that year, therefore ROC Recycle revenue related to FY21 was recognised in the year ended 31 March 2022.

The trading strategy of the Group, as set out on page 47 defines that no more than 30% of a season may be forward sold to any customer without additional Board consent. Consequently the Group has a number of customers that may contribute more than 10% of revenue in the financial year. In the year ended 31 March 2022 four (2021: four) customers that contributed more than 10% of revenue, ranging from 11% to 28% (2021: 12% to 26%).

7. Expenses

(a) Operating expenses

Included in operating profit are the following:

	2022 £'000	2021 £'000
Business performance		
Depreciation of property, plant and equipment	27,818	28,135
Depreciation of right of use assets	861	979
Amortisation of intangible fixed assets	15,453	22,193
Inventories recognised as an expense	5,896	6,786
Payments to landlords for royalties	21,708	22,020

Significant one-off items

In the year ended 31 March 2021, significant one-off items included £5.2m of finance costs as set out in note 9.

Notes forming part of the financial statements continued

For the year ended 31 March 2022

7. Expenses continued

(b) Operating profit reconciliation

A reconciliation from EBITDA (an APM) to operating profit (a GAAP measure) is presented in the table below:

	2022 £'000	2021 £'000
EBITDA	71,553	74,168
Depreciation of property, plant and equipment	(28,679)	(29,114)
Amortisation of intangible fixed assets	(15,453)	(22,193)
Operating profit	**27,421**	**22,861**

(c) Auditors' remuneration

	2022 £'000	2021 £'000
Fees payable to the Company's auditors for the audit of the Company and the consolidated financial statements of Infinis Energy Group Holdings Limited	54	49
Audit of the financial statements of subsidiaries	257	253
Prior year audit fees	15	–
Tax advice services	–	5
	326	**307**

No non-audit services have been provided by the auditors during the year.

8.Staff numbers and costs

The average number of persons employed by the Group (including Directors) during the year, analysed by category, was as follows:

	2022 number	2021 number
Operational staff	193	208
Administration and management	77	73
	270	**281**

The aggregate payroll costs of these persons was as follows:

	2022 £'000	2021 £'000
Charged to operating expenses		
Wages and salaries	17,918	17,170
Social security costs	1,760	1,912
Pension costs - defined contribution plans	819	842
	20,497	**19,924**

Refer to note 23 for details of the directors remuneration.

Long Term Incentive Plan (LTIP) charges of £1.2m were incurred in the year ended 31 March 2022 (FY21: £0.8m) and are included in wages and salaries.

Pensions and other post employment benefit plans

The Group operates a number of defined contribution pension schemes on behalf of eligible employees. The total expenses and amounts owed relating to these plans was as follows:

	2022 £'000	2021 £'000
Pension scheme contributions	819	842
Outstanding pension scheme contributions	126	–

The assets of the scheme are held separately from those of the Group in independently administered funds.

9. Finance costs and income

	2022 £'000	2021 £'000
Finance costs		
Interest on secured loans	8,398	8,712
Interest on shareholder loans	16,553	16,969
Amortisation of arrangement fees	952	959
Arrangement fees written off	–	2,874
Impact of discontinued hedges	432	–
Provisions: unwinding of discount	76	240
Interest on lease liabilities	101	143
Impact of discontinued cashflow hedge	–	2,321
Total finance costs	**26,512**	**32,218**
Finance income		
Bank and other interest receivable	(3)	(59)
Total finance income	**(3)**	**(59)**
Net finance costs	**26,509**	**32,159**

In the year ended 31 March 2021 the Group re-financed its borrowing facility (note 15). Due to their one-off nature, arrangement fees written off and the impact of discontinued cash flow hedge are treated as significant one-off items.

10. Income tax expense

Recognised in the income statement:

	2022 £'000	2021 £'000
Current tax		
Current year	(1,565)	(4,891)
Adjustments in respect of prior years	(707)	196
Total current tax credit	**(2,272)**	**(4,695)**
Deferred tax		
Origination and reversal of temporary differences	964	4,751
Adjustments in respect of prior years	433	(113)
Increase in corporation tax rate	(10,634)	–
Total deferred tax (charge)/credit	**(9,237)**	**4,638**
Total tax charge	**(11,509)**	**(57)**
Reconciliation of effective tax rate		
Profit/(loss) before tax	912	(9,298)
Tax credit at the UK corporation tax rate of 19% (2021: 19%)	(175)	1,767
Non-taxable income	850	(35)
Non-deductible expenses	(1,276)	(1,872)
Adjustments in respect of prior years	(274)	83
Impact of change in corporation tax rate	(10,634)	–
Total tax charge	**(11,509)**	**(57)**

Notes forming part of the financial statements continued

For the year ended 31 March 2022

11. Property, plant and equipment

	Property, plant and equipment £'000	Right-of-use assets £'000	Assets under construction £'000	Total £'000
Cost				
At 1 April 2020	**209,804**	**3,769**	**10,398**	**223,971**
Additions	31	188	15,907	16,126
Disposals	(241)	(192)	–	(433)
Transfers	19,401	–	(19,401)	–
At 31 March 2021	**228,995**	**3,765**	**6,904**	**239,664**
Additions	–	737	15,796	16,533
Disposals	(2,966)	–	(31)	(2,997)
Transfers	14,228	–	(14,228)	–
At 31 March 2022	**240,257**	**4,502**	**8,441**	**253,200**
Accumulated depreciation and impairment				
At 1 April 2020	**93,833**	**1,016**	**455**	**95,304**
Depreciation	28,135	979	–	29,114
Disposals	–	(148)	–	(148)
At 31 March 2021	**121,968**	**1,847**	**455**	**124,270**
Depreciation	27,818	861	–	28,679
Impairment	(35)	–	–	(35)
Disposals	(2,307)	–	–	(2,307)
At 31 March 2022	**147,444**	**2,708**	**455**	**150,607**
Net book value				
At 31 March 2022	**92,813**	**1,794**	**7,986**	**102,593**
At 31 March 2021	**107,027**	**1,918**	**6,449**	**115,394**

The basis of impairment testing is set out in note 12.

Right-of-use assets comprise property with a net book value at 31 March 2022 of £1.5m (FY21: £1.1m) and vehicle leases with a net book value at 31 March 2022 of £0.3m (FY21: £0.9m).

12. Goodwill and other intangible assets

		Other intangible assets			
	Goodwill £'000	CLM and CMM gas rights £'000	Solar £'000	Other £'000	Total £'000
Cost					
At 1 April 2020	**68,230**	**364,624**	**–**	**14,171**	**447,025**
Additions	–	–	1,719	–	1,719
At 31 March 2021	**68,230**	**364,624**	**1,719**	**14,171**	**448,744**
Acquisitions	–	–	10,555	–	10,555
Additions	–	–	2,664	–	2,664
At 31 March 2022	**68,230**	**364,624**	**14,938**	**14,171**	**461,963**
Accumulated amortisation					
At 1 April 2020	–	**79,962**	–	**5,803**	**85,765**
Amortisation	–	20,246	–	1,947	22,193
At 31 March 2021	**–**	**100,208**	**–**	**7,750**	**107,958**
Amortisation	–	13,727	–	1,726	15,453
At 31 March 2022	**–**	**113,935**	**–**	**9,476**	**123,411**
Net book value					
At 31 March 2022	**68,230**	**250,689**	**14,938**	**4,695**	**338,552**
At 31 March 2021	**68,230**	**264,416**	**1,719**	**6,421**	**340,786**

The Group tests the carrying amounts of goodwill annually as described in note 3.

A value in use model is used to determine the recoverable amount of assets subject to impairment testing. The discounted estimated future operating cash flows are compared to the net carrying value of the CGU's assets. The Group's operating segments, as reported internally to management, form the basis of determining the CGU's for the assessment, with allocations required for unallocated costs (e.g. overheads).

Other intangible assets of £4.7m include brand (£3.0m) and STOR contracts (£1.7m). Brand and STOR contracts have five and three years of amortisation remaining, respectively.

Gas rights are amortised over the remaining life of the sites which can be up to 40 years.

Property, plant and equipment are separately tested at an individual asset level when there is an impairment trigger.

Impairment
In the year ended 31 March 2022 no impairment has been recognised by the Group (FY21: nil).

Impairment testing
The Group forecasts CGU cash flows to the end of the CGU's useful life. Future cash flows comprise those related to existing core operations and growth opportunities arising from existing spare grid and engine capacity. The post tax discount rate used for each CGU was CLM: 5.0%, CMM: 5.5%, PR: 6.0% and Solar: 4.5% (FY21: CLM 5.0%; CMM 5.5%; PR 6.0%).

An impairment loss is recognised if the carrying amount of the single CGU exceeds its recoverable amount, which is equal to the value of the future discounted cash flows. Any impairment losses are recognised in the income statement. Any impairment loss previously recorded in respect of goodwill is not reversed. For all other assets, an impairment loss is reversed only to the extent that the CGU's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

The impairment tests for goodwill are based on the FY23 budget and Long Term Plan, modified as appropriate to reflect the latest conditions, and incorporate the following assumptions:
— methane volumes are estimated based on budget for initial year and independently assessed gas curves for medium and long-term projects;
— operational costs (excluding royalties) are calculated as a cost per megawatt hour (MWh) to ensure the cost base appropriately flexes up or down by site, based on forecast exported power;
— royalty costs are based on a percentage of revenue and are assumed to decrease over time as the site profitability reduces;
— overheads are projected based on the expected future business requirements;
— tax costs are estimated with reference to the current tax rates applicable to the business;
— capital expenditure is projected based on an expected maintenance CAPEX profile with reference to annual projected MWh exported. Capital expenditure excludes future development spend for which there is no corresponding forecast income or expenditure in the projections;
— inflation is estimated at the rate that is expected to be applicable to each revenue and cost line in future years; and
— the discount rate used is based on Infinis' estimated weighted average cost of capital. The discount rate has been adjusted by specific risk premiums associated with the individual risk profile of each CGU.

The Long Term Plan considers cash flows over the assumed life of the sites and runs for 40 years. The values assigned to the key assumptions represent management's assessment of future trends and were based on both external and internal sources (prospective and historical data).

CLM
Management has an in-depth understanding of the composition of landfill sites and associated methane reserves which enables a data driven approach to forecasting gas output. These forecasts are updated on a regular basis. Pricing assumptions are driven by available short-term market information and for the longer-term by industry forecasts and models.

CLM projections are based on a portfolio of 100 sites. The projections in CLM are not sensitive to any site and the portfolio effect mitigates the risk from single sites differing, notably from the projections due to specific site issues which could occur. No CLM site currently generates more than 7.7% of revenue.

CMM
The CMM portfolio has largely the same methane extraction and operational characteristics as CLM. Due to a smaller portfolio of 16 sites, the projections in CMM are more dependent on the top five sites (representing 73% of revenue in the year ended 31 March 2022) and site specific factors i.e. early flooding of a major site, could materially impact the projections. This risk is offset by differing gas field characteristics across the portfolio which results in the methane only being extracted when the engines are operating. In the event of engine failure the gas is simply stored and extracted at a later date thus ensuring forecasts are less sensitive to methane volume variances than CLM, where gas is flared in the event of engine failure. The division operates a banking strategy where sites only extract in higher pricing periods which is expected to extend the life of sites.

Notes forming part of the financial statements continued

For the year ended 31 March 2022

12. Goodwill and other intangible assets continued

PR

PR represents a long-term strategy which aligns with the macro trend of both (i) growing intermittency of UK electricity supply caused by traditional thermal power plants closure which are replaced by renewables in the form of wind and solar; and (ii) the long-term view of increasing electric demand caused by the increased electrification of heat and transport.

The projections of the business are based on an increasingly growing demand, which results in gradually increasing short-term peak power prices, over the medium to long-term. These projections are based on industry experts and economists' macro forecasts and projections for overall power supply together with a specific subset used for the PR market. The near-term performance of the business, while important in delivering shareholder returns, is less of a factor in assessing the carrying value of assets. In the year ended 31 March 2022 the division delivered a gross profit of £11.2m (FY21: £5.1m) in a year that saw higher volatility in UK power supply. This in year performance is demonstrative of the potential of the division and the Directors continue to work closely with industry experts that indicate the long-term macro trends and forecasts support the carrying value.

Solar

As at 31 March 2022 Infinis only had one Solar site with a significant development pipeline and spend incurred on developing these sites through to consented planning. The Group had five sites fully consented at 31 March 2022. Solar projections are based upon the same longer-term pricing forecasts as the CLM and CMM divisions. The generation profile of Solar sites is based on historical average irradiation yield data provided by independent third party experts and on a site-by-site basis.

Sensitivities

Cash flow projections used for the value in use modelling are by their nature subject to inherent uncertainties. The key sensitivities modelled and the impact on the impairment assessment include:

	CLM	CMM	PR	SOL
(i) the discount rate used is based on a weighted average cost of capital calculation which requires a series of assumptions related to the risk profile of the business, target gearing and market risk. Were the discount rate to be 1% higher the impact would be	–	–	£0.6m impairment	–
(ii) Infinis revenue is dependent on market pricing. The Infinis progressive forward hedging strategy ensures that power is sold up to three years ahead of delivery. For Solar longer-term pricing, initially through the CfD, is the focus. The revenue projections in the near-term are not susceptible to significant adverse movements in market pricing, as evidenced by performance through the COVID-19 pandemic. While stronger pricing is projected for the medium-term, it is prudent to assume a sensitivity on medium to longer-term pricing. For an impairment to occur within CLM and CMM (Solar is excluded given assumed CfD route to market) projected pricing beyond FY26 would need to reduce by 21% and 32%, respectively	N/a	N/a	N/a	N/a
(iii) the PR division is dependent on market demand driven by volatility in supply or demand, largely created by both growing intermittency of renewable generation and growing electricity demand and changing demand profile. Weather conditions together with EU energy demand and supply also influence the operating profile. Forecasting the operating profile and margin is therefore challenging, and we rely on a mix of run rate performance and third-party market projections. Were the projected margin to be 10% lower over the period of the review the impact would be	N/a	N/a	£9.5m impairment	N/a
(iv) For CLM and CMM, were generation to be 2% lower than projected the impact would be	–	–	–	–
(v) the majority of Infinis PR sites have a small installed capacity and under current legislation are not eligible for carbon tax. BEIS are currently reviewing this and there is a possibility carbon taxing legislation could be applied to all sites. This sensitivity applies this (at current carbon rates) and also assumes this is a direct cost to margin from FY25. The alternative model is that any carbon cost is added to operating cost and margin maintained, which would not lead to an impairment	N/a	N/a	£45.1m impairment	N/a
(vi) with Inflation likely to be close to 10%, inflation risk has been considered on the projections. Through to the end of FY27, the indexed link nature of ROC, Capacity Market and certain CLM PPAs provide a natural hedge with the inflationary increase in revenue exceeding the value of that in the cost base and maintenance CAPEX such that inflation does not represent and impairment risk	–	–	–	–

13. Inventories

	2022 £'000	2021 £'000
Parts and spares	3,470	3,587
Lubricants	767	782
	4,237	**4,369**

Refer to note 7 for cost of inventories recognised as an expense.

14. Trade and other recievables

	2022 £'000	2021 £'000
Trade receivables	3,199	3,215
Accrued income	27,842	23,194
Prepayments	1,815	1,860
Other receivables	220	230
	33,076	**28,499**

Accrued income includes £7.3m of ROC Recycle revenue (FY21: nil).

15. Interest-bearing loans and borrowings

The Group's interest-bearing loans and borrowings are measured at amortised cost. Information relating to interest rates and liquidity is included in note 20c.

Interest-bearing loans and borrowings:

	2022 £'000	2021 £'000
Non-current		
Secured loans	202,563	201,627
Secured loans - RCF	38,000	–
Shareholder loans	206,907	206,907
Lease liabilities	1,437	1,127
	448,907	**409,661**
Current		
Lease liabilities	422	882

Secured loans - Senior debt

At 31 March 2022 and 31 March 2021 the Group had in place a £246.0m banking facility, comprising a £65.0m term loan maturing in January 2032, a £141.0m term loan maturing in January 2026 and a £40.0m revolving credit facility (RCF).

The carrying value of the loan at 31 March 2022 of £202.6m (FY21: £201.6m) is stated net of unamortised issue costs of £3.4m (FY21: £4.5m). These costs are being amortised to the income statement over the term of the facility.

The £65.0m term loan attracts interest at a fixed rate of 5.0%, matures in January 2032 and is repayable at that date.

The £141.0m term loan has two applicable interest rates. £105.8m of the term loan value attracts interest at a fixed rate of 3.61% until August 2023 and 2.75% from August 2023 to maturity in January 2026. £35.2m of the loan value is at a variable rate of SONIA +2.35%.

At 31 March 2022 £38.0m (FY21: nil) of the RCF is presented as a non-current liability. The RCF attracts interest at SONIA +2.35%.

The secured loans are subject to financial covenants, including interest cover and leverage ratios. The Group was compliant with these financial covenants in the year ended 31 March 2022 and projects compliance going forward for each test through to loan maturity dates.

Notes forming part of the financial statements continued

For the year ended 31 March 2022

15. Interest-bearing loans and borrowings continued

Shareholder loan

At 31 March 2022 the Group had £206.9m (FY21: £206.9m) of interest-bearing subordinated unsecured loan notes in issue to 3i Infrastructure plc, its immediate parent company. The loan notes are due for repayment in 2045 and attract interest at a rate of 8%, and are listed on The International Stock Exchange for the Channel Islands.

Shareholder payments of £15.0m (FY21: £27.6m) were made in the year ended 31 March 2022. No principal repayments were made in the year ended 31 March 2022 (FY21: £6.3m) and interest payments of £15.0m (FY21: £21.3m) were made.

Impact of interest rate benchmark reform

During FY22 the business transitioned away from LIBOR as the benchmark was phased out. The business adopted SONIA as at 31 December 2021. The new variable rate is applicable to the £141.0m term loan and the associated SWAP arrangements.

16. Deferred tax

Deferred tax assets and liabilities are attributable to the following:

	2022 £'000	2021 £'000
Liabilities		
Property, plant and equipment	8,816	5,799
Intangible assets	44,563	36,491
Other temporary differences	176	–
Total	**53,555**	**42,290**
Assets		
Losses	(7,019)	(7,526)
Other temporary differences	–	(1,192)
Total	**(7,019)**	**(8,718)**
Net deferred tax liability	**46,536**	**33,572**

Movement in deferred tax assets and liabilities during the year:

	At beginning of the year £'000	Acquisitions £'000	Recognised in reserves £'000	Temporary differences in the year £'000	Rate change £'000	At the end of the year £'000
31 March 2022						
Property, plant and equipment	5,799	–	–	2,230	787	8,816
Intangibles	36,491	1,925	–	(4,081)	10,228	44,563
Losses	(7,526)	–	–	507	–	(7,019)
Other temporary differences	(1,192)	–	1,802	(53)	(381)	176
Total	**33,572**	**1,925**	**1,802**	**(1,397)**	**10,634**	**46,536**
31 March 2021						
Property, plant and equipment	6,308	–	–	(509)	–	5,799
Intangibles	40,599	57	–	(4,165)	–	36,491
Losses	(7,657)	–	–	131	–	(7,526)
Other temporary differences	(1,718)	–	621	(95)	–	(1,192)
Total	**37,532**	**57**	**621**	**(4,638)**	**-**	**33,572**

A change to the main UK corporation tax rate to 25%, announced in the Budget 2021 on 3 March 2021, was substantively enacted on 24 May 2021. Consequently, the Group has adjusted its deferred tax liability to 25% resulting in an £11.5m charge to the Income statement.

Losses arise in the CMM division and are measured at an effective tax rate of 40%. For corporation tax purposes, the extraction of methane in the CMM division is considered an oil extraction activity and therefore deemed a separate ring fence trade, the profits of which are subject to ring fence corporation tax and supplementary charge at an aggregate rate of 40%. The Group anticipates being able to utilise these losses and therefore recognises a deferred tax asset.

17. Provisions

	Decommissioning provisions £'000	Other provisions £'000	Total £'000
At 1 April 2020	**8,419**	**1,218**	**9,637**
Unwinding of discount	240	–	240
Reduction in provision credited to plant and equipment	(241)	–	(241)
Additions	121	–	121
Utilisation of provisions	(103)	(26)	(129)
At 31 March 2021	**8,436**	**1,192**	**9,628**
Unwinding of discount	76	–	76
Additional provision charged to plant and equipment	24	–	24
Reduction in provision credited to plant and equipment	(577)	–	(577)
Utilisation of provisions	(350)	(90)	(440)
At 31 March 2022	**7,609**	**1,102**	**8,711**

Decommissioning provisions relate to the restoration of the Group operating sites. As explained in the accounting policies (note 4) provisions are calculated at a discounted value of expected future costs. The discount rate applied to the decommissioning provision in the year ended 31 March 2022 is 1.5% (FY21: 1.3%), representing a 25-year UK GILT. The more significant cash outflows are not expected to occur until the end of site lives which is estimated for the more significant sites to be in 40 years. Some smaller sites may be decommissioned earlier as sites become uneconomical.

Other provisions relate primarily to remediation costs and aftercare costs. The remediation costs relate to known issues at various sites and the aftercare costs relate to one site within Infinis (Re-Gen) Limited, a subsidiary of the Group.

All provisions are classified as non-current.

18. Trade and other payables

	2022 £'000	2021 £'000
Amounts due within one year		
Trade payables	6,210	5,275
Accruals and deferred income	23,609	23,562
Amounts payable to a related party	1,553	–
Other creditors	2,513	3,218
Current tax liability	942	906
	34,827	**32,961**
Amounts due after one year		
Other payables	3,527	2,446
	3,527	**2,446**

Amounts due after one year relate to liabilities under the Group's Long Term Incentive Plan.

19. Share capital

	Issued share capital 2022 number	Issued share capital 2021 number	Aggregate nominal value 2022 £'000	Aggregate nominal value 2021 £'000
Allotted, called up and fully paid				
At 1 April (ordinary shares of £1 each)	35,000,001	35,000,001	35,000	35,000
At 31 March	35,000,001	35,000,001	35,000	35,000

20. Financial instruments

Capital management

The Group's policies seek to match long-term assets with long-term finance and to ensure that there is sufficient working capital to meet the Group's commitments as they fall due, comply with the loan covenants and deliver its strategy. Management monitor actual cash flows against Board approved cash flow forecasts. The Group continues to be a highly cash generative business that is able to support its financing arrangements.

The capital structure of the Group consists of shareholder equity, shareholder loans and net debt. Net debt is comprised of secured loans and cash and cash equivalents. The Group continues to service all of its debt requirements including covenant compliance and interest payments as they fall due.

Notes forming part of the financial statements continued

For the year ended 31 March 2022

20. Financial instruments continued

Financial instruments

Financial instruments comprise trade and other receivables, cash and cash equivalents, loans and borrowings, interest rate swaps, trade and other payables, amounts payable to related parties and provisions. Financial instruments give rise to credit, liquidity and interest rate risks. Information about these risks and how they are managed is set out below.

(a) Financial risk management – measurement

Financial instruments are classified into the following levels based upon the degree to which fair value is obtainable:

Level 1 – fair values from quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – those fair values derived from inputs other than quoted prices that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 – those fair values derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The fair value of derivative financial instruments is based on observable market data and classified as Level 2. Valuations are calculated, discounting estimated future cash flows based on the terms and maturity of each contract and using market interest rates for a similar instrument at the measurement date.

For all other financial instruments the carrying amount is deemed to be a reasonable approximation of the fair value as amounts are either repayable on demand or are short-term in nature.

The following table presents the carrying values and the fair values of financial instruments subsequent to initial recognition.

	Carrying value 2022 £'000	Fair value 2022 £'000	Carrying value 2021 £'000	Fair value 2021 £'000
Financial assets				
Financial assets at amortised cost:				
Cash and cash equivalents	62,649	62,649	10,246	10,246
Trade receivables	3,199	3,199	3,215	3,215
Accrued income	27,842	27,842	23,194	23,194
Other receivables	220	220	230	230
Financial assets at fair value through profit and loss:				
Derivative financial assets	5,282	5,282	1,082	1,082
Total financial assets	**99,192**	**99,192**	**37,967**	**37,967**
Financial liabilities				
Financial liabilities at amortised cost:				
Trade and other payables	36,917	36,917	35,407	35,407
Interest-bearing loans	447,471	447,471	408,534	408,534
Leases	1,859	1,859	2,009	2,009
Provisions	8,711	8,711	9,628	9,628
Financial liabilities at fair value through profit and loss:				
Derivative financial liabilities	–	–	2,578	2,578
Total financial liabilities	**494,958**	**494,958**	**458,156**	**458,156**

(b) Financial risk management – credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers.

The Group holds trade receivables and accrued income at amortised cost, which are therefore subject to the expected credit loss model. While cash and cash equivalents and other receivables are also subject to the impairment requirements of IFRS 9, the identified impairment loss was minimal.

To measure the expected credit losses, trade receivables and accrued income have been grouped based on shared credit risk characteristics and the days past due. The accrued income relates to unbilled exported power and has substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

The expected loss rates are based on the historical credit losses experienced. The historical loss rates are adjusted to reflect current and forward-looking information on macro-economic factors affecting the ability of our customers to settle the receivables.

The Group's customer base consists of large, high credit worthy, UK energy offtakers and contracts directly with these organisations.

Trade receivables and accrued income are written off where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group, and a failure to make contractual payments when the debtor is significantly past due. Impairment losses on trade receivables and accrued income are presented within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item. None of the trade receivables and accrued income at the year end are past due.

(c) Financial risk management – liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's Treasury policy is to ensure that it will have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or damage to the Group's reputation. The Group finances activities with a combination of external bank facilities, related party borrowings and cash from operating activities. Based on management forecasts, the Group has adequate headroom and will continue to meet liabilities as they fall due. The following are the contractual maturities of financial liabilities and assets (all sterling denominated), including estimated interest payments and excluding the effect of netting agreements:

	Nominal interest rate	Year of maturity	Carrying value liability/ (asset) £'000	Cash outflows	In less than one year £'000	Between one and two years £'000	Between two and five years £'000	In more than five years £'000
As at 31 March 2022								
Non-derivative financial liabilities								
Trade payables	-	2023	6,210	(6,210)	(6,210)	–	–	–
Bank loan (RCF)	2.35%+SONIA	2026	38,000	(42,428)	(1,155)	(1,155)	(40,118)	–
Bank loan	2.35%+SONIA	2026	138,647	(157,430)	(4,286)	(4,286)	(148,858)	–
Bank loan	5%	2032	63,916	(98,518)	(3,250)	(3,250)	(10,270)	(81,748)
Leases	5%	2021-2027	1,859	(3,533)	(505)	(266)	(568)	(2,194)
Related party payable	8%	2045	206,907	(620,452)	(17,980)	(17,980)	(53,941)	(530,551)
Total			**455,539**	**(928,571)**	**(33,386)**	**(26,937)**	**(253,755)**	**(614,493)**
Derivative financial assets								
Derivative financial asset	1.26%	2023	(5,282)	–	–	–	–	–
Total			(5,282)	**–**	**–**	**–**	**–**	**–**
As at 31 March 2021								
Non-derivative financial liabilities								
Trade payables	–	2022	5,275	(5,275)	(5,275)	–	–	–
Bank loan	2.35%+LIBOR	2026	138,047	(157,613)	(3,437)	(3,437)	(150,739)	–
Bank loan	5%	2032	63,580	(101,768)	(3,250)	(3,250)	(10,270)	(84,998)
Leases	5%	2021-2027	2,009	(2,263)	(982)	(478)	(593)	(210)
Related party payable	8%	2045	206,907	(608,531)	(16,734)	(16,734)	(50,203)	(524,860)
Total			**415,818**	**(875,450)**	**(29,678)**	**(23,899)**	**(211,805)**	**(610,068)**
Derivative financial liabilities								
Derivative financial liabilities	1.26%	2023	2,578	(2,996)	(1,240)	(1,240)	(516)	–
Derivative financial assets	0.4%	2026	(1,082)	–	–	–	–	–
Total			**1,496**	**(2,996)**	**(1,240)**	**(1,240)**	**(516)**	**–**

(d) Market risk

Financial risk management

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices, will affect the Group's income or the value of its holdings of financial instruments. The Group does not have a material exposure to exchange rates and equity prices.

Market risk – interest rate risk

The Group adopts a policy of limiting exposure to changes in interest rates on borrowings. The Group enters into and designates interest rate swaps as hedges of the variability in cash flows attributable to interest rate risk. At 31 March 2022 75% (FY21: 75%) of the Group's £141.0m term loan is subject to an interest rate swap (see note 15).

Notes forming part of the financial statements continued

For the year ended 31 March 2022

20. Financial instruments continued

A hedge is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments, to ensure that an economic relationship exists between the hedged item and hedging instrument. Ineffectiveness may occur due to:

— any fair value adjustments on the interest rate swaps which is not matched by the loan; and

— changes in critical terms between the interest rate swaps and loans.

At 31 March 2022 a balance of £0.4m (FY21: £0.8m) is held within the cash flow hedge reserve in relation to discontinued hedges where the forecast cash flows are still expected to occur. This is being released to finance costs in the income statement on a straight line basis to August 2023.

Profit or loss is sensitive to higher/lower interest costs from changes in interest rates as a result of the element of the Group's term loan that is not hedged. The impact of an increase/decrease in interest rates of 1% is a decrease/increase in the Group's profit /(loss) before tax of £0.7m (FY21: £0.3m).

21. Leases and commitments

Lease liabilties

	2022 £'000	2021 £'000
Current	422	882
Non-current	1,437	1,127
Lease liabilities at 31 March	**1,859**	**2,009**

Capital commitments

During the year, the Group entered into various contracts relating to the purchase of capital equipment:

	2022 £'000	2021 £'000
Capital commitments contracted but not provided for	1,401	2,448

The Group has other commitments that are outside the scope of IAS 17 and IFRS 16 relating to site access. These commitments have a duration of between 12 months and 21 years and are a mix of fixed and variable rentals. The cash outflows in the year were £0.9m (FY21: £0.9m).

22. Business combinations

On 21 December 2021 the Infinis Group acquired two non-trading UK companies (ND Solar Enterprises Limited and Aura Power Solar UK 6 Limited) who own the rights for the development of solar farm sites at Bishampton and Litchardson. Consideration paid for the two entities was £8.6m. The companies held assets relating to site planning/applications/ lease (options) that will, as the sites are built out, crystalise as operational solar farms. The value of the assets recorded in the books was £0.8m. The difference between consideration and book assets of £7.8m has been accounted for in the Group financial statements as intangible assets.

The intangible assets acquired are subject to the Infinis annual impairment testing and have demonstrated no impairment is required. Given the acquisitions have been relatively recent and the purchase price was determined using models prepared by Infinis an impairment would not be expected.

23. Related parties

(a) Transactions with key management personnel

Directors' shareholdings

None of the Directors had an interest in the shares of the Company.

Remuneration

The key management personnel of the Group are considered to be the Directors of the Company and the Directors of the Governing Board. Their remuneration was as follows:

	2022 £'000	2021 £'000
Short-term employee benefits (including employer national insurance)	1,773	1,731
Other long-term benefits - long-term incentive plan	327	166
Post-employment benefits - defined contribution pension	64	64
	2,164	1,961

The aggregate of emoluments and amounts received under long-term incentive schemes and post employment benefits of the highest paid Director of the Group were as follows:

	2022 £'000	2021 £'000
Short-term employee benefits (including employer national insurance)	638	633
Other long-term benefits - long-term incentive plan	180	101
Post employment benefits - defined contribution pension	41	41

(b) Other related party transactions

3i Infrastructure plc (3iN), a company incorporated in the Channel Islands, is the Company's ultimate parent company. 3iN therefore has the ability to exercise a controlling influence through its shareholding in each of the wholly-owned subsidiaries (the '3i Holding Companies') through which it owns the entire issued share capital of the Company. The Directors therefore consider 3iN and each of the 3i Holding Companies to be related parties.

Related party transactions occurring during the year and balances outstanding at the year end are as follows:

	Value of transactions 2022 £'000	Value of transactions 2021 £'000	Outstanding payable 2022 £'000	Outstanding payable 2021 £'000
3i Infrastructure PLC	(15,000)	(27,609)	(208,460)	(206,907)

Transactions for the year comprise repaid loan notes together with associated interest. There were no other transactions between the Company and either 3iN or any of the 3i Holding Companies during the year, there were no other balances outstanding between the Company and either 3iN or any of the 3i Holding Companies at the year end.

In the year ended 31 March 2022 the Company paid interest of £15.0m (FY21: £21.3m). In the year ended 31 March 2021 the Company repaid loan notes totalling £6.3m.

24. Ultimate parent company and controlling party

3i LFG Topco Limited, a company registered in Jersey, is the Company's immediate parent and sole shareholder. The ultimate parent and controlling entity is 3i Infrastructure plc, a company registered in Jersey.

Infinis Energy Group Holdings Limited is the largest and smallest group for which consolidated financial statements are prepared of which the Company is a member.

25. Subsequent events

On 8 July 2022 the Group acquried the trade and assets of a single CLM site for £2.0m.

There were no other subsequent events.

Company statement of financial position

At 31 March 2022

	Note	**31 March 2022 £'000**	31 March 2021 £'000
Non-current assets			
Investments	27	237,730	237,730
		237,730	**237,730**
Current assets			
Trade and other receivables	28	5,209	643
Cash and cash equivalents		7	7
		5,216	**650**
Total assets		**242,946**	**238,380**
Current liabilities			
Trade and other payables	29	8,136	2,290
		8,136	**2,290**
Non-current liabilities			
Trade and other payables	29	206,907	206,907
		206,907	**206,907**
Total liabilities		**215,043**	**209,197**
Net assets		**27,903**	**29,183**
Equity			
Called up share capital	30	35,000	35,000
Accumulated losses		(7,097)	(5,817)
Total equity		**27,903**	**29,183**

The Company reported a loss of £1,280,000 for the year ended 31 March 2022 (2021: £2,135,000). The financial statements were approved by the Board of Directors on 27 July 2022 and were signed on its behalf by:

K Reid
Director

S S Pickering
Director

Company number: 10432005

The notes on pages 94 to 97 form part of these financial statements.

Company statement of changes in equity

For the year ended 31 March 2022

	Share capital £'000	Accumulated losses £'000	Total equity £'000
Balance at 1 April 2020	**35,000**	**(3,682)**	**31,318**
Loss for the year	–	(2,135)	(2,135)
Total comprehensive expense	**–**	**(2,135)**	**(2,135)**
At 31 March 2021	**35,000**	**(5,817)**	**29,183**
Loss for the year	–	(1,280)	(1,280)
Total comprehensive expense	**–**	**(1,280)**	**(1,280)**
At 31 March 2022	**35,000**	**(7,097)**	**27,903**

The notes on pages 94 to 97 form part of these financial statements.

Notes forming part of the Company financial statements

For the year ended 31 March 2022

Accounting policies

Basis of preparation
Infinis Energy Group Holdings Limited (the 'Company') is a private company limited by shares and incorporated in England in the UK. The Company's registered office is First Floor, 500 Pavilion Drive, Northampton Business Park, Northampton, NN4 7YJ.

The Company has adopted Financial Reporting Standard 101 Reduced Disclosure Framework ('FRS 101') in these financial statements.

In preparing these financial statements the Company applies the recognition, measurement and disclosure requirements of International Accounting Standards in conformity with the requirements of the Companies Act 2006 ,as applicable to companies using FRS 101, and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The Company is included in the consolidated financial statements of Infinis Energy Group Holdings Limited. The consolidated financial statements of Infinis Energy Group Holdings Limited are set out on pages 68 to 91.

In these financial statements, the company has applied the exemptions available under FRS 101 in respect of the following disclosures:

— A Cash Flow Statement and related notes;
— Disclosures in respect of transactions with wholly owned subsidiaries;
— Disclosures in respect of capital management;
— The effects of new but not yet effective IFRSs; and
— Disclosures in respect of the compensation of Key Management Personnel.

As the consolidated financial statements of Infinis Energy Group Holdings Limited include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

— Certain disclosures required by IFRS 13 Fair Value Measurement and the disclosures required by IFRS 7 Financial Instrument Disclosures.

The accounting policies set out below have, unless otherwise stated, been applied consistently with the year ended 31 March 2021.

Measurement convention
The financial statements have been prepared under the historic cost basis.

Going concern
As explained in the Directors' report on page 58 the financial statements have been prepared on the going concern basis.

Profit and loss account
As permitted by section 408 of the Companies Act 2006 the Company has elected not to present its own profit and loss account for the year ended 31 March 2022 or for the year ended 31 March 2021.

Tax
Current tax is the expected tax payable (or receivable) on the taxable income/expense for the year, using tax rates enacted or substantively enacted by the year end. Taxable profit differs from net profit in the profit and loss account because it excludes items of income or expenditure that are taxable or deductible in other years and it further excludes items that are never taxable or deductible.

Amounts owed by Group undertakings
For amounts owed by group undertakings, the Company first determines the 12 month expected credit loss, with the lifetime expected credit loss being recognised in the event of a significant increase in default risk. If external or internal rating information is available, the expected credit loss is determined based on the basis of this data. If no rating information is available, the Company determines default ratios on the basis of historical default rates, taking into account forward-looking information on economic developments. The estimates and assumptions used to determine the level of expected credit losses are reviewed periodically to determine if there is a significant increase in default risk.

Impairment

Financial assets (including trade and other receivables)

A financial asset not carried at fair value through profit or loss is assessed at each year end to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows.

An impairment loss in respect of a financial asset measured at cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment, impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the year end. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Investments

Fixed asset investments reflect investments in subsidiaries and are shown at cost less any provision for impairment.

Financial instruments

Non-derivative financial instruments

Non-derivative financial instruments comprise investments, trade and other receivables , cash and cash equivalents and trade and other creditors. Non-derivative financial instruments are recognised initially at fair value. Subsequent to initial recognition they are measured as described below:

Trade and other receivables

Trade and other receivables are carried at original invoice amount less any allowance for uncollectible amounts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written-off in the income statement when identified.

Trade and other payables

Trade and other payables are carried at cost.

Key judgments and sources of estimation uncertainty

In the process of applying the Company's accounting policies, management necessarily makes judgments and estimates that have a significant impact on the values recognised in the financial statements. Changes in the assumptions underlying these judgments and estimates could result in a significant impact to the financial statements. There are no critical accounting judgments. The key accounting estimates are explained below.

Impairment of investments

In assessing impairment, judgment is required to establish whether there has been any indicators of impairment, either internal or external. Where there is a need to determine the recoverable value of an investment this requires judgments and assumptions related to the expected future cash flows to be derived from the investment.

26. Directors and employees

None of the Directors received any remuneration or benefits from the Company during the current year or prior year. The Company had no employees during the year.

27. Investments

	Shares in group undertakings £'000	Amounts owed by group undertakings £'000	Total £'000
Cost and net book value			
At 1 April 2020	**35,000**	**213,230**	**248,230**
Repayments	–	(10,500)	(10,500)
At 31 March 2021	**35,000**	**202,730**	**237,730**
Repayments	–	-	-
At 31 March 2022	**35,000**	**202,730**	**237,730**

Notes forming part of the Company financial statements continued

For the year ended 31 March 2022

27. Investments continued

Amounts owed by Group undertakings comprise loan notes and are due for repayment in 2045 and attract interest at a rate of 8%, payable at half yearly intervals.

At 31 March 2022 the Company had the following investments in subsidiaries, associates and jointly controlled entities:

Subsidiary company	Audit exemption[1]	Status
Directly held by the Company:		
Infinis Energy Management Limited		
Indirectly held by the Company:		
Alkane Biogas Limited		In members voluntary liquidation
Alkane Energy CM Holdings Limited		In members voluntary liquidation
Alkane Energy CM Limited		
Alkane Energy Limited		
Alkane Energy UK Limited		
Alkane Services Limited		In members voluntary liquidation
Aura Power Solar UK 6 Limited		Acquired 21 December 2021
Barbican Bidco Limited		In members voluntary liquidation
Barbican Holdco Limited		In members voluntary liquidation
Bidston Methane Limited		50% owned
Costessey Energy Limited	Yes	
Gengas Limited	Yes	
Infinis (COE) Limited		In members voluntary liquidation
Infinis (Re-Gen) Limited		
Infinis Alternative Energies Limited		
Infinis China (Investments) Limited		In members voluntary liquidation
Infinis Energy Services Limited		
Infinis Energy Storage Limited (formerly Infinis Acquisitions Limited)	Yes	
Infinis Limited		
Infinis Solar Developments Limited		
Infinis Solar Holdings Limited		
Infinis Solar Limited (formerly Reg Ling Hall Solar Limited)		
Leven Power Limited		
Mayton Wood Energy Limited		In members voluntary liquidation
ND Solar Enterprises Limited	Yes	Acquired 21 December 2021
Novera Energy Generation No. 1 Limited	Yes	
Novera Energy Generation No. 2 Limited		
Novera Energy Generation No. 3 Limited		In members voluntary liquidation
Novera Energy (Holdings 2) Limited		
Novera Energy Operating Services Limited	Yes	
Novera Energy Services UK Limited		In members voluntary liquidation
Regent Park Energy Limited		
Renewable Power Generation Limited		
Rhymney Power Limited		
Seven Star Natural Gas Limited	Yes	

[1] The above 100% subsidiaries have taken the exemption from audit under section 479a of the Companies Act 2006.

The Company proactively minimises the number of intermediate non-trading holding companies, and smaller legacy trading entities typically containing one operating site. Following a period of due diligence, where applicable each of the trade, assets and liabilities are transferred to another Group company to facilitate the solvent liquidation of the companies through a members voluntary liquidation process. As at 31 March 2022, 10 subsidiaries (31 March 2021: 12) were in members voluntary liquidation process and are expected to complete the liquidation process in the next 12 months.

The subsidiary undertakings operate and were incorporated in England and Wales, and were 100% owned, unless otherwise stated, as at 31 March 2022. The voting rights are the same as the percentage holding. The registered office addresses of the subsidiaries are as follows:

England and Wales:
First Floor
500 Pavilion Drive
Northampton Business Park
Northampton
NN4 7YJ

The registered office addresses of those UK subsidiaries in liquidation are as filed and available on the Companies House website.

28. Trade and other receivables

	2022 £'000	2021 £'000
Amounts owed by Group companies	5,209	643
	5,209	**643**
Current	5,209	643

29. Trade and other payables

	2022 £'000	2021 £'000
Corporation tax payable	1,584	2,290
Amounts owed to related parties	213,459	206,907
	215,043	**209,197**
Non-current	206,907	206,907
Current	8,136	2,290

30. Called up share capital

	Issued share capital 2022 number	Issued share capital 2021 number	Aggregate nominal value 2022 £'000	Aggregate nominal value 2021 £'000
Allotted, called up and fully paid				
At 1 April (ordinary shares of £1 each)	35,000,001	35,000,001	35,000	35,000
At 31 March	35,000,001	35,000,001	35,000	35,000

31. Related party disclosures

3i LFG Topco Limited, a company registered in Jersey, is the Company's immediate parent and sole shareholder. The ultimate controlling entity is 3i Infrastructure plc, a company registered in Jersey. Refer to note 23 for further details in relation to related parties.

Glossary

The following definitions apply throughout the annual report and accounts unless the context requires otherwise:

3iN	3i Infrastructure plc, the Company's ultimate shareholder
3i/3i Group	3i plc and the group of companies of which 3i Group plc is the parent
AFR	accident frequency rate
APM	alternative performance measures
ASP	average selling price defined as revenue recognised in the year divided by exported power. It includes an element of ROC revenue, known as the recycled element, which is received following the publication of the recycle price by Ofgem
Audit Committee	the audit committee of the Board
BEIS	Department for Business, Energy and Industrial Strategy
BESS	Battery Energy Storage Systems
Board	the Board of Directors of the Company
BSUoS	Balancing Services Use of System
Capacity Market	mechanism to ensure that electricity supply meets demand
CAPEX	capital expenditure
CGU	cash generating unit
CLM	Captured Landfill Methane
CMM	Captured Mineral Methane
Company or Infinis	Infinis Energy Group Holdings Limited, a Company incorporated in England and Wales with registered number 10432005 whose registered office is First Floor, 500 Pavilion Drive, Northampton Business Park, Northampton, NN4 7YJ
Corporate Governance Policy	formal policy of the governance arrangements of the Infinis Group
COVID-19	Corona Virus Disease 2019
CSR	corporate social responsibility
DDA	demand dominated areas
Directors	the Executive and Non-executive Directors of the Company
DNOs	distribution network operators
DSOs	distribution system operators
EBITDA	earnings before interest, tax, depreciation, amortisation and , impairment and operating exceptional items
EGC	European General Court
ESO	electricity system operator
Executive Committee	the Executive Committee of the Board
Executive Directors	member of the Executive Committee as set out on page 52 to 53
FCA	the UK Financial Conduct Authority
FY20	the financial year ended 31 March 2020
FY21	the financial year ended 31 March 2021
FY22	the financial year ended 31 March 2022
GAAP	Generally Accepted Accounting Practice
GDUoS	Generator Distribution Use of System
Governing Board	the Board of Directors of the Governing company
Governing Company	Infinis Energy Management Limited
Government	the Government body of the UK
Group	the Company and its subsidiaries within the meaning of section 1162 of the Companies Act 2006
GWh	gigawatt hour
HSQE	health, safety, quality and environmental

HSQ&EC	health, safety, quality and environmental compliance
IAS	International Accounting Standard
IFRSs	International Financial Reporting Standards as adopted by the European Commission for use in the European Union
Infinis Group	the Company and its subsidiaries
IRR	internal rate of return
kWh	kilowatt hour
LNG	liquified natural gas
LTIP	Long Term Incentive Plan
M&A	Mergers and acquisitions
MCPD	Medium Combustion Plant Directive
MW and MWh	megawatt and megawatt hour
Ofgem	Office of Gas and Electricity Markets
OPEX	operating expenditure
Ordinary shares	the ordinary shares with a nominal value of £1 each in the capital of the Company
PPA	power purchase agreement
PR	Power Response
RCF	Revolving Credit Facility
Remuneration Committee	the remuneration committee of the Board or a sub-committee of it
RIDDOR	the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013
RO	Renewables Obligation, the financial mechanism by which the Government incentivises the deployment of large-scale renewable electricity generation by placing a mandatory requirement on licensed UK electricity suppliers to source a specified and annually increasing proportion of electricity they supply to customers from eligible renewable sources or pay a penalty
ROC	Renewables Obligation Certificate
RoSPA	Royal Society for the Prevention of Accidents
SCR	significant code review
Senior management	as defined in section 414(C) of the Companies Act 2006
Senior Management Team (SMT)	the team of individuals who have the day-to-day responsibility for managing the Group
Shareholder	a holder of ordinary shares
Shareholder Directors	as set out on page 52 to 53
SRMC	short run marginal contribution
TCR	Ofgem targeted charging review
Triads	the three 30-minute time periods with highest energy demand between November to February each year
TWh	terawatt hour
UK	the United Kingdom of Great Britain and Northern Ireland
VAT	value added tax
Walker Guidelines	The Walker Guidelines for Disclosure and Transparency in Private Equity published by the Private Equity Reporting Group
Website	www.infinis.com

Infinis Energy Group Holdings Limited
First Floor, 500 Pavilion Drive
Northampton Business Park
Northampton NN4 7YJ
T +44 (0) 1604 662 400

Learn more online, at
www.infinis.com