Registered number: 07428859

HELIX ACQUISITION LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2026

HELIX ACQUISITION LIMITED

COMPANY INFORMATION

Directors	J Curley S Jones K Ludeman A Pitt A Leness M Osborne J Carter
Chair	K Ludeman
Registered number	07428859
Registered office	5th Floor, Kings Place 90 York Way London N1 9AG
Independent auditor	Deloitte LLP Statutory Auditor 2 New Street Square London United Kingdom EC4A 3BZ
Company Secretary	C Gould

HELIX ACQUISITION LIMITED

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GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2026

The Directors present their Annual Report on the affairs of Helix Acquisition Limited ("the Company") and its subsidiaries ("The Group") together with the audited financial statements for the year ended 31 March 2026.

The Directors, when preparing this Strategic Report, have complied with section 414C of the Companies Act 2006.

The Business Model

The Group holds the Concession through to 31 December 2040 to operate the 109 kilometre high-speed rail line connecting London's St. Pancras International station to Kent, and, via the Channel Tunnel, to international destinations in Europe notably Paris, Brussels, and Amsterdam. In addition to St. Pancras International, three stations are served along the route - Stratford International, Ebbsfleet International and Ashford International.

Helix Acquisition Limited is a holding company, with the ultimate parent undertaking being Betjeman Holdings JvCo Limited. HS1 Limited ('HS1'), a direct subsidiary of Helix Acquisition Limited, is the operating company.

The Group operates under a transparent regulatory framework. Revenue is derived from a combination of charges set in the Concession agreement, regulated charges determined through the 5-yearly price control overseen by the Office of Rail and Road ('ORR') and a number of passthrough charge elements. The Group generates unregulated revenues from station retail and car parking. In addition to domestic and international high-speed traffic, the rail line sometimes serves a small volume of freight traffic.

The Group has a clear goal to be recognised as a sustainable and high performing transport system connecting London, Kent, and Europe. Its strategy is to drive growth on the HS1 infrastructure and encourage modal shift towards rail travel, with faster, greener and more comfortable travel. The strategy is underpinned by a clear purpose, vision, mission, and values as illustrated in figure 1.

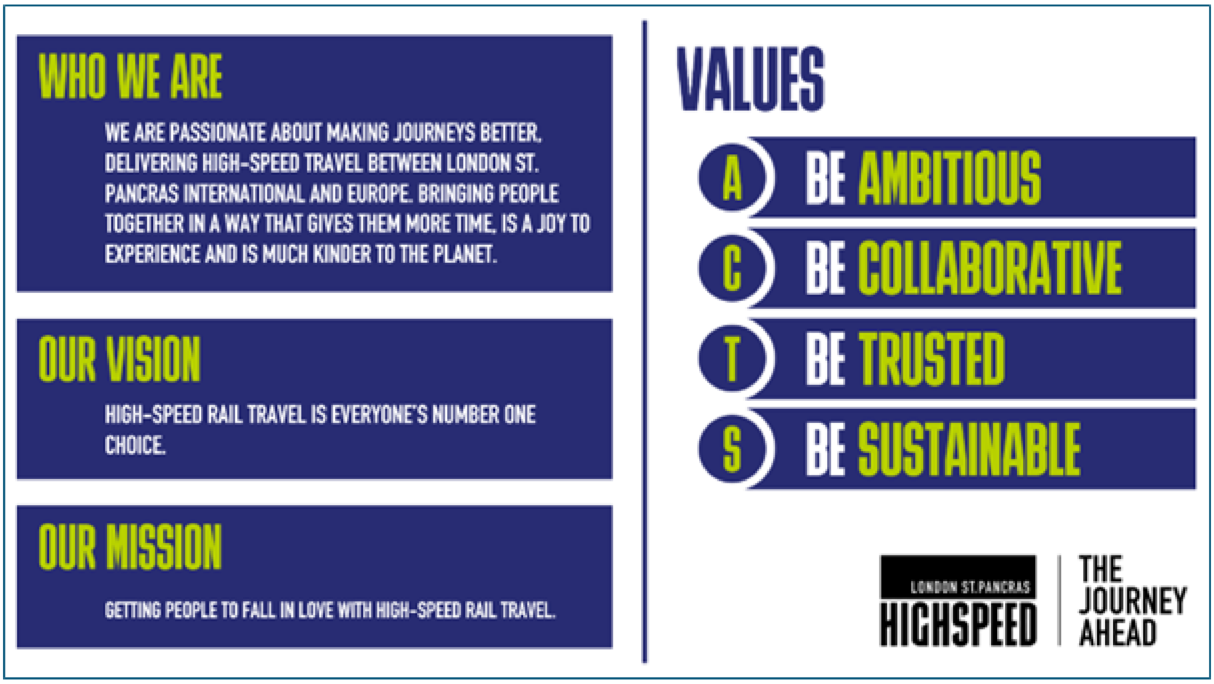

Figure 1: The Group's purpose, vision, mission, and values

Business Review

Turnover for the year ended 31 March 2026 has decreased to £291.9m (2025: £293.4m) primarily driven by a reset and subsequent decrease in OMRC Track Access charges levied upon Train Operators at the commencement of Control Period 4 (“CP4”). This is offset by an increase in the year in retail income.

International train services have continued to recover following the Covid 19 pandemic. Eurostar (“EIL”) has booked a full forward working timetable (“FWT”), with a FWT for May 2026 – December 2026 that reflects 99% of pre-Covid 19 levels.

Domestic train services, run by South Eastern Railway (“SER”), have also increased (+1.1% versus last year). Despite this, SER have continued to operate below the contractual underpin level set out in the UK Government domestic underpinning agreement (“DUA”). The DUA has continued to insulate the Group from the reduced timetable. The Group notes that the FWT for May 2026 to December 2026 submitted by SER represents over 99% of underpinned minutes.

Retail income has performed well in the year, growing 6.2% to £33.3m (2025: £31.4m).

The year ended 31 March 2026 marked the first year of CP4. The renewals programme focused on strengthening operational resilience whilst building delivery momentum ahead of the significantly increased renewals work scheduled to take place during the Control Period. Most notably, the Group has progressed the Ballast Renewals Programme through early contractor involvement, and option development, ahead of large-scale delivery throughout the remainder of CP4. During the year, the Group also delivered a number of key outputs including tunnel draining clearance work, and motorised section switch renewals.

The electronic Entry/Exit System (“EES”) went live in Autumn 2025, followed by a six-month phased rollout. Full implementation occurred on 10th April 2026, with a further three-month period during which partial suspension is permitted. The Group has continued to work with EIL, the Home Office and the Department for Transport (“DfT”) to coordinate with wider stakeholders and minimise the impact of EES on passenger processing.

Several other notable events took place in the year ended 31 March 2026:

- Following the publication of the Office of Rail and Road’s (“ORR”) independent capacity assessment of Temple Mills International Depot in March 2025, which concluded that there was limited spare capacity available for either Eurostar or a prospective new international train operator to utilise, a further decision was made by the ORR in October 2025 to award this available capacity to VTE Holdings Limited.

- The Group launched an international growth incentive scheme, which aims to boost international rail travel, offer more alternatives to short-haul flights, support the UK’s net zero goals, stimulate the economy, and give passengers more choice and lower fares. The scheme, which is available to both new and existing international operators, offers a discount on the IRC for new train services, launching new destinations and intermediate stations, and deploying new rolling stock. It also offers a rebate incentive for additional passengers carried on the route.

- The Group is currently in the design stages of a significant infrastructure project to increase capacity at St. Pancras International through the St. Pancras Enhancement Project (“StEP”). StEP has progressed substantially through RIBA Stage 2 in the year, including an extended RIBA Stage 2+ phase to further develop the preferred design option. This work has continued to take place in close collaboration with Eurostar. Alongside this, the Group has continued constructive engagement with Eurostar on commercial arrangements. During the latter part of the year, the Group concluded RIBA Stage 2+, and recommended progression to RIBA Stage 3. Early RIBA Stage 3 activities are now underway to progress design development and to support a future final investment decision.

- The DfT and the Federal Department for the Environment, Transport, Energy and Communications in Switzerland signed a Memorandum of Understanding, alongside the signing of a bilateral agreement between the Governments of the United Kingdom and Germany both with the aim of establishing direct rail links between the nations, utilising the HS1 route.

- The Group partnered with Trainline to offer a rail ticketing solution for both domestic and international train travel through the Group's website www.stpancras-highspeed.com. This partnership rounds off the Group's existing customer journey by providing the next logical step in the Group's marketing campaigns.

While domestic paths remain protected up to DUA levels, and in the absence of additional international operators, the Group's ability to grow revenues ultimately remain determined by train path booking volumes, dictated by SER and EIL.

The Group offers strong sustainability credentials and continues to deliver on its 2023 Sustainability Strategy, achieving key milestones that support its goal of being the most sustainable transport option from the UK to Europe. The Group aims to capitalise on the increased demand for sustainable travel.

The Group's 2025-26 Taskforce for Climate-related Financial Disclosures ("TCFD") report has been informed by its Climate Transition Risk Assessment, which was updated in the prior year to address risks and opportunities arising from the transition to a low-carbon economy. A comprehensive Adaptation Action Plan was also developed, guided by the results of the Group's existing Physical Climate Change Risk Assessment. These initiatives focus on increasing the Group's resilience and will continue to evolve over CP4. To embed sustainability into asset management processes, the Group has also established a consultancy framework which will provide specialist support over CP4. A full update on progress against the Group's sustainability KPIs and 2030 targets will be available in the London St. Pancras Highspeed 2025-26 Impact Report - www.stpancras-highspeed.com/our-company/csr/.

The Group continues to prioritise its people and has maintained gold standard accreditation from Investors in People for 'We Invest in People,' and a silver standard accreditation for 'We Invest in Wellbeing.'

Future developments

We believe passengers are increasingly choosing rail over air for climate reasons and because they prefer the convenience and comfort of direct city centre to city centre travel and the Group has a significant opportunity to grow the train paths on the line, including:

- On the international side, EIL has an ambitious growth agenda that will include the cross-Channel market. On 9 June 2025, EIL announced a planned investment of ~€2bn in up to 50 new trains, stating that the fleet would enable direct services to Frankfurt and Geneva to support their wider network growth. Additionally, in May 2026, Eurostar signed a memorandum of understanding with SNCF Voyageurs and the Swiss state operator SBB, to establish direct rail links between London and Switzerland.

- In April 2026, the Group published its consultation on the Framework Track Access Agreement relating to VTE Holdings Limited. This agreement reserves capacity for VTE Holdings on the HS1 route on the condition that they meet certain requirements, notably the purchase of rolling stock. The agreement is subject to industry consultation ahead of ORR consent.

- With regard to train paths, the FWT submitted by SER for the period running from May to December 2026 shows its intention to run 99% of underpinned minutes, marking a marginal increase from 97% in the prior year. Additionally, the FWT submitted by EIL represented 99% of pre-COVID paths.

Section 172(1) Statement

Section 172 of the Companies Act 2006 requires a Director of a company to act in the way they consider, in good faith, would most likely promote the success of the company for the benefit of its members as a whole. In doing this section 172 requires Directors to have regard to, amongst other matters, the:

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

In discharging our section 172 duties the Directors have regard to the factors set out above. In addition, we also have regard to other factors which we consider relevant to the decision being made. Those factors for example include the interests and views of members of the Group and our relationship with our lenders.

The Strategic Report sets out the Group's purpose, vision and values together with its strategic priorities and having a process in place for decision-making, we aim to make sure that our decisions are consistent and appropriate in all the circumstances. Through working collaboratively with Management, and listening to feedback from the Group's stakeholders, the Directors ensure that the Group is well positioned to deliver this vision.

We delegate authority for day-to-day management of the Group to senior management in setting, approving and overseeing execution of the business strategy and related policies. Relevant matters are reviewed at Board meetings with Management and are assessed against strategic priorities where the directors consider the Group's activities and make decisions. This collaborative approach helps promote the long-term vision of the Group and includes an assessment of the impact of major capital projects on the community and environment. The Board places high importance on employee engagement and considers the impact of decisions on HS1's employees.

As a part of those meetings the Directors receive information in a range of different formats which includes information relevant to section 172 matters when making relevant decisions. For example, the Board frequently considers whether its structure and composition are best placed to promote the success of the Group. A Board effectiveness review was also conducted by the Chair and the Company Secretary in December 2025. This concluded that the Board structure is appropriate for the Group.

We undertake training of the Directors in relation to their roles, duties and responsibilities, including Section 172. The Company Secretary attends all Board and Committee meetings (and is available generally) to advise directors as necessary on matters relating to their duties and responsibilities under Section 172.

The Board assesses the decisions it takes and the impact of its activities on its key stakeholders and the table below sets out the key stakeholders and how we engage and foster strong relationships with them:

Customers	Employees	Regulators	Lenders and shareholders	Partners and suppliers	Community and Environment
• Regular senior and working level meetings • Customer meetings at CEO level • Discussions with stakeholder groups • Monitoring industry questionnaires	• Employee Engagement survey • All Staff briefings • Employee Suggestion Board • People Forum • Team meetings	• Quarterly BAU monitoring meetings • Quarterly (or more frequent) engagement on the regulatory Periodic Review process • Public consultations • Stakeholder working groups	• Annual lender presentation • Information disclosure, such as budgets, financial statements, and covenants • Regular meetings	• Contract review meetings • Annual supplier conference	• Social media and website • Volunteer days • Rail Safety and Standards Board (‘RSSB’) Working Groups • Transport Adaptation Steering Group (“TASG”)

Figure 2: Stakeholders

The Board is supported in this work by its Committees, which allow the Directors to consider relevant expertise before making decisions. More information on the Board composition, and stakeholder relationships are included in the Statement of Corporate Governance.

Key performance indicators ("KPIs")

KPIs are selected by management and are considered relevant to the Group's business. They are chosen to reflect the needs of the business and are kept under regular review to ensure they remain appropriate for enabling the Board to monitor performance, identify areas of growth or risk, and understand how current performance may impact the Group's future development.

Train path figures grew in the year ended 31st March 2026. SER paths billed increased by 1.0% to 49,083 (2025: 48,614), and EIL increased by 4.2% to 18,050 (2025: 17,328).

Operational performance of the infrastructure is the Group's primary performance KPI. The moving annual average ("MAA") delays per train path from the HS1 infrastructure has increased to 9.5 seconds at March 2026 (2025: 4.2 seconds), with the majority of the delays in the year related to a singular track circuit incident in March 2026. The otherwise strong performance over the course of the year highlights the Group's focus in targeting and reducing key risks associated with the management of points, trespass and rail operations. We continue to work with Network Rail High Speed ("NRHS") to limit the impact of such in the future and prevent future incidents. We note that the performance in respect of this KPI continues to remain well within the Concession agreement limits.

Safety performance remains a key business priority with the target of being a zero-harm business. The MAA Fatalities and Weighted Injuries (being a railway industry weighted measure of accidents per 1,000,000 hours worked) has decreased to 0.054 at 31 March 2026 (2025: 0.080). Safety performance remained strong, and NRHS continues to review and update their existing Safety Improvement Plans to continue to effectively manage safety risks.

The Passenger Accident Incident Rate, number of passenger accidents per 100,000 passengers, remains low at 0.01 at 31 March 2026 (2025: 0.02). Locally owned safety improvement plans have been effective in limiting accidents to passengers.

The Group's financial KPIs are earnings before interest, tax, depreciation, and amortisation ("EBITDA") and the debt service cover ratio ("DSCR") – the ratio of cash available to service the annual debt interest and principal payments. The DSCR for the year to 31 March 2026 was 1.51x (2025: 1.47x).

The EBITDA for the year to 31 March 2026 was £91.4m (2025: £107.3m). The decrease in EBITDA is primarily attributable to the Volume Reopener in the prior year, which increased the Group's operating profit for that year.

Additionally, in the year the Group recognised a provision of £2.8m in relation to unpaid withholding tax interest, which further decreased the EBITDA.

A reconciliation from the statutory measure, being operating profit, is presented in the table below:

	2026	*2025*
	£m	*£m*
Operating Profit	**42.3**	*58.2*
Depreciation and amortisation	**49.1**	*49.1*
EBITDA	**91.4**	*107.3*

Principal risks and uncertainties

The Group's risks are actively managed, a process that is overseen by a Risk Manager and Risk Champions representing each Directorate. The Group has an annual risk strategy session with the Directors, Risk Manager and Risk Owners to consider how the Group can best manage and mitigate risks, while maximising opportunities within the Group. Risks are also reported to the Board twice a year through the Audit and Finance Subcommittee which receives a presentation from the Risk Manager. The Group utilises an internal risk management software tool, which appropriate Directors are trained on the use of within the business. The Group maintains a structure of risk champions across the business and are confident that the Board is provided with the relevant information relating to the risks and opportunities of the Group and that Board decisions are taken in light of a full understanding of this risk environment.
The Group's regulatory and contractual arrangements provide a low risk, stable business environment. The principal key risk factors and uncertainties for the Group are:

a) Supply chain and operations

- NRHS operational failure. The Group has contracts with NRHS to operate and maintain the infrastructure and stations (excluding Ashford International) and the Group has ongoing compliance and reporting mechanisms to ensure that contracts are delivered. The Group is in regular contact with NRHS and continually reviews potential causes of disruption including staff shortages or infrastructure closures that could impact service operation. If NRHS is unable to meet its obligations under the Operator Agreement, the Group has the right to intervene. The contract terms also include a parent company guarantee from the state-owned Network Rail Infrastructure Limited giving the Group greater security.

- A major infrastructure failure or incident. The Group mitigates the risk operationally by obtaining supply chain assurance and ensuring compliance of procedures followed by NRHS, in particular. In addition, the Group regularly tests its business continuity and recovery plans and has appropriate insurance cover in place to limit the exposure to such incidents. This includes insurance cover for off route incidents occurring within 1 mile of the premises if damage occurs and cover for Police action or presence (or suspected) of harmful devices. This cover meets Concession requirements and would limit the short-term financial impact. Long term issues could have a materially negative financial impact.

- Payment of performance regime penalties to operators. HS1's track access agreements attribute payments to parties aligned to their role in delays. Exposure is triggered in the event of failure of the Group's infrastructure and such penalties for delays are capped at £10.5m as at 31 March 2026, of which £5.6m is passed onto our principal supplier, NRHS.

- As a key piece of infrastructure, there is a risk of a terror attack, physical or cyber. Management has carried out a risk assessment to ensure controls are optimal. The Group invests heavily in cyber and physical security measures, and through its Business Ethics Committee, reviews relevant policies and plans, ensuring alignment and compliance across key business areas such as HR, Legal and IT. As part of this, the IT Disaster Recovery plan has been updated and associated with the internal Group Crisis Management Plan. Along with other key IT policy updates, the IT function ensures robust cyber security protection and controls are in place, mitigating the risk of HS1 data and information being lost, stolen and/or corrupted.

b) Economy

- Failure to adapt to structural change. The Group monitors potential long-term shifts in the market that could impact the business, such as travel, online shopping, home-working habits and the demand for green travel. The Group continues to monitor the market closely and is actively managing the stations with regular dialogue with retailers and train operators. Customer insights, and in-depth market knowledge, allow the Group to adapt to changes in customer demand.

- There is a risk that delays, partial activation or technical instability of EES could increase reliance on manual border processing, reducing passenger throughput affecting station operations and customer experience during peak periods. Activation of the EES kiosks is subject to approval by the French Ministry of Interior, and the final operating model and performance characteristics of EES remain externally determined. To mitigate these risks, French authorities and Eurostar have implemented a range of contingency arrangements. These include a significant increase in manual border control capacity, phased activation of kiosks subject to French approval, and enhanced operational coordination between French border forces, Eurostar, and NRHS station management. While these measures are intended to maintain operational resilience during the transition and early deployment, they may not fully offset disruption in the event of sustained sustained EES system under-performance or further delays.

- The Group remains insulated to rises in energy prices. This is managed through the establishment of a Risk Management Policy and Procedure (RMPP) in agreement with the Train Operating Companies (TOCs). The RMPP sets out a range of expected hedging which is continually reviewed. This continues to minimise the impact of geopolitical uncertainty seen in the year. The Group will continue to monitor the ongoing conflict in Iran, noting the longer-term impact this may have on energy prices beyond the end of the current price hedging periods and will take action accordingly to manage any potential risks arising.

c) Reliance on two key customers (SER and EIL).

- SER, the only domestic operator, and the Group’s largest customer, continued to operate a lower level of train paths than pre-pandemic. HS1 is insulated from domestic services being lower than c. 53,000 per year, as these are underpinned by the UK Government through the DUA. The underpin agreement has successfully been applied in the year with the Department for Transport (‘DfT’) being billed to make up the shortfall between actual and the underpin level of services and will continue to do so if the services are below this level. The Group continues to work with stakeholders to encourage increased train paths.

- Prolonged depressed EIL services. Paths have continued to run below pre-covid levels throughout FY26. The Group has certainty up to 1 year ahead due to the advanced agreement of the timetable on which billing is raised. EIL has now increased its forward booking commitment to 99% of pre-COVID levels. Demand for international travel was resilient over the global pandemic and future growth in train paths is expected, supported by the prospect of additional international operators running paths on the infrastructure by 2030. Several companies have expressed an interest in running international train services in the future and HS1 welcomes and supports this competition. Further discussion related to this competition has been included in the Business Review and Future Developments sections of this Strategic Report.

d) Financial risk management objectives and policies

- The Group's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The use of financial derivatives is governed by the Group’s policies approved by the board of directors, which provide written principles on the use of financial derivatives to manage these risks. The Group does not use derivative financial instruments for speculative purposes.

- Interest rate risk – 96% of debt held by the Group is on fixed interest rates, minimising the exposure from adverse movements. The Group continues to monitor interest rates, noting they have remained relatively stable over the last year.

- UK tax changes – the Group is exposed to changes in tax rules. Management stays abreast of developments to mitigate risk of change.

- Counterparty credit risk – the Group has two customers, SER and EIL. On a regular basis we review the financial strength of our two customers. Other than this, the Group is not heavily reliant on any one party or financial instrument. The Group only trades with counterparties above minimum credit risk parameters. The Group's principal financial assets are bank balances and cash, trade and other receivables, and investments. The Group's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

- Foreign exchange risk – the Group has US$ denominated debt but the interest and principal repayments are fully hedged through derivative instruments.
- Liquidity risk – the Group has medium term and long-term debt finance to ensure that the Group has sufficient funds available to meet the current and future needs of the Group. Short-term liquidity risk is mitigated through the availability of undrawn credit facilities in place. For further information see note 1.2 of the accounting policies (going concern)

The Directors regularly review these risks and approve the use of financial instruments to manage risk

Going Concern

The Group has prepared these financial statements on a going concern basis, as set out in the Director's Report.

Approval

This report was approved by the Board and signed on its behalf by:

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J Carter
J Carter (Jun 12, 2026 08:41:38 GMT+1)

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J Carter
Director

Date:12 June 2026

STATEMENT OF CORPORATE GOVERNANCE ARRANGEMENTS
FOR THE YEAR ENDED 31 MARCH 2026

For the period ended 31 March 2026, the Group reported turnover of £291.9m and total assets of £4.0bn and is therefore considered a large private company.

The Board has applied the Wates Corporate Governance Principles for Large Private Companies as its chosen governance framework since the period ended 31 March 2021 and continues to do so for the financial year ended 31 March 2026.

The Board believes the Wates Principles provide a governance framework that is well aligned with the nature and needs of the Group's business.

Principle 1 - Purpose and Leadership

The Directors of Helix Acquisition Limited demonstrate the principles of promoting the success of the Group, act with integrity and are committed to building positive relationships with employees and all other stakeholders. The Board has a clear understanding of the views of shareholders from communications at Board meetings, Committee meetings, site visits and safety tours, an annual Strategy Away Day with Management and regular ongoing dialogue to ensure shareholder views and concerns are understood and addressed.

The Group also has a Senior Management Team of 12 Heads of Department, who have been delegated the authority to carry out the day to day tasks of the business, reporting into the Executive Leadership Team ("ELT"). This enables the ELT to focus on the vision of the Group and to lead in an appropriate manner.

Values and Culture

The Group's values, purpose, and strategy are integral to the way it operates. The Board recognise their duties in upholding these values and setting a suitable tone, ensuring these values are upheld in the day to day running of the business. More information in respect of the Business Model, and how the Group operates is included in the Strategic Report on page 2.

The Board, shareholders and Management are committed to embedding the desired culture throughout the organisation. Culture is supported by the People Strategy; reviewed through the annual employee engagement; and is benchmarked with other companies. In addition, the Group has been awarded the Gold standard in "We Invest in People" and maintained a silver accreditation for "We Invest in Wellbeing" accreditation by Investors in People, and we are now a member of the Railway Mental Health Charter. To further enhance our inclusive culture, we entered into a three year partnership with Slave-Free Alliance to strengthen its approach to modern slavery and human rights across both its operations and supply chain.

The Group has a Staff Handbook and Speak-up Policy, which enables concerns to be raised confidentially and anonymously to the Board. There is an annual review of the Speak-up Policy, which is designed to ensure process integrity and robustness. If an investigation is required, the Group would ensure full independence and no bias in identifying an Investigating Officer.

The Group has a Business Ethics group chaired by the Company Secretary and this reports to the Audit and Finance Committee. Currently the group is tasked with reviewing all policies for the Group to ensure that they work well together and are up to date with changes in law and compliance.

Strategy

The Board's core focus is on business strategy, driving growth on the HS1 infrastructure safely and sustainably. Within the last 12 months, HS1 has set a new internal growth strategy which focuses on actively influencing modal shift, driving forward incremental train paths in both domestic and international and growing unregulated revenues. To this end, the Group published its International Growth Incentive Scheme for all international operations, both now and in the future, to benefit from, as a way to drive that expansion and growth.

We continue to monitor and review our operational and asset management plans to ensure the ageing asset base remains resilient as we move into the second half of the Concession. CP4 started on 1 April 2025, the Group has been delivering the maintenance and renewals plans that were set out in its latest Five-Year Asset Management Statement ("5YAMS"). Good progress has been achieved on high-output ballast cleaning, our most significant CP4 renewal, where early contractor involvement and feasibility have helped to establish a credible, safe and deliverable programme.

The Group creates a rolling 5-year Business Plan, reviewed annually by the Board, outlining strategies for sustainable value generation for shareholders. This aligns with its long term aim to promote modal shift in travel by establishment of a sustainable high-speed transport system integrating sustainability into asset management and planning.

The Group has also developed a Sustainability Strategy and built this into its 2030 Vision, with the goal of ensuring all energy used by the Group has net zero carbon impact by 2030/31, if market conditions allow. HS1 publishes its Sustainability Strategy on its website (www.stpancras-highspeed.com/our-company/csr/). Sustainability, and progress against the strategy, is reviewed by the Board. Furthermore, each year, the Group publishes its Impact Report, on the same website. The Impact Report highlights the Group's progress across climate action, environmental stewardship and social value.

Principle 2 - Board Composition

The Chair is an independent director appointed for an initial 3-year term. Following the year-end, the incumbent Chair's appointment was extended until March 2027. The roles of Chair and CEO are exercised by different individuals to ensure a balance of power and effective decision making.

The Group's Board is comprised of six shareholder representatives and two Non-Executive Directors together with the two Executive Directors (the CEO and the CFO) and the Company Secretary. The Board members collectively are experienced in the rail industry, project and corporate finance, asset management and Health and Safety. Experience includes serving on the Boards of other infrastructure assets, within the transport sector and other regulated industries. The Board is kept appraised of the business's performance and shareholder interests through regular Board and Committee reporting, as well as periodic CEO Reports and topical working groups that meet between Board meetings to drive progress and decisions on identified issues.

Appointments to the Board are made with the aim of balancing key skillsets to ensure appropriate experience to oversee Management and assess the business performance. The Board considers diversity as part of Board appointments.

The Board delegates detailed oversight to four core Committees (Audit and Finance; HR & Remuneration (which includes Nominations as required); Safety; and Business Development) to enable effective decision-making.

<u>Effectiveness</u>

The shareholder representative development is carried out at the shareholder level. The Board composition is decided to balance the needs of the business. The Chair reviews Board effectiveness through regular review sessions as do the shareholders. There was a review of the frequency and length of meetings for the Board, Committees and Working groups and it was agreed in December 2025 that the Retail Working Group would be disbanded, the Finance Working Group would meet less often and that we considered the length of other meetings and reduced where it was appropriate. The July Board meeting has now been set to be cancelled unless it is required and business from that meeting will be moved. A Board effectiveness review was also conducted by the Chair and the Company Secretary in December 2025. This concluded that the Board structure is appropriate for the Group.

Principle 3 – Director responsibilities

Accountability

The Group has established, and maintains, corporate governance practices through the Company Secretarial Team to support effective decision-making.

The Group maintains policies and practices that govern the internal affairs of the Group including, without limitation, terms of reference for the Board and various Committees, delegated authorities, and the shareholder agreement. Conflicts of interest are declared at the commencement of every Board and Committee. Documents are brought to the Board for sign-off following the recommendation of the relevant Committee, with review by the Board before this occurs.

Governance processes are periodically reviewed through meetings between the Company Secretary and the Chair, and at the annual Board Strategy Day.

Committees

The Group's Committees are the Audit and Finance Committee, the HR and Remuneration Committee (which includes the Nomination Committee), the Safety Committee, and the Business Development Committee. Each Committee is chaired by separate Board members. All Committees are attended by either the Chair and/or the CEO, and the Company Secretary.

The Committees report to the Board to inform Board decision making and act within the terms of reference, which sets out the delegated authorities. Committees are responsible for the review of certain documents and policies, ensuring that the correct expertise is involved, however final approval remains with the Board. The Board is further supported by Working Groups as may be required.

Integrity of information

The Group's Committees play a part in ensuring the formal and robust internal processes are operating effectively. The Committees each report back to the Board providing reliable information to enable the Directors to monitor and challenge the business performance and make informed decisions. In addition, policies and procedures are reviewed and updated regularly to ensure they remain relevant and up to date.

Principle 4 – Opportunity and risk

The Group's vision is to make rail travel everyone's number one choice by providing a sustainable and high performing transport system. All business opportunities and risks are viewed through this lens to ensure they support the long-term vision for the business.

The Group documents its principal risks and uncertainties, as well as mitigations, within the Strategic Report. Each Directorate has core key performance indicators, which link into the overall business priorities. Weekly cross-Directorate meetings take place to discuss and share across departments dynamic and emerging risks and opportunities, which can subsequently be raised to the senior management if necessary, or escalated onto the Corporate Risk Register for further action and monitoring.

The Group's Board has responsibility for overall strategic decision-making. The Audit & Finance Committee has delegated responsibility for overseeing risk management and reports this to the Board. The Group has Risk Management Procedures that are reviewed annually. The Group also monitors climate related risks and carries out climate risk reviews.

The Group has a Head of Business Development whose role includes identifying business opportunities, future opportunities for innovation and entrepreneurship. Key new business opportunities are discussed and approved at Board level.

Principle 5 – Remuneration

Setting remuneration

The HR and Remuneration Committee has the responsibility for developing and recommending to the Board the policy in relation to remuneration for the executive management. Shareholder representative Board members are not remunerated by the Group. The HR and Remuneration Committee reviews remuneration in relation to the Chair and the Executive Leadership Team against performance (including safety, asset, and cash delivery), behaviours, professional objectives and the business' values and strategy.

The HR and Remuneration Committee also reviews remuneration in relation to all employees by way of an annual pay review. This considers inflation and market indexes.

Policies

Remuneration schemes and policies are clearly set up with focus on key performance indicators such as safety, asset performance and cashflow, this enables effective accountability to shareholders. The Group is required to separately comply with the same requirements for Executive Leaders under the Long-Term Incentive Plan ("LTIP") Rules and the Annual Bonus Plan ("ABP") Rules.

The Group has not formally assessed whether a gender pay gap exists but notes two out of five members of the Executive Leadership Team are female.

Principle 6 - Stakeholder relationships and engagement

Stakeholders

The Group assesses the impact of its activities on its stakeholders, in particular customers, employees, regulators, partners, suppliers and the wider community. This is further documented within the section 172(1) statement, which forms part of the Strategic Report. The Group has a formalised Risk Management Procedure to ensure risks are identified and actions are taken to reduce the impact on stakeholders. Relevant matters are reviewed at Board meetings with Management and assessed against strategic priorities. This collaborative approach helps promote the long-term vision of the Group.

Each Directorate oversees the Group's relationship with different stakeholders to ensure effective business oversight. The Group presents stakeholders a fair, balanced, and understandable assessment of the Group's position and prospects through its annual report.

Workforce

The Group has channels that enable the workforce to share ideas and concerns with the Executive Leadership Team, including an employee representatives body called the "People Forum." The People Forum discuss areas such as the Employee Engagement; People Systems; policies, including the HS1 Speak Up Policy (whistleblowing); and ideas generated from the 'Suggestions Station' by employees. Staff performance is monitored through regular meetings with line managers alongside interim and annual performance reviews. Staff engagement is also assessed through an annual engagement survey.

The Speak-up Policy is reviewed annually to ensure effectiveness and this year we had added an anonymous hotline as a mechanism for reporting concerns.

STATEMENT OF CORPORATE GOVERNANCE ARRANGEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2026

The Group's policies and practices are aligned with the Group's purpose and values, as detailed in our Strategic Report. This is monitored and updated by the Head of HR.

The Board demonstrates how the Group has undertaken effective engagement with material stakeholders through discussion and actions identified at the Board and Committee meetings. They are recorded in minutes and actions are recorded on a rolling action log which is reviewed on a quarterly basis.

Approval

This report was approved by the Board of Directors and signed on its behalf by:

J Carter
J Carter (Jun 12, 2026 08:41:38 GMT+1)

Name J Carter
Director
Date 12 June 2026

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2026

The Directors present their annual report on the affairs of the Group, together with the financial statements and auditor's report for the year ended 31 March 2026.

Matters covered by the Strategic Report

As permitted, under s.414c(2) of the Companies Act 2006, certain matters which are required to be disclosed in the Directors' Report have been omitted as they are included within the strategic report. These matters relate to future developments and principal risks and uncertainties.

Result for the year

The profit for the year was £115.2m (2025: profit of £121.6m).

Dividends

The Group paid no dividends during the year to holders of the A or B shares (2025: £nil).

Directors

The directors who served during the year and up to the date of approval of the financial statements were:

J Curley
S Jones
K Ludeman
A Pitt
A Leness
M Osborne
J Carter

Directors' indemnities

The Group maintains insurance against Directors and Officers liability as permitted by the Companies Act 2006 for the benefit of the Directors and Officers of the Group. None of the Directors who served during the year had any interest in the shares of this or any other Group Company.

Health and safety

The Group has a clear objective to achieve zero harm. The Group has a commitment to continuous improvement in performance in all areas of health, safety, and the environment. The Group's policies and procedures relating to health and safety at work recognise the requirements of current legislation and are kept under constant review to ensure a safe working environment for all associated staff.

The Group actively supports and works with NRHS, its contractors, and with other suppliers, in its promotion of strict adherence to all safety standards to ensure a safe environment for all parties using the railway, including train operators and their passengers and staff and customers of the facilities in and adjacent to the stations. The Group monitors safety performance, and it is one of the key performance indicators as noted in the Strategic Report.

The Health, Safety and Assurance strategy is built around three core elements which are:
1) Understanding risk,
2) Improvement in managing risk; and
3) Assuring that the arrangements put in place remain effective.

The Group has made use of several recognised tools and guidance in developing its approach to ensure credibility and the robustness of this strategy in the second year of CP4.

Charitable Donations
During the year ended 31 March 2026, the Group made charitable donations of £14k (2025: £3k).

Sustainability Strategy and statutory reporting
The Group continued to implement its 2023 Sustainability Strategy during the year, progressing key initiatives in line with its wider corporate objectives. Its approach focuses on three core areas - Climate Action, Environmental Stewardship and Social Value - supported by ongoing engagement with its supply chain. The Group recognises highspeed rail as a key lever for reducing emissions, and continues to support growth in passenger demand and the utilisation of available train paths.

Decarbonisation of operations and assets remains a key area of focus. During the year, further optioneering work was undertaken to assess low-carbon heating solutions across the estate, including potential connections to district heat networks. This work provides an evidence base to inform future investment decisions, taking into account both emissions reduction and operational resilience. The Group has also strengthened its understanding of supply chain emissions, combining supplier-specific data with spend-based estimates to support Scope 3 reporting and prioritise areas for action.

The Group continues to prioritise robust environmental data and disclosure. During the year, it achieved Toitu Carbon Reduce certification for the tenth consecutive year, with greenhouse gas emissions measured and independently verified in accordance with ISO 140641. This supports the integrity of emissions data used across external disclosures, including Streamlined Energy and Carbon Reporting (SECR) and climate related reporting.

The Group maintains a focus on responsible business practices and social value. During the year, an independent gap analysis of modern slavery and human rights arrangements was completed, providing a structured assessment of risks and informing improvements to governance, due diligence and supplier engagement. The Group also supported industry initiatives relating to safety, wellbeing and community engagement, including rail safety education and participation in the Railway Mental Health Charter.

During the year, the Group reviewed its Sustainability Strategy to ensure it remains aligned with evolving best practice and broader business objectives. Work undertaken during the reporting period has focused on developing practical implementation plans, with greater emphasis on embedding sustainability within asset management processes. The updated strategy is expected to be published in summer 2026.

A full update on progress against the Group’s Sustainability Strategy, including KPIs, will be provided in the London St. Pancras Highspeed 2025-26 Impact Report and TCFD aligned disclosures, to be published on the corporate website.

Streamlined Energy and Carbon Reporting FY2025-26
- The Group has adopted the operational control boundary approach for the measurement of energy emissions which includes all non-traction energy loads and traction infrastructure losses from this year. The main areas of measurement are from the following sites:
  - St. Pancras International Station
  - Stratford International Station
  - Ebbsfleet International Station
  - Ashford International Station
  - Singlewell Infrastructure Maintenance Depot
  - Other small depots which fall within the High Speed One area of responsibility
  - Sections 1 and 2 of the Lineside Infrastructure (signal rooms, tunnels, access shafts etc.)
  - Losses on the traction electricity distribution system (17.1% of total traction power)

Notable exceptions include the actively used energy from the traction electricity distribution system (82.9% of total traction power). No changes to the Scope and Boundary of the reporting have occurred during this Financial Year. Following a reduction to the percentage of estimated energy data, this report also includes immaterial changes to 2024-25 financial year SECR data.

The Company has included the following emissions in its Scope 3 emissions data:

- Mandatory infrastructure losses (for both non-traction and infrastructure losses on the traction power)
- Diesel consumption for maintenance vehicles (now transitioned to gas-to-liquid, or GTL, fuel, which delivers similar carbon emissions to diesel while reducing impacts on local air quality).

Gross Emissions	31 March 2026	31 March 2025
Scope 1 Emissions (direct emissions from owned or controlled sources) / tCO_2e	1,057	972
Scope 2 Emissions (indirect emissions from the generation of purchased electricity, steam, heating, and cooling) / tCO_2e	11,088	12,912
Scope 3 Emissions (all other indirect emissions that occur in a Company's value chain) / tCO_2e	1,354	1,289
Total gross emissions / tCO_2e	13,499	15,173
Intensity ratio / $kgCO_2e$ (gross Scope 1, 2 & 3) per user	0.247	0.289
Total electricity consumed / MWh	62,644	62,363
Total gas consumed / MWh	5,777	5,314

This thereby shows change in environmental performance as follows:

- Decrease in absolute gross emissions: 11.0%
- Decrease in normalised gross emissions: 14.5%

Normalised gross emissions are calculated by CO_2 emissions per passenger using gateline statistics.

	31 March 2026	31 March 2025
Carbon offset due to REGO[1]	4,651 tCO_2e	5,482 tCO_2e
Net emissions[2]	16,012 tCO_2e	18,432tCO_2e

1. This is calculated as emissions avoided against location-based emissions using the national grid emission factor.
2. This is calculated as overall market-based emissions.

Net emissions (market-based) are reported as higher than gross emissions (location-based) primarily due to the calculation methodology.

Currently:

- “Gross emissions” refers to location-based emissions using conversion factors from the national grid.
- “Net emissions” refers to market-based emissions and is be calculated by:
  - Treating the renewable portion of electrical energy as zero emissions
  - Treating the residual portion of electrical energy as non-renewable and using the supplier’s residual conversion factor

As a result, “net” emissions are unlikely to fall below “gross” emissions until Corporate Power Purchase Agreements account for more than 50% of total imported electricity.

The increase in electricity consumption is primarily driven by a 2% increase in traction energy, in line with the proportional increase in train paths.

Station and infrastructure loads have otherwise shown a net decrease in electricity consumption, reflecting energy-saving measures such as LED lighting upgrades and BMS optimisation.

The increase in gas consumption is primarily attributable to changes in operational requirements at St. Pancras International, with most sites also experiencing a modest increase in heating demand.

Refrigerant emissions remained below the de minimis threshold.

Methodology

Emissions have been calculated over the period from 1 April 2025 to 31 March 2026 in accordance with the GHG Protocol Corporate Accounting and Reporting Standard. UK Government Conversion Factors have been utilised for UK investments and International Energy Agency Conversion Factors to calculate emissions for all UK sites.

Energy use has primarily been collected from meter data and invoices from suppliers. Of the aggregate energy usage measured:

- 99.42% has been extracted from actual meter readings for electricity
- 0.58% has been evaluated using estimates for electricity
- 100% has been extracted from actual meter readings for gas
- 0% has been evaluated using estimates for gas

Transport emissions have been excluded as staff transport is below the de minimis limit.

Energy Efficiency Action Taken

During the reporting period, the Group implemented a number of energy efficiency projects at St Pancras International. Over 70 fluorescent light fittings were replaced with LED alternatives, supported by the introduction of presence detection sensors. These upgrades are approximately 70% more energy-efficient and have a design life of up to 20 years, resulting in reduced energy consumption and maintenance requirements.

This builds on a similar project delivered in the prior year, where over 250 fluorescent and high-intensity discharge fittings were replaced with LED alternatives across two headhouse buildings, reducing energy consumption at these locations by approximately 2%.

Ongoing BMS optimisation across sites is being maintained to ensure that day-to-day operational changes do not adversely affect energy performance.

Future Efficiency Actions

Planning of energy saving projects continues, informed by the outputs of the Phase 3 Energy Savings Opportunity Scheme (ESOS) report. The Group will continue to explore options to reduce emissions from space heating, focusing on identifying practical, long-term solutions for both stations and railway depots. Station-based energy-saving projects are delivered through the Group's key supply chain partner, Network Rail (High Speed), while lineside energy reduction initiatives are prioritised and delivered by the Route Energy and Carbon Reduction Team (REACT). The REACT working group brings together key supply chain partners to enable efficient delivery of lineside energy reduction projects.

Political donations

Political donations during the year were £nil (2025: £nil).

Going concern basis

For the year-ended 31 March 2026, the Directors have concluded that there is no material uncertainty that may cast significant doubt that the Group will be able to operate as a going concern. The financial statements have accordingly been prepared on a going concern basis. More information is provided in note 1.2 to the financial statements.

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company and the Group's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

Auditors

Deloitte have indicated their willingness to be re-appointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed in the absence of an Annual General Meeting.

Subsequent events

As per Note 28 to the financial statements, there have been no events subsequent to the balance sheet date that require disclosure.

Approval

This report was approved by the Board of Directors and signed on its behalf by:

J Carter
J Carter (Jun 12, 2026 08:41:38 GMT+1)

....
J Carter

Date 12 June 2026

5th Floor
Kings Place
90 York Way
London
N1 9AG

Directors' responsibilities statement

The directors are responsible for preparing the Group Strategic Report, Directors' Report and the consolidated financial statements, in accordance with applicable law and regulations.

Company law requires the to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with United Kingdom adopted international accounting standards (IFRS).

The directors have chosen to prepare the parent company financial statements in accordance with the United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 101 "Reduced Disclosure Framework".

In preparing the parent company financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- 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 company will continue in business.

In preparing the group financial statements, International Accounting Standard 1 requires that directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements of the financial reporting framework are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the company's ability to continue as a going concern.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements and other information included in Directors' Reports may differ from legislation in other jurisdictions.

This report was approved by the Board and signed on its behalf.

J Carter
J Carter (Jun 12, 2026 08:41:38 GMT+1)

....
J Carter
Director

Date: 12 June 2026

5th Floor, Kings Place
90 York Way
London
N1 9AG

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HELIX ACQUISITION LIMITED

Opinion

In our opinion:
- the financial statements of Helix Acquisition limited (the ‘parent company’) and its subsidiaries (the ‘group’) give a true and fair view of the state of the group’s and of the parent company’s affairs as at 31 March 2026 and of the group’s profit for the year then ended;
- the group financial statements have been properly prepared in accordance with United Kingdom adopted international accounting standards;
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 “Reduced Disclosure Framework”; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:
- the consolidated statement of profit or loss and other comprehensive income;
- the consolidated and company statement of financial position;
- the consolidated and company statements of changes in equity;
- the consolidated cash flow statement; and
- the related notes 1 to 29.

The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law and United Kingdom adopted international accounting standards. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards, including [Financial Reporting Standard 101 “Reduced Disclosure Framework” (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council’s (the ‘FRC’s’) Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Our evaluation of the directors’ assessment of the group’s and parent company’s ability to continue to adopt the going concern basis of accounting included:
- obtaining an understanding of relevant controls around the going concern assessment, including management review controls;
- assessing the key assumptions made by the directors to capture potential downside risks in their forecasts, including the associated macro-economic assumptions, with a particular focus on the headroom available and the group’s cash resources, under severe but plausible stress scenarios;
- assessing the group’s lending facilities, their availability and compliance with covenants; evaluating the appropriateness of the financial statement disclosures in respect of going concern.

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

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

Other information

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

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

We have nothing to report in this regard.

Responsibilities of directors

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

We considered the nature of the group's industry and its control environment, and reviewed the group's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and the directors about their own identification and assessment of the risks of irregularities, including those that are specific to the group's business sector.

We obtained an understanding of the legal and regulatory frameworks that the group operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act, pensions legislation and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the group's ability to operate or to avoid a material penalty. This included ORR safety regulations.

We discussed among the audit engagement team and relevant internal specialists such as tax, valuations, pensions and financial instrument specialists regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and in-house legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the group and of the parent company and their environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

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

We have nothing to report in respect of these matters.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HELIX ACQUISITION LIMITED

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Marianne Milnes

Marianne Milnes (Senior Statutory Auditor)
for and on behalf of
Deloitte LLP
Statutory Auditor
London
United Kingdom

Date: 12 June 2026

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2026

	Note	2026 £m	*2025 £m*
Revenue	4	**291.9**	*293.4*
Other operating expenditure	5	**(249.6)**	*(235.2)*
Operating profit		**42.3**	*58.2*
Finance income	9	**237.0**	*228.3*
Finance expense	9	**(146.4)**	*(150.0)*
Profit before tax		**132.9**	*136.5*
Tax expense	10	**(17.7)**	*(14.9)*
Profit for the year		**115.2**	*121.6*
Other comprehensive income:			
Items that will not be reclassified subsequently to profit or loss:			
Remeasurements of defined benefit pension schemes	22	**(0.1)**	*(0.4)*
		(0.1)	*(0.4)*
Items that may be reclassified subsequently to profit or loss:			
Cumulative gains arising on hedging instruments reclassified to profit or loss	21	**3.5**	*3.4*
Deferred cost of hedging	21	**-**	*(0.2)*
Fair value (loss)/gain arising on hedging instruments during the period	21	**(35.8)**	*56.9*
Deferred tax credit/(charge) recognised in other comprehensive income	21	**8.0**	*(14.7)*
		(24.3)	*45.4*
Total comprehensive income		**90.8**	*166.6*

The notes on pages 34 to 94 form part of these financial statements.

All activities of the Group in the current and preceding year relate to continuing operations.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2026

	Note	**2026 £m**	*2025 £m*
Assets			
Non-current assets			
Right-of-use assets	12	**0.9**	*1.3*
Intangible assets	14	**730.4**	*766.4*
Financial assets	25	**1,352.4**	*1,379.0*
Trade and other receivables	15	**1,765.6**	*1,632.0*
Deferred tax assets	10	**73.8**	*80.0*
		3,923.1	*3,858.7*
Current assets			
Financial assets	25	**26.6**	*20.0*
Trade and other receivables	16	**91.8**	*87.7*
Cash at bank and in hand	24	**3.0**	*3.7*
		121.4	*111.4*
Total assets		**4,044.5**	*3,970.1*
Liabilities			
Non-current liabilities			
Trade and other payables	18	**2,985.6**	*3,041.1*
Lease liabilities - right of use asset		**0.9**	*1.3*
		2,986.5	*3,042.4*
Current liabilities			
Trade and other payables	17	**354.9**	*315.4*
Net pension liability	22	**0.5**	*0.5*
		355.4	*315.9*
Total liabilities		**3,341.9**	*3,358.3*
Net assets		**702.6**	*611.8*

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 MARCH 2026

	Note	**2026 £m**	*2025 £m*
Issued capital and reserves attributable to owners of the parent			
Called up share capital	19	**-**	*-*
Other reserves	20	**-**	*(0.5)*
Cash flow hedge reserve	20	**(162.0)**	*(129.7)*
Profit and loss account	20	**864.6**	*742.0*
TOTAL EQUITY		**702.6**	*611.8*

The financial statements on pages 6 to 94 were approved and authorised for issue by the board of Directors on 12 June 2026 and were signed on its behalf by:

J Carter
J Carter (Jun 12, 2026 08:41:38 GMT+1)
....
J Carter
Director

The notes on pages 34 to 94 form part of these financial statements.

All activities of the Group in the current and preceding years relate to continuing operations.

COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2026

	Note	2026 £m	*2025 £m*
Assets			
Non-current assets			
Investments in subsidiaries	13	**0.1**	*0.1*
Trade and other receivables	15	**1,651.9**	*1,587.9*
		1,652.0	*1,588.0*
Current assets			
Trade and other receivables	16	**44.2**	*42.5*
Total assets		**1,696.2**	*1,630.5*
Liabilities			
Non-current liabilities			
Trade and other payables	18	**1,652.0**	*1,588.0*
		1,652.0	*1,588.0*
Current liabilities			
Trade and other payables	17	**44.2**	*42.5*
Total liabilities		**1,696.2**	*1,630.5*
Net assets		**-**	*-*
Issued capital and reserves attributable to owners of the parent			
Share capital		**-**	*-*
Profit and loss account		**-**	*-*

The Company's profit for the year was £Nil (2025: £nil). Helix Acquisition Limited has taken the exemption under Section 408 of the Companies Act 2006 from the requirement to present an individual company income statement.

The financial statements on pages 6 to 94 were approved and authorised for issue by the board of Directors on 12 June 2026 and were signed on its behalf by:

J Carter
J Carter (Jun 12, 2026 08:41:38 GMT+1)
....
J Carter
Director

Date:12 June 2026

The notes on pages 34 to 94 form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2026

	Other reserve	Cash flow hedge reserve	Profit and loss account	Total attributable to equity holders of parent	Total equity
	£m	£m	£m	£m	£m
At 1 April 2024	(0.3)	(175.6)	621.1	445.2	445.2
Comprehensive income/(loss) for the year					
Profit for the year	-	-	121.6	121.6	121.6
Other comprehensive income/(loss)	(0.2)	42.3	2.9	45.0	45.0
Total comprehensive income/(loss) for the year	(0.2)	42.3	124.5	166.6	166.6
Transfer to/from retained earnings	-	3.6	-	3.6	3.6
Transfers between other reserves	-	-	(3.6)	(3.6)	(3.6)
At 1 April 2025	**(0.5)**	**(129.7)**	**742.0**	**611.8**	**611.8**
At 1 April 2025	(0.5)	(129.7)	742.0	611.8	611.8
Comprehensive income for the year					
Profit for the year	-	-	115.2	115.2	115.2
Other comprehensive loss	-	(24.3)	(0.1)	(24.4)	(24.4)
Total comprehensive income/(loss) for the year	-	(24.3)	115.1	90.8	90.8
Transfer to/from retained earnings	-	-	7.5	7.5	7.5
Transfers between other reserves	0.5	(8.0)	-	(7.5)	(7.5)
At 31 March 2026	**-**	**(162.0)**	**864.6**	**702.6**	**702.6**

The notes on pages 34 to 94 form part of these financial statements.

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2026

	Share capital £m
At 1 April 2024	-
Comprehensive income for the year	
Total comprehensive income for the year	-
At 1 April 2025	-
Comprehensive income for the year	
Total comprehensive income for the year	-
At 31 March 2026	**-**

The notes on pages 34 to 94 form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2026

	Note	2026 £m	*2025 £m*
Cash flows from operating activities			
Profit for the year		**115.2**	*121.6*
Adjustments for			
Amortisation	14	**48.7**	*48.7*
Depreciation of right-of-use assets		**0.4**	*0.4*
Interest receivable and similar income	9	**(237.0)**	*(228.3)*
Interest payable and similar charges	9	**146.4**	*150.0*
Taxation charge	10	**17.7**	*14.9*
		91.4	*107.3*
Movements in working capital:			
Increase in inventories		**(0.4)**	-
(Increase)/Decrease in trade and other receivables	15	**(1.7)**	*7.3*
Increase/(Decrease) in trade and other payables	17	**17.3**	*(12.4)*
RPI swap payments	9	**(23.5)**	*(21.4)*
Income taxes paid	10	**(1.2)**	*(3.0)*
Net cash from operating activities		**81.9**	*77.8*
Cash flows from investing activities			
Acquisition of intangible and financial assets	14	**(0.3)**	*(2.6)*
Repayment of financial asset	25	**162.0**	*155.8*
Other interest receivable	9	**0.4**	*0.5*
Net cash from investing activities		**162.1**	*153.7*

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2026

	Note	2026 £m	*2025 £m*
Cash flows from financing activities			
Interest paid on group borrowings		**(58.3)**	*(60.3)*
Interest paid on external borrowings		**(77.3)**	*(84.7)*
Repayment of bank borrowings		**(66.9)**	*(55.2)*
Repayment of group borrowings		**(33.8)**	*(9.5)*
Payments of finance lease creditors		**(30.1)**	*(29.1)*
Cash inflow for renewals		**23.1**	*47.7*
Cash outflow into escrow		**(20.4)**	*(52.1)*
Net cash used in financing activities	23	**(263.7)**	*(243.2)*
Net decrease in cash and cash equivalents		**(19.7)**	*(11.7)*
Cash and cash equivalents at the beginning of year	24	**(39.3)**	*(27.6)*
Cash and cash equivalents at the end of the year	24	**(59.0)**	*(39.3)*

The notes on pages 34 to 94 form part of these financial statements.

1. Accounting policies

General information

Helix Acquisition Limited (the "Company") is a private company limited by shares and incorporated under Companies Act 2006, and domiciled in England, in the United Kingdom and registered in England and Wales.

The consolidated financial statements for the year ended 31 March 2026 were prepared under United Kingdom adopted international accounting standards and were authorised for issue in accordance with a resolution of the Directors on 11 June 2026, and signed on 12 June 2026.

The parent company is included in the consolidated financial statements and is a qualifying entity under FRS 101. The following exemptions available under FRS 101 in respect of certain disclosures for the parent company financial statements have been applied:

(a) the requirements of IFRS 7 "Financial Instruments": Disclosures; this exemption requires that equivalent disclosures are included in the consolidated financial statements of the group in which the entity is consolidated.

(b) the requirements of paragraphs 62, B64(d), B64(e), B64(g), B64(h), B64(j) to B64(m), B64(n)(ii), B64(o)(ii), B64(p), B64(q)(ii), B66 and B67 of IFRS 3 Business Combinations this exemption requires that equivalent disclosures are included in the consolidated financial statements of the group in which the entity is consolidated.

(c) the requirements of paragraphs 91-99 of IFRS 13 "Fair Value Measurement"; this exemption requires that equivalent disclosures are included in the consolidated financial statements of the group in which the entity is consolidated.

(d) the requirement in paragraph 38 of IAS 1 "Presentation of Financial Statements" to present comparative information in respect of:
(i) paragraph 79(a)(iv) of IAS 1;
(i) paragraph 118(e) of IAS 38 "Intangible Assets";

(e) the requirements of paragraphs 10(d), 10(f) and 134-136 of IAS 1 "Presentation of Financial Statements";

(f) the requirements of IAS 7 "Statement of Cash Flows";

(g) the requirements of paragraph 17 of IAS 24 "Related Party Disclosures";

(h) the requirements in IAS 24 "Related Party Disclosures" to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member; and

(i) the requirements of paragraphs 134(d)-134(f) and 135(c)-135(e) of IAS 36 "Impairment of Assets". this exemption requires that equivalent disclosures are included in the consolidated financial statements of the group in which the entity is consolidated.

(j) the requirements in IAS 8.30 to disclose new standards and interpretations.

Judgements made by the Directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 3.

1. Accounting policies (continued)

1.1 Measurement convention

The financial statements are prepared on the historical cost basis except that the following assets and liabilities are stated at their fair value: derivative financial instruments and financial instruments classified at fair value through the profit or loss account.

1.2 Going concern

The financial statements have been prepared using the going concern basis. The Directors have prepared a range of forecast scenarios to reflect the impact of economic uncertainty. The Directors have reviewed business forecasts against the cashflow, and covenant requirements of the Group and concluded the Group is able to meet its obligations as they fall due. While the Group is in a net current liability position, under all the cases the Group can meet its covenants, has sufficient liquidity and is able to pay its scheduled borrowing repayments as they fall due. These forecasts also benefit from the security of revenue reflecting the UK Government underpinning arrangements.

The Group also considered climate change in its going concern analysis. The Group does not consider this to be material to the Company, including during the going concern assessment period, i.e. 12 months following the signing of the financial statements.

Having due regard to the performance of the Group, the availability of working capital and the facilities under the loan agreement with the parent undertaking, the Directors believe that the Group has sufficient resources to meet its liabilities. The financial statements have accordingly been prepared on a going concern basis.

1.3 Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiary undertakings made up to 31 March 2026. A subsidiary is an entity that is controlled by the parent. The results of subsidiary undertakings are included in the consolidated profit or loss account from the date that control commences until the date that control ceases. Control is established when the Company has the power to govern the operating and financial policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that are currently exercisable.

1.4 Investments in subsidiary undertakings

In the parent financial statements, investments in subsidiaries are carried at cost less impairment.

The carrying value of these investments is reviewed annually by the Directors to assess whether any impairment has arisen.

1.5 Foreign currency

Transactions in foreign currencies are translated into the Group's functional currency at the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated at the exchange rate prevailing at the balance sheet date.

Exchange differences arising are recognised in profit or loss in the period in which they occur, except for those arising on transactions designated as hedging instruments in qualifying hedge relationships (see financial instruments and hedge accounting below).

1. Accounting policies (continued)

1.6 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

a. *Financial assets and financial liabilities*

Initial recognition and measurement

The Group recognises financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognised on the trade-date, which is the date on which the Group has committed to purchase or sell the instrument in question.

Classification and measurement of financial assets and financial liabilities

On initial recognition financial assets are classified and measured at amortised cost, fair value through other comprehensive income (“FVOCI”) or fair value through profit or loss (“FVTPL”). The classification depends on both the business model for managing the financial assets and their contractual cash flow characteristics. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under IFRS 15.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are ‘solely payments of principal and interest (“SPPI”)’ on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group’s business model for managing financial assets refers to how it manages its financial assets to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

On initial recognition, financial liabilities are classified as measured at either amortised cost or FVTPL. The Group’s financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

Subsequent measurement - Financial assets at amortised cost

This category is the most relevant to the Group (trade receivables, non-current financial assets) and includes the Group’s financial asset arising from its service concession arrangement. The Group measures financial assets at amortised cost if both of the following conditions are met:

• The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows and,

• The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is

1. Accounting policies (continued)

derecognised, modified or impaired.

Subsequent measurement - Financial assets at fair value through profit and loss

Financial assets at fair value through profit or loss include financial assets designated as hedging instruments in an effective hedge, or financial assets mandatorily required to be measured at fair value. There are no such assets held for trading. Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss except to the extent they are subject to hedge accounting.

Derecognition

A financial asset is primarily derecognised when:

• The rights to receive cash flows from the asset have expired or

• The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss.

All ECLs within the Company are recognised as stage 1, as there are only credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses based on the probability of default within the next 12-months (a 12-month ECL).

When assessing whether there has been a significant increase in credit risk management have used qualitative elements such as changes to the economy, late payment of interest, operating results of the borrower, credit management approach, whether interest has been waived and whether there has been evidence from internal reporting to indicate economic performance would be worse than expected.

In calculating the ECL the outstanding net exposure was discounted using the effective interest rate. A recovery rate of 40% (2025: 40%) is applied to arrive at the ECL.

An ECL of £0.0m has been recognised against trade receivables the Group's consolidated financial statements for the ECL for the year ended 31 March 2026 on its trade receivables. For trade receivables, the Group applies a simplified approach to calculating ECL: A loss allowance, based on lifetime ECLs at each reporting date, is recognised. To correctly reflect the current economic environment, the Company has established a provision matrix which completes a risk assessment based upon commercial risk and liquidity risk.

Subsequent measurement - financial liabilities

Financial liabilities at fair value through profit or loss include financial liabilities held for trading. Gains or losses on liabilities held for trading are recognised in the statement of profit or loss.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are

1. Accounting policies (continued)

derecognised as well as through the EIR amortisation process.

For ECL's with our group companies, Management has reviewed the assumptions used in ECL calculation, no reasonably possible changes in assumptions would result in an a material charge in the profit and loss account.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Derivative financial instruments and hedge accounting Cash flow hedges

Where a derivative financial instrument is designated as a hedge of the variability in cash flows of a recognised asset or liability, or a highly probable forecast transaction, the effective part of any gain or loss on the derivative financial instrument is recognised directly in other comprehensive income (“OCI”). Any ineffective portion of the hedge is recognised immediately in the profit or loss account.

For cash flow hedges, where the forecast transactions resulted in the recognition of a non-financial asset or non-financial liability, the hedging gain or loss recognised in OCI is included in the initial cost or other carrying amount of the asset or liability.

Alternatively, when the hedged item is recognised in the profit or loss account the hedging gain or loss is reclassified to the profit or loss account.

When a hedging instrument expires or is sold, terminated or exercised, or the entity discontinues designation of the hedge relationship, but the hedged forecast transaction is still expected to occur, the cumulative gain or loss at that point remains in equity and is recognised in accordance with the above policy when the transaction occurs. If the hedged transaction is no longer expected to take place, the cumulative unrealised gain or loss recognised in equity is recognised in the income statement immediately.

1. Accounting policies (continued)

1.7 Service concession assets

As the provision of the high speed rail infrastructure services is performed through a contract with a public sector entity to 31 December 2040 under which the public sector:

• Controls or regulates the services to be provided;

• Controls or regulates the price at which these services can be provided; and

• Holds a residual interest in the assets at the end of the term of the arrangement in December 2040. The asset is therefore accounted for as a service concession asset.

To the extent that the future consideration relates to revenue that is underpinned through the Domestic Underpinning Agreement (“DUA”), a financial asset is recognised. Cash inflow is allocated to the financial asset using effective interest rate method giving rise to interest income. The effective interest rate is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that assets net carrying amount on initial recognition.

To the extent that the future consideration relates to all other revenues, except that which is underpinned through the DUA, an intangible asset is recognised. The intangible asset is amortised to the profit or loss account on a straight line basis over the life of the concession, running to 31 December 2040. At each reporting date, the intangible asset is tested for any impairment indicators.

Additions to the intangible assets, which include capital expenditure, are amortised from the start of the following six monthly period in which they are available for use.

All other leases are classified according to the requirements of IFRS 16.

1.8 Renewals income and expenditure

Income from the renewals element of the charges to customers is initially recognised as deferred income in the balance sheet. The cash receipts relating to it are held in escrow and recognised within other debtors. The deferred income is released when spend from the Escrow is incurred.

1. Accounting policies (continued)

1.9 Impairment

The carrying amounts of the entity's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset is the greater of its value in use and its fair market value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is recognised if the carrying amount of an asset exceeds its estimated recoverable amount. Impairment losses are recognised in the profit or loss account.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists.

The Group also considers the impact of climate change in its impairment assessments, including an evaluation of transition risks. These risks are not considered material, as any potential adverse impacts are expected to be offset by growth opportunities arising from increased demand for sustainable travel. The risk is further offset due the Group's long-term asset funding model. The Group has also assessed physical risks from climate change, including extreme weather events. External analysis indicates that the likelihood of such risks leading to an impairment is remote. This conclusion is supported by sensitivity analysis performed by the Group which considers the level of climate-related disruption required to give rise to an impairment.

1.10 Cash and cash equivalents

In the balance sheet, cash and bank balances comprise cash and cash equivalents. Cash equivalents are short-term, highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

1. Accounting policies (continued)

1.11 Employee benefits

Defined contribution plans

The Group offers a defined contribution pension scheme for all employees who joined HS1 after 17 February 2011. A defined contribution plan is a post-employment benefit plan under which HS1 pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees.

Defined benefit plans

The Group's section of the defined benefit Railways Pension Scheme was closed to new entrants on 17 February 2011. The Group accounts for this scheme using the balance of cost approach. In accordance with IAS 19, the service cost of pension provision relating to the period, together with the cost of any benefits relating to past service if the service has vested, is charged to the profit and loss account.

A charge equal to the increase in present value of the scheme liabilities (because the benefits are closer to settlement) or a credit equivalent to the Group's long-term expected return on assets (based on the market value of the scheme assets at the start of the year), are included in the profit and loss account under interest payable and similar charges.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method. Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

1.12 Guarantees

Where the parent Company enters into financial guarantee contracts to guarantee the indebtedness of other companies within its group, the Company treats the guarantee contract as a contingent liability in its individual financial statements until such time as it becomes probable that the Company will be required to make a payment under the guarantee.

1. Accounting policies (continued)

1.13 Leases

The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee. The lease liability is initially measured at the present value of the future lease payments discounted using the interest rate implicit in the lease. If this rate cannot be readily determined, the Group uses an incremental borrowing rate specific to the country, term and currency of the contract. The lease liability is subsequently measured at amortized cost using the effective interest rate method and remeasured (with a corresponding adjustment to the related ROU asset) if there is a change in future lease payments.

At inception the ROU asset value comprises: the value of the initial lease liability, initial direct costs and the obligations to refurbish the asset, less any incentives granted by the lessors. The ROU asset is depreciated over the shorter of the lease term or the useful life of the underlying asset. The Company applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the ‘impairment of tangible and intangible assets’ policy.

The payments for short term leases and leases of low value assets are recognised as operating expenses on a straight line basis over the term of the lease.

1. Accounting policies (continued)

1.14 Revenue from contracts with customers

The Group has applied IFRS 15 when accounting for its revenue. The standard provides a 5 step model for revenue recognition as follows:

Step 1: Identify the contract with the customer: The Group has considered the Concession Agreement and the Domestic Underpinning Agreement on a combined basis, as it and its predecessor entities have negotiated and amended these contracts over the concession term as a single shared commercial package with an objective of making the rail infrastructure available to Train Operating Companies (TOCs) and Freight Operating Companies (FOCs).

Step 2: Identify the performance obligation: The Group has identified a single performance obligation within the contract, being the provision of access to rail infrastructure for Train Operating Companies (TOCs) and Freight Operating Companies (FOCs) operating domestic and international services. This obligation is fulfilled by making train paths available across the network to enable TOCs and FOCs to meet their timetable requirements.
Where the Company fails to meet this obligation, resulting in delays or cancellations to services, compensation may be payable. Such compensation may take the form of an indemnity for loss of profit, a penalty for underperformance, or a rebate of some or all IRC received during the year. This rebate mechanism is substantively similar to an availability deduction under a typical Private Finance Initiative (PFI) arrangement.

Step 3: Identify the transaction price: The contract defines the level of income and its relationship to the volume of train paths accessible to TOCs and FOCs. The transaction price includes both fixed and variable elements determined at inception. Variable consideration is subsequently reassessed on a periodic basis by management

Steps 4 and 5: Allocate the transaction price and recognise revenue: As the contract contains a single performance obligation, namely the provision of access to rail infrastructure for train services, the remaining steps in the revenue recognition model have been applied on a combined basis.

The Company accounts for its service concession arrangements in accordance with IFRIC 12. Revenue arising from services provided under these arrangements is recognised over time as services are provided and in accordance with IFRS 15:

• Apply the Underpinning Receipt to the financial asset that has been accounted for under IFRIC 12. As a result, the Company allocates the Underpinning Receipt pro-rata to Baseline Domestic Services under Step 5 above.

• Allocate IRC elements additional to the Underpinning Receipts to profit and loss pro-rata to any domestic train paths additional to the number of Baseline Domestic Services and all international train paths in each railway period.

• Allocate OMRC pro-rata to all train paths in each Railway Period following the method for IRC, while also deferring applicable OMRC to future renewal episodes based on management's estimate of the timing of these amounts.

• Unregulated revenue from retail and car parks is recognised over time as services are provided.

The Company has concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer

1. Accounting policies (continued)

1.15 Finance income and expenses

Finance expenses

Finance expenses include interest payable and finance changes on finance leases recognised in the profit or loss account using the effective interest method, unwinding of the discount on provisions, and net foreign exchange losses that are recognised in the profit or loss account (see foreign currency accounting policy).

Finance charges, including premium payable on settlement or redemptions and direct issue costs are accounted for on an accruals basis and taken to the profit or loss account using the effective interest rate method and are added to the carrying value of the instrument to the extent that they are not settled in the period in which they arise.

Finance income

Finance income includes interest receivable from other group undertakings and net foreign exchange gains.

1. Accounting policies (continued)

1.16 Taxation

Tax comprises current and deferred tax and is recognised in profit or loss unless it relates to items recognised in other comprehensive income or equity.

Current tax

Current tax is based on taxable profit for the period, using tax rates enacted or substantively enacted at the balance sheet date, including adjustments in respect of prior periods. Taxable profit differs from accounting profit due to timing differences and items that are not taxable or deductible.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for deductible temporary differences, unused tax losses and tax credits to the extent that it is probable that future taxable profits will be available against which they can be utilised.

Deferred tax assets and liabilities are offset only when there is a legally enforceable right to offset current tax balances and the deferred tax balances relate to taxes levied by the same taxation authority on the same taxable entity.

Deferred tax is measured using tax rates that are expected to apply in the period in which the temporary differences reverse, based on tax rates and laws that have been enacted or substantively enacted at the balance sheet date.

Deferred tax is recognised in profit or loss except to the extent that it relates to items recognised in other comprehensive income or directly in equity, in which case it is recognised in other comprehensive income or equity, respectively.

Sales tax

Expenses and assets are recognised net of the amount of sales tax, except:

• When the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.

1. Accounting policies (continued)

1.17 Dividends

Dividends payable

Dividends payable are recorded in the financial statements in the period in which they are approved by the Company's shareholders.

Dividends receivable

Dividends receivable from subsidiary undertakings are recorded in the profit or loss account in the period in which they are received.

2. Adoption of new and revised standards

In the current year, the group has applied a number of amendments to IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) that are mandatorily effective for an accounting period that begins on or after 1 January 2025. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

Standards now in effect as of 1 April 2025

Amendments to IAS 21 - Lack of exchangeability - The amendments to this standard have not impacted the Group's financial statements.

New and revised IFRS Accounting Standards in issue but not yet effective

At the date of authorisation of these financial statements, the group has not applied the following new and revised IFRS Accounting Standards that have been issued but are not yet effective:

Amendments to IFRS 9 and IFRS 7 - Amendments to the classification and measurement of financial instruments.
These amendments are not expected to materially impact the Group's financial statements.

IFRS 18 Presentation and Disclosure in Financial Statements.
This standard will replace IAS 1 and is therefore likely to have a large impact on the financial statements. It is not effective until periods beginning on or after 1 January 2027, and as such the Group will continue to assess the impact further in the coming years.

IFRS 19 Subsidiaries without Public Accountability: Disclosures.
This standard is not expected to have a material impact on the Group's financial statements.

Annual Improvements to IFRS Accounting Standards - Volume 11.
The Group continues to monitor improvements to IFRS Accounting Standards and assess their impact on the preparation of the Group's financial statements.

3. Critical Accounting Judgements and Key Sources of Estimation Uncertainty

In the application of the Group's accounting policies, described in note 1, the Directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

Critical judgements in applying the Group's accounting policies

The Directors do not consider there to be any critical judgments involved in the application of the accounting policies for the preparation of the financial statements.

Estimates

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

Valuation of derivatives

The derivative financial instruments are carried at fair value in the financial statements. The fair value is calculated on the basis of market parameters, calculated by external experts, therefore giving rise to an areas of estimation uncertainty. More information is provided in note 23 to these financial statements.

Provision for expected credit losses for intercompany receivables

The Group recognises an allowance for ECLs for all debt instruments not held at fair value through profit or loss.

All ECLs are recognised as stage 1, as they related to credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are therefore provided for credit losses that result from default events, being events which leave the Group unable to recover credit exposures, that are possible within the next 12-months (a 12-month ECL). In the event that there was a significant increase in credit risk, a loss allowance would be recognised over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL). There are no ECLs currently held at stage 2 by the Company.

In calculating an ECL on intercompany balances management have determined that the default risk on the loan has not increased significantly since recognition. See note 15 for further information.

4. Revenue

All revenue from contracts with customers arises in the United Kingdom from operating the HS1 railway network.

4.1 Disaggregated revenue information

The following is an analysis of the Group's revenue for the year from continuing operations:

	2026 **£m**	*2025* *£m*
Revenue from operating, maintaining and renewing high speed rail concession	**291.9**	*293.4*
	291.9	*293.4*

Total revenue from contracts with customers

The Investment Recovery Charge (‘IRC’) comprises an amount per train mile that varies with indexation and recovers the costs of constructing the high-speed rail infrastructure.

The Operations, Maintenance and Renewals Charge (‘OMRC’), relates to costs of operating and maintaining the infrastructure.

Station access charges comprises qualifying operation and maintenance costs including management fee.

Unregulated income relates to income from car parks and retail tenants.

4.2 Performance obligations

Information about the Group’s performance obligations are summarised below. The Group has a single performance obligation under IFRS 15, which is to make the rail infrastructure available to a specific standard. Management has made this judgement based on the following information:

The contracts in the arrangement are combined into a single arrangement with a common commercial objective of making the infrastructure available to its customers. All of the Group’s revenue streams fall within IFRS 15’s scope fund that performance obligation. While the contracts require the Group to maintain and renew the infrastructure, these obligations apply to the extent necessary for the Group to meet the standards applicable to the rail infrastructure rather than to complete this maintenance and renewal to specific standards and at specific times.

5. Operating profit

	2026	*2025*
	£m	*£m*
Operating profit is stated after charging:		
Depreciation of right-of-use assets	**0.4**	*0.4*
Amortisation of intangible assets	**48.7**	*48.7*
Movement on ECL on trade receivables	**(0.2)**	*0.1*
Staff costs (note 7)	**9.6**	*8.8*

6. Auditor's remuneration

	2026	*2025*
	£000	*£000*
Fees payable to the Group's auditors and their associates for the audit of the Company's financial statements	**16.9**	*16.3*
Fees payable to the Group's auditors and their associates in respect of:		
The auditing of accounts of subsidiaries of the Company	**125.3**	*120.4*
Audit-related assurance services	**6.5**	*6.5*

The £6.5k (2025:£6.5k) in respect of audit-related assurance services are for the audit procedure work.

7. Staff numbers and costs

Group

The aggregate payroll costs were as follows:

	2026	*2025*
	£m	*£m*
Employee benefit expenses (including directors) comprise:		
Wages and salaries	**7.9**	*7.3*
Social security costs	**1.0**	*0.8*
Cost of defined contribution scheme	**0.6**	*0.6*
Cost of defined benefit scheme	**0.1**	*0.1*
	9.6	*8.8*

The monthly average number of persons, including the directors, employed by the Group during the year was as follows:

	2026	*2025*
Executive Leadership Team	**5**	*5*
Other	**57**	*54*
Total	**62**	*59*

Company

The Company had no employees during either the current or prior year.

8. Directors' remuneration

	2026 £000	*2025 £000*
Directors' emoluments	**180.0**	*176.0*
Remuneration paid to the highest paid Director	**120.0**	*119.0*

Directors' remuneration consists entirely of salary.

The above discloses the total salaries of all Directors borne by HS1 Limited for the services performed across the Group. No further allocation of salaries to each group company has been performed given HS1 Limited is the main operating company of the Group.

9. Finance income and expense

Recognised in profit or loss

	2026 £m	*2025 £m*
Finance income		
Financial Asset Interest	**129.7**	*131.0*
Other interest receivable	**130.8**	*118.7*
Net impact of revenue swaps	**(23.5)**	*(21.4)*
Total finance income	**237.0**	*228.3*
Finance expense		
Interest payable to parent undertaking	**57.4**	*59.9*
Interest payable in respect of bank borrowings	**21.2**	*20.5*
Interest payable on other loans	**71.6**	*69.9*
Interest on lease liabilities	**25.6**	*26.7*
Movement in assets/liabilities measured at fair value	**(29.4)**	*(27.0)*
Total finance expense	**146.4**	*150.0*
Net finance income recognised in profit or loss	**90.6**	*78.3*

10. Taxation

10.1 Income tax recognised in profit or loss

	2026 £m	*2025 £m*
Current tax		
Current tax on profits for the year	**2.9**	*2.7*
Adjustments in respect of prior years	**0.6**	*-*
Total current tax	**3.5**	*2.7*
Deferred tax expense		
Origination and reversal of timing differences	**11.7**	*11.4*
Adjustments in respect of prior years	**2.5**	*0.8*
Total deferred tax	**14.2**	*12.2*
Total current and deferred tax	**17.7**	*14.9*

The aggregate deferred tax relating to items that are recognised as items in other comprehensive income is credit of £8.0m (2025: debit of £14.7m). No current tax has been recognised on items in other comprehensive income or equity in the year (2025: £nil).

The reasons for the difference between the actual tax charge for the year and the standard rate of corporation tax in the United Kingdom applied to profits for the year are as follows:

	2026 £m	*2025 £m*
Profit for the year	**115.2**	*121.6*
Income tax expense	**17.7**	*14.9*
Profit before income taxes	**132.9**	*136.5*
Tax using the Company's domestic tax rate of 25% (2025: 25%)	**33.2**	*34.1*
Expenses not deductible for tax purposes	**7.9**	*6.7*
Adjustments in respect to prior periods deferred tax	**2.5**	*0.9*
Transfer pricing adjustments	**(17.5)**	*(13.7)*
Group relief	**(9.0)**	*(13.1)*
Adjustments in respect to prior periods current tax	**0.6**	*-*
Total tax expense	**17.7**	*14.9*

10. Taxation (continued)

10.1 Income tax recognised in profit or loss (continued)

The Group is not within the scope of the OECD Pillar Two model rules since the entity has no overseas subsidiaries or branches, and has not met the threshold that would trigger any UK qualifying minimum domestic taxes.

10.2 Deferred tax balances

The following is the analysis of deferred tax assets/(liabilities) presented in the consolidated statement of financial position:

	2026 £m	*2025 £m*
Deferred tax assets	**73.8**	*80.0*
	73.8	*80.0*

2026

Deferred tax assets in relation to	**Opening Balance**	**Recognised in profit or loss**	**Recognised in other comprehensive income**	**Closing balance**
Exchange differences	10.9	-	(4.7)	6.2
Cash flow hedges	1.4	-	(0.9)	0.5
Corporate interest restriction	18.4	-	-	18.4
Inflation swaps	44.4	-	9.2	53.6
Interest rate swaps	3.9	(3.9)	-	-
Tax Loss carried forward	110.2	(5.0)	-	105.2
Other short term provisions	-	0.1	-	0.1
Total deferred tax asset	**189.2**	**(8.8)**	**3.6**	**184.0**
Deferred tax liabilities in relation to:				
Property, plant and equipment	(98.5)	(5.4)	-	(103.9)
Other financial assets - including derivatives	(10.6)	-	4.4	(6.2)
Net pension liability	(0.1)	-	-	(0.1)
Total deferred tax liability	**(109.2)**	**(5.4)**	**4.4**	**(110.2)**
Net deferred tax (liability)/asset	**80.0**	**(14.2)**	**8.0**	**73.8**

2025

Deferred tax assets in relation to:	**Opening balance**	**Recognised in profit or loss**	**Recognised in other comprehensive income**	**Closing balance**
Exchange differences	16.1	-	(5.2)	10.9
Cash flow hedges	2.2	-	(0.8)	1.4
Corporate interest restriction	18.4	-	-	18.4
Inflation swaps	57.7	(0.4)	(12.9)	44.4
Interest rate swaps	7.7	(3.8)	-	3.9
Tax losses carried forward	114.9	(4.7)	-	110.2
Total deferred tax asset	**217.0**	**(8.9)**	**(18.9)**	**189.2**
Deferred tax liabilities in relation to:				
Property, plant and equipment	(95.2)	(3.3)	-	(98.5)
Other financial assets - including derivatives	(14.9)	-	4.3	(10.6)
Net pension liability	-	-	(0.1)	(0.1)
Total deferred tax liability	**(110.1)**	**(3.3)**	**4.2**	**(109.2)**
Net deferred tax liability	**106.9**	**(12.2)**	**(14.7)**	**80.0**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2026**

11. Dividends

Dividends receivable

During the year the Group received £nil (2025: £nil) from subsidiary undertakings.

Dividends payable

No dividends were paid in respect of A shares (2025: £nil) and B shares (2025: £nil) in the year.

12. Right-of-use assets

Group

	Right-of-use assets £m
Cost or valuation	
At 1 April 2024	2.1
At 31 March 2025	**2.1**
Additions	-
At 31 March 2026	**2.1**
Accumulated depreciation and impairment	
At 1 April 2024	0.4
Charge owed for the year	0.4
At 31 March 2025	**0.8**
Charge owed for the year	0.4
At 31 March 2026	**1.2**
Net Book Value	
At 1 April 2024	1.7
At 31 March 2025	1.3
At 31 March 2026	0.9

	2026 £m	*2025 £m*
Lease related income and expenses		
Interest expense on lease liabilities	**0.1**	*0.1*

	2026	*2025*
	£m	*£m*
Maturity analysis		
Less than one year	**0.4**	*0.4*
One to five years	**0.5**	*0.9*
More than five years	**-**	-
Total lease liabilities	**0.9**	*1.3*

The lease relates to the HS1 Limited office at 90 York Way, London N1 9AG. The lease has a total length of 10 years, with a break clause after 5 years. As the Group is not reasonably certain that they will choose to extend the lease, the term has been recognised as 5 years, with a remaining term of 1 years and 11 months.

13. Investment in subsidiary undertaking

	2026 £	*2025* £
Class A shares in HS1 Limited	**989**	*989*
Class B shares in HS1 Limited	**800**	*800*
Ordinary shares in High Speed Rail Finance plc	**50,000**	*50,000*
Ordinary shares in High Speed Rail Finance (1) plc	**50,000**	*50,000*
Class A shares in CTRL (UK) Limited	**1**	*1*
Class B shares in CTRL (UK) Limited	**4**	*4*
	101,794	*101,794*

The Company's directly and indirectly owned subsidiaries at the year-end are as follows:

Company	**Principal activity**	**Class and percentage of shares**
HS1 Limited	Holding Company	100% of A shares 60% of B shares 40% of B shares
High Speed Rail Finance plc	Finance company	100% of ordinary shares
High Speed Rail Finance (1) plc	Finance company	100% of ordinary shares
High Speed One (HS1) Limited*	Dormant company	100% of ordinary shares
CTRL (UK) Limited	Dormant company	100% of A shares 60% of B shares 40% of B shares

* Shares held by a subsidiary undertaking

The above companies have a registered office and principal place of business of 5th Floor, Kings Place, 90 York Way, London N1 9AG.

The holders of A shares carry all voting rights with the exception of the rights to appoint Directors which are held by holders of the B shares.

In the opinion of the Directors the value of the investment is not less than the amount stated in the balance sheet.

14. Intangible assets

Group

	Concession £m
Cost	
At 1 April 2024	1,381.0
Additions	2.7
At 31 March 2025	1,383.7
Additions	0.3
Movement in initial value	12.4
At 31 March 2026	**1,396.4**

	Concession £m
Accumulated amortisation and impairment	
At 1 April 2024	568.6
Amortisation	48.7
At 31 March 2025	617.3
Amortisation	48.7
At 31 March 2026	**666.0**
Net book value	
At 1 April 2024	812.4
At 31 March 2025	766.4
At 31 March 2026	730.4

The licence held is in respect of the service concession held to 31 December 2040 to operate, maintain and renew the 109 kilometre high speed rail line. The remaining amortisation period of the licence is 14.75 years.

The £12.4m movement in initial value relates to the UKPN lease, which has been remeasured during the year.

Cash generating unit (CGU)

The carrying value of the concession assets as at 31 March 2026 is £2,109.3m (2025: £2,165.3m). This figure represents the intangible asset of £730.4m (2025: £766.4m) and the financial asset of £1,379.0m (2025: £1,399.0m).

15. Trade and other receivables: amounts falling due after one year

	Group 2026 £m	*Group 2025 £m*	**Company 2026 £m**	*Company 2025 £m*
Loans owed by parent undertakings	**1,401.6**	*1,274.1*	**1,077.1**	*979.3*
Loans owed by subsidiary undertakings	**-**	*-*	**574.8**	*608.6*
Other debtors	**313.4**	*292.5*	**-**	*-*
Derivative financial assets	**25.0**	*43.7*	**-**	*-*
Prepayments and accrued income	**25.6**	*21.7*	**-**	*-*
	1,765.6	*1,632.0*	**1,651.9**	*1,587.9*

Company

The loan owed by parent undertaking is a £1,077.2 (2025: £979.3m), a 9.75% fixed interest loan to Helix Bufferco Limited repayable by agreement of the borrower and lender.

The loan owed by subsidiary undertakings is a £574.8m (2025: 608.6m), a 9.75% fixed interest loan to HS1 Limited which is repayable by agreement of the borrower and lender.

Group

The loans owed by parent undertaking comprise of: £1,077.2m (2025: £979.3m), a 9.75% fixed interest loan to Helix Bufferco Limited and £324.4m (2025: £295m), a 9.75% fixed interest loan to Betjeman Holdings Limited, both repayable by agreement of the borrower and lender. Default rates are calculated over one year, rather than the life of the loan. During the year the Company with the agreement of the Betjeman Holdings Limited capitalised accrued loan interest of £29.4m (2024: £26.9m) in accordance with the terms of the loan agreement.

The ECL for the year ended 31 March 2026 was calculated to be £0.6m (2025: £0.6m), this was not considered material and hence has not been recognised in the financial statements. This process is in line with the year ended 31 March 2025 and therefore there is no impact on the profit and loss for the year. If the default rate increased by 0.2%, this would increase the ECL to £2.4m.

Other debtors represent funds held in Escrow accounts on behalf of the Secretary of State to be used to fund the future renewals, replacements and railway spares where the risk of ownership lies with NRHS. The funds can be accessed by HS1 with the written agreement of the Secretary of State for agreed expenditure and therefore are not classified as cash and cash equivalents of the Company. The amounts held within debtors falling due after one year are not expected to be available for use in the next financial year.

Derivative financial assets relate to derivative financial instruments measured at fair value as determined by external valuers.

16. Trade and other receivables: amounts falling due within one year

	Group 2026 £m	*Group 2025 £m*	**Company 2026 £m**	*Company 2025 £m*
Trade receivables and accrued income	**18.2**	*17.2*	**-**	-
Less allowance for expected credit losses	**-**	*(0.2)*	**-**	-
Amounts owed by parent undertakings	**38.2**	*34.8*	**28.5**	*25.9*
Loans owed by group undertakings	**-**	-	**15.7**	*16.6*
Other debtors	**8.5**	*6.1*	**-**	-
Prepayments	**26.9**	*29.8*	**-**	-
	91.8	*87.7*	**44.2**	*42.5*

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

Company

The Amounts owed by parent undertakings relate to the current portion of the loan to Helix Bufferco Limited £28.5m (2025: £25.9m) . Loan owed by group undertakings relates to the current portion of the loan to HS1 Limited of £15.7m (2025: £16.6m), both of which are described in Note 15.

Group

Included in the Amounts owed by parent undertakings are current portion of the loan to Helix Bufferco Limited of £28.5m (2025: £25.9m) and the current portion of the loan to Betjeman Holdings Limited of £8.6m (2025: £7.8m). Terms of these loans are also described in note 15.

All other balances owed from group undertakings, unless stated above, are non-interest bearing and repayable by agreement of both the borrower and lender.

Other debtors represent the current portion of funds held in Escrow accounts on behalf of the Secretary of State to be used to fund the future renewals, replacements and railway spares where the risk of ownership lies with NRHS. The funds can be accessed by HS1 with the written agreement of the Secretary of State for agreed expenditure and therefore are not classified as cash and cash equivalents of the Company.

17. Trade and other payables: amounts falling due within one year

	Group 2026 £m	*Group 2025 £m*	**Company 2026 £m**	*Company 2025 £m*
Bank loans and overdrafts (note 18)	**62.0**	*43.0*	**-**	-
Trade creditors	**4.6**	*4.4*	**-**	-
Loans due to parent undertakings	**15.8**	*16.7*	**15.7**	*16.6*
Loans due to group undertakings	**-**	-	**28.5**	*25.9*
USPP Notes	**102.7**	*83.1*	**-**	-
UKPN lease liabilities	**31.4**	*30.2*	**-**	-
Other creditors including taxation and social security	**11.2**	*5.1*	**-**	-
Derivative financial liabilities	**-**	*16.0*	**-**	-
Accruals and deferred income	**125.4**	*116.9*	**-**	-
Corporation tax liability	**1.8**	-	**-**	-
	354.9	*315.4*	**44.2**	*42.5*

Loans due to group undertakings, USPP Notes and UKPN lease represent the short term portion of the items described in Note 18.

Included in USPP Notes is a £2.8m provision in respect of interest payable by HSRF Limited related to unpaid withholding tax on debt held with overseas counterparties.

Other creditors including taxation and social security include £10.1m of taxation and social security (2025: £2.4m).

Accruals relate to services used but not yet billed while deferred income relates to billing done in advance to TOCs, NRHS and retail tenants where a performance obligation has not been satisfied at year end.

18. Trade and other payables: amounts falling due after more than one year

	Group 2026 £m	*Group 2025 £m*	**Company 2026 £m**	*Company 2025 £m*
Loan due to parent undertakings	**574.8**	*608.7*	**574.8**	*608.6*
Loan due to group undertakings	**-**	-	**1,077.2**	*979.4*
Listed bonds	**1,023.5**	*1,009.3*	**-**	-
USPP notes	**543.1**	*645.4*	**-**	-
UKPN lease liabilities	**164.4**	*157.8*	**-**	-
Escrow deferred income	**303.2**	*280.0*	**-**	-
Accruals and deferred income	**1.3**	*0.3*	**-**	-
Other Creditors	**1.0**	-	**-**	-
Derivative financial liabilities (note 23)	**374.3**	*339.6*	**-**	-
	2,985.6	*3,041.1*	**1,652.0**	*1,588.0*

Company
The loan owed to parent undertakings is a £574.8m (2025: 608.6m), 9.75% fixed interest loan to Helix Bufferco Limited which is repayable by agreement of the borrower and lender.

The loan owed to group undertaking is a £1,077.2 (2025: £979.4m), a 9.75% fixed interest loan to HS1 Limited repayable by agreement of the borrower and lender. During the year the Company with the agreement of HS1 Limited capitalised accrued loan interest of £97.8m (2025: £89.2m) in accordance with the terms of the loan agreement.

Group
The loan owed to parent undertakings is a £574.8m (2025: 608.6m), a 9.75% fixed interest loan to Helix Bufferco Limited which is repayable by agreement of the borrower and lender.

The listed bonds of £1,023.5m (2025: £1,009.3m) consist of £610m (2025: £610m) at a fixed interest rate of 4.38% and £413.5m (2025: £397.5m) of index-linked bonds at a variable interest rate. These loans were advanced on 14 February 2013 and are due for repayment on 1 November 2038. They are listed on the London Stock Exchange.

The USPP notes of £543.1m (2025: £645.4m) consist of eight separate tranches. Two tranches totaling £135.8m are denominated in USD and carry interest of 3.79%. The remaining 6 tranches are denominated in GBP: £58m tranche carries interest of SONIA + CAS + 1.64% while the other five carry fixed interest ranging from 2.3% to 4.72%. Further information on Listed Bonds and USPP notes is included in Note 23.

Lease liabilities relate to the UKPN finance lease where UKPN owns, operates and maintains the electricity infrastructure to which HS1 has a lease to access. The lease is accounted for in accordance with IFRS 16.

Escrow deferred income recognises the deferral of income received from TOCs which is subsequently put into Escrow accounts. The deferred income is only released to the profit and loss account once the renewal expenditure is incurred. The difference between the opening and closing balances of the Group's contract liabilities primarily results from the timing difference between the Group's performance obligations being satisfied and the customer's billings.

Facilities

The significant terms of the Group's facilities, being the working capital facility and liquidity facility, are as follows:

	Working capital facility	**Liquidity facility**
Currency	GBP	GBP
Amount	£112.0m	£166.0m
Type	Floating	Floating
Interest rate	GBP SONIA + 0.75% (plus utilisation fee)	GBP SONIA + 1.0%
Term	3 years	1 years
Maturity	25 Mar 2028	31 Mar 2027

At the balance sheet date £62m (2025: £43.0m) was drawn down in respect of the working capital facility. This amount has been included in "bank loans and overdrafts due within one year" (note 17) and cash and cash equivalents (note 24).

At the balance sheet date £nil (2025: £nil) was drawn down in respect of the liquidity facility.

18. **Trade payables: amounts falling due after more than one year (continued)**

Lease Liabilities

Lease liabilities relate to the UKPN finance lease where UKPN owns, operates and maintains the electricity infrastructure to which HS1 has a lease to access. The lease is accounted for in accordance with IFRS 16.

The undiscounted cash flow maturity of the lease liability in respect of the UKPN finance lease is as follows:

	2026 £m	2025 £m
Less than one year	**31.4**	*30.1*
One to five years	**125.6**	*120.6*
More than five years	**306.2**	*324.1*
	463.2	*474.8*

The total cash outflow for the Group's lease arrangements in 2026, including the Right-of-use lease disclosed in note 12, was £31.0m (2025: £29.5m).

The lease liability disclosure in relation to the right-of-use asset, relating to the Groups' office lease, can be seen in note 12.

19. **Share capital**

	2026 £	2025 £
Authorised, allotted, called up and fully paid		
990 A shares of £1 each	**990.0**	*990.0*
10 B shares of £1 each	**10.0**	*10.0*
	1,000.0	*1,000.0*

Holders of A shares and B shares are entitled to income distributions. The amount of distribution and the right to payment of the distribution need not be the same per each share class. In the event of liquidation, the surplus of assets, after the Company's liabilities have been met, will be distributed to A shareholders and B shareholders to the sum of £1 in respect of each share held. Any remaining surplus will be distributed to A shareholders only. The holders of A shares carry all voting rights with the exception of the rights to appoint Directors which are held by holders of the B shares.

20. Reserves

Profit and loss account

The profit and loss account contains the balance of retained earnings to carry forward. Dividends are paid from this reserve. No dividends were paid in respect of ordinary shares during the period.

Hedging reserve

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of cash flow hedging instruments, foreign exchange revaluation of USD loans and accompanying deferred tax movements.

21. Analysis of amounts recognised in other comprehensive income

31 March 2026	Other Reserves	Cash Flow Hedge Reserve	Profit and Loss Account
Cumulative gain arising on hedging instruments reclassified to profit or loss	-	2.6	-
Fair value movements on hedging instruments	-	(31.8)	-
Deferred tax movements recognised in other comprehensive income	-	8.0	-
Amounts relating to disposed of derivative financial instruments	-	(3.1)	-
Actuarial gain on staff pension scheme	-	-	(0.1)
	-	**(24.3)**	**(0.1)**

31 March 2025	Other Reserves	Cash Flow Hedge Reserve	Profit and Loss Account
Deferred cost of hedging	(0.2)	-	-
Fair value movements on hedging instruments	-	54.8	3.4
Deferred tax movements recognised in other comprehensive income	-	(14.7)	-
Amortisation of novated swaps	-	2.2	-
Actuarial gain on staff pension scheme	-	-	(0.5)
	(0.2)	**42.3**	**2.9**

22. Pension scheme

Net employee defined benefit liabilities

Defined contribution pension scheme

The Group offers a defined contribution scheme for all employees. The Group contributions to the defined contribution scheme are disclosed in note 7.

Defined benefit scheme

The Group operates a defined benefit scheme for qualifying employees with assets held in a separately administered fund. This scheme was closed to new entrants on 17 February 2011.

The HS1 Limited Section (“Section”) is part of the Railways Pension Scheme, but its assets and liabilities are identified separately from the remainder of the scheme.

The Group uses the balance sheet accounting approach and recognises the full asset or net liability of this pension scheme, subject to a deduction for actual member contributions.

The most recent actuarial valuation of the HS1 Limited Section of the Railways Pension Scheme was completed at 31 December 2022. The next valuation is being completed as at 31 December 2025, however the report has not been finalised as at the date of the signing of these financial statements. The present value of the defined benefit liability and the related current service costs and past service cost were measured using the projected unit credit method.

Employer contributions were 16.74% of section pay to 31 March 2026. (2025: 16.74%)

During the reporting period, Railpen, the Railways Pension Scheme Investment Manager (pension scheme trustee), engaged legal counsel to provide advice following the Court of Appeal decision in the case of Virgin Media Ltd v NTL Pension Trustees II Ltd & Ors (July 2024). This engagement was undertaken to ensure that the Trustee's practices remained in full compliance with applicable legal and regulatory requirements of the Pension Schemes Act 1993 between 6th April 1997 and 5th April 2016.

An external legal review was conducted as part of this process, which confirmed that the Trustee had adhered to the provisions of section 37 of the Pension Schemes Act 1993. This review further concluded that no deeds executed during the period under review were found to have potentially resulted in any reduction in member benefits without obtaining a valid actuarial confirmation and provides assurance that the Trustee had continued to act in accordance with its fiduciary duties and the relevant legislative framework.

As such the review additionally concludes that there is no impact on the associated disclosed pension liabilities or assets for the Group.

The benefits provided under the Section are uncertain to the extent that the impact of GMP equalisation has not yet been fully reflected in Section benefits. An allowance has been included in the liabilities to reflect the expected value of these additional benefits.

The Group is exposed to a number of risks relating to the Section, significant risks include the following:

- Asset volatility
- Change in bond yields
- Inflation risk
- Life expectancy

Key assumptions:	**2026** **%**	*2025* *%*
Discount rate	**6.20**	*5.85*
Price inflation (RPI measure)	**3.30**	*3.15*
Increases to deferred pensions (CPI measure)	**3.00**	*2.75*
Pension increases (CPI measure)	**3.00**	*2.75*
Pensionable salary increases	**3.00**	*4.00*

The assumed average expectation of life in years at age 65 is as follows:

	2026	*2025*
Retiring today		
- Males	**87.7**	*87.2*
- Females	**88.6**	*88.3*
Retiring in 20 years		
- Males	**89.3**	*88.8*
- Females	**90.4**	*90.1*

22. Pension scheme (continued)

The assets in the scheme at the balance sheet date were as follows:

Fair value	**2026** **£m**	*2025* *£m*
Equities	**3.1**	*3.0*
Government bonds	**3.7**	*3.8*
Non-Government bonds	**1.4**	*1.3*
Total fair value of section assets	**8.2**	*8.1*

Movements in fair value of Section assets

	2026 **£m**	*2025* *£m*
At the beginning of year	**8.1**	*9.8*
Interest income on assets	**0.5**	*0.5*
Return on plan assets greater than discount rate	**(0.1)**	*(1.6)*
Employer contributions	**0.1**	*0.1*
Actual benefits paid	**(0.4)**	*(0.7)*
End of the year	**8.2**	*8.1*

Reconciliation of Defined Benefit Obligation (“DBO”)

	2026 **£m**	*2025* *£m*
At beginning of year	**8.7**	*9.8*
Service cost	**0.1**	*0.1*
Interest cost on DBO	**0.5**	*0.5*
Gain on DBO	**(0.1)**	*(1.0)*
Actual benefit payments	**(0.4)**	*(0.7)*
End of the year	**8.8**	*8.7*

22. Pension scheme (continued)

Defined benefit liability at end of year

	2026 £m	2025 £m
DBO at end of year	8.8	8.7
Fair value of assets at end of year	(8.2)	(8.1)
Deficit at end of year	0.6	0.6
Adjustment in respect of Deferred Tax movements	(0.1)	(0.1)
Net defined benefit liability at end of year	0.5	0.5

Reconciliation of net defined benefit liability

	2026 £m	2025 £m
Net defined benefit liability/(asset) at beginning of year	0.5	-
Employers share of expense	0.1	0.1
Employers contributions	(0.1)	(0.1)
Total loss recognised in other comprehensive income ("OCI")	0.1	0.5
Adjustments in respect of deferred tax	(0.1)	-
Net defined benefit liability at end of year	0.5	0.5

Analysis of amounts charged to the profit and loss account

	2026 £m	2025 £m
Employer's share of service cost	0.1	0.1
Total employer's share of profit and loss account expense (excluding employer's contributions)	0.1	0.1

Analysis of amounts charged to the statement of OCI

	2026 £m	*2025 £m*
Liability income arising during the year	**(0.1)**	*0.6*
Deferred tax recognised on movement in pension valuation		*(0.1)*
Total income recognised in OCI	**(0.1)**	*0.5*

Actuarial Assumptions

Sensitivity analysis has been performed for each of the significant assumptions made, illustrating the impact of possible changes on the potential defined benefit obligation year end figure:

31 March 2026	**Sensitivity**	**Approximate change in DBO £m**
Discount Rate	-0.25% p.a.	0.2
	+0.25% p.a.	(0.2)
Price inflation (CPI Measure)	-0.25% p.a.	(0.2)
	+0.25% p.a.	0.2
Salary increase	-0.25% p.a.	-
	+0.25% p.a.	-
Life expectancy	-1 year	(0.3)
	+1 year	0.3

Note, the scenarios disclosed above do not represent upper or lower bounds of the potential outcomes of the associated assumptions.

The sensitivity calculations have been performed on assumptions used to determine the Company's latest estimated Defined Benefit Obligation as at 31 March 2026. Results are based on a roll-forward of projected benefit cashflows from the most recent triennial valuation (effective date: 31 December 2022). The next actuarial valuation at 31 December 2025 is in progress, however has not been finalised at the date of signing these financial statements.

Impact upon cashflows

At 31 March 2026, there are no additional funding arrangements scheduled or required by the Company. Any additional funding requirements will be determined following on from the next actuarial valuation to determine the net position of the Scheme.

Under the United Kingdom's scheme specific funding regime, contributions are payable in line with the Schedule of Contributions from the most recent formal actuarial valuation. The table below illustrates the expected employer and employee contributions over the following period.

While a member of a multiemployer pension scheme with pooled funds, the Group is not liable under the terms and conditions of the plan for any potential arising obligations relating to other entities within the scheme.

	2026 £m
Employer contributions expected over the following period	0.1
Employee contributions expected over the following period	-
	0.1

23. Financial instruments

The following tables show the carrying value of categories of financial instruments of the Group:

31 March 2026	Financial assets			
	At amortised cost	At fair value through profit or loss	At fair value through other comprehensive income	Total
	£m	£m	£m	£m
Cash and cash equivalents	3.0	-	-	3.0
Concession asset	1,379.0	-	-	1,379.0
Trade and other receivables	27.0	-	-	27.0
Escrow deposits	307.1	-	-	307.1
Loans owed by parent undertaking	1,439.8	-	-	1,439.8
Cross currency swaps	-	-	25.0	25.0
Total	**3,155.9**	**-**	**25.0**	**3,180.9**

31 March 2025	Financial assets			
	At amortised cost	At fair value through profit or loss	At fair value through other comprehensive income	Total
	£m	£m	£m	£m
Cash and cash equivalents	3.7	-	-	3.7
Concession asset	1,399.0	-	-	1,399.0
Trade and other receivables	28.8	-	-	28.8
Escrow deposits	286.7	-	-	286.7
Loans owed by parent undertaking	1,309.1	-	-	1,309.1
Cross currency swaps	-	-	43.7	43.7
Total	**3,027.3**	**-**	**43.7**	**3,071.0**

23. Financial Instruments (continued)

31 March 2026	Financial liabilities			
	At amortised cost	At fair value through profit or loss	At fair value through other comprehensive income	Total
	£m	£m	£m	£m
Inflation swaps	-	-	374.3	374.3
Trade and other payables	15.9	-	-	15.9
Loans from parent undertakings	590.4	-	-	590.4
Financial lease liabilities (UKPN)	195.8	-	-	195.8
Bank loans and overdrafts	62.0	-	-	62.0
USPP notes	643.8	-	-	643.8
Index linked security bonds	1,032.3	-	-	1,032.3
Total	**2,540.2**	**-**	**374.3**	**2,914.5**

31 March 2025	Financial liabilities			
	At amortised cost	At fair value through profit or loss	At fair value through other comprehensive income	Total
	£m	£m	£m	£m
Interest rate swaps	-	16.0	-	16.0
Inflation swaps	-	-	310.6	310.6
Trade and other payables	9.4	-	-	9.4
Loans from parent undertakings	625.1	-	-	625.1
Financial lease liabilities (UKPN)	188.0	-	-	188.0
Bank loans and overdrafts	43.0	-	-	43.0
USPP notes	729.5	-	-	729.5
Index linked security bonds	1,017.5	-	-	1,017.5
Total	**2,612.5**	**16.0**	**310.6**	**2,939.1**

RPI swaps and cross-currency swaps are designated in a hedging relationship and are carried at fair value through other comprehensive income.

The interest rate swaps are not designated in a hedging relationship and were carried at fair value through profit or loss. The interest rate swaps expired on 31 March 2026.

23. Financial Instruments (continued).

Comparison of carrying value and fair value

The following tables compare the carrying value and fair value of the the financial instruments held at the amortised cost to their fair value, including their levels in fair value hierarchy:

Assets	**Level**	**Carrying value**	**Fair value**
2026		**£m**	**£m**
Loans owed by parent undertaking	2	1,439.8	1,483.6

	Level	**Carrying Value**	**Fair Value**
2025		**£m**	**£m**
Loans owed by parent undertaking	2	1,309.1	1,349.9

Liabilities	**Level**	**Carrying Value**	**Fair Value**
2026		**£m**	**£m**
Loans from parent undertakings	2	590.4	608.4
Bank loans and overdrafts	2	62.0	62.0
USPP Notes	2	643.8	587.0
Index linked security bonds	1	1,032.3	780.3

2025	**Level**	**Carrying value**	**Fair value**
	£m	**£m**	**£m**
Loans from parent undertakings	2	625.1	636.0
Bank loans and overdrafts	2	43.0	43.0
USPP notes	2	729.5	666.9
Index linked security bonds	1	1,017.5	786.8

Fair value measurements by level of fair value hierarchy

The Group’s financial assets and liabilities that are measured at fair value, by level of fair value hierarchy:

• Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
• Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2); and
• Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

Level 2 assets are valued by discounting future cash flows using externally sourced market yield curves, including interest rate curves and foreign exchange rates from highly liquid markets.

For Level 3 assets and liabilities, uncollateralised derivatives are valued as per Level 2 but include certain data sources which are significantly less liquid; unlisted investments are valued based on less observable inputs such as recent funding rounds.

Fair value of the assets and liabilities carried at fair value through either profit and loss or other comprehensive income hierarchy levels are as follows:

2026	**Level**	**Carrying value**	**Fair value**
		£m	**£m**
Financial assets			
Cross currency swaps	2	25.0	25.0
Financial liabilities			
Inflation swaps	2	374.3	374.3

2025	**Level**	**Carrying value**	**Fair value**
		£m	**£m**
Financial assets			
Cross currency swaps	2	43.7	43.7
Financial liabilities			
Interest rate swaps	2	16.0	16.0
Inflation swaps	2	339.6	339.6

Reconciliation of liabilities arising from financing activities

	Current and non-current borrowings, leases and interest accruals	Gross Debt	Cash and cash equivalents	Adjusted net (debt)/cash
Gross adjusted net (debt)/cash at 1 April 2024	(3,384.0)	(3,384.0)	(27.6)	(3,411.6)
Interest paid	145.0	145.0	(145.0)	-
Cash outflow for repayment of borrowings	64.7	64.7	(64.7)	-
Payments of lease liabilities	29.1	29.1	(29.1)	-
Cash inflow for renewals	(47.8)	(47.8)	47.8	-
Remaining cash inflow	-	-	179.3	179.3
Exchange and other non-cash movements	(92.1)	(92.1)	-	(92.1)
Group adjusted net (debt)/cash at 31 March 2025	**(3,285.1)**	**(3,285.1)**	**(39.3)**	**(3,324.4)**
Interest paid	135.5	135.5	(135.5)	-
Cash outflow for repayment of borrowings	100.7	100.7	(100.7)	-
Payment of lease liabilities	30.1	30.1	(30.1)	-
Cash inflow for renewals	(23.1)	(23.1)	23.1	-
Remaining cash inflow	-	-	223.5	223.5
Exchange and other non-cash movements	(105.9)	(105.9)	-	(105.9)
Group adjusted net (debt)/cash at 31 March 2026	**(3,147.8)**	**(3,147.8)**	**(59.0)**	**(3,206.8)**

23. Financial Instruments (continued)

The Group’s financial instruments (excluding derivatives) comprise listed bonds, loan notes, US Private Placement notes (“USPP notes”), bank borrowings, cash, and operational balances such as trade receivables and payables. These instruments are used to finance the Group’s operations and manage its day-to-day liquidity requirements.

The principal terms of the Group borrowings are:

USPP Notes

On 29 October 2012 High Speed Rail Finance plc ("HSRF"), a fully owned subsidiary of the Group issued USPP notes to variety of institutional investors with range of terms, maturities and base currencies (Tranches A-D). Further USPP were issued by the same company on 15 December 2016 (Tranches E-F).

The significant terms of the USPP notes, with the amounts outstanding at the balance sheet date are as follows:

	Tranche A1	Tranche A2	Tranche B1	Tranche B2
Currency	USD	USD	GBP	GBP
Listed	No	Jersey	No	Jersey
Amount	$173m	$7m	£70m	£47m
Type	Fixed	Fixed	Fixed	Fixed
Interest rate	3.79%	3.79%	4.21%	4.21%
Term	15.5 years	15.5 years	18.5 years	18.5 years
Maturity	30 Mar 2028	30 Mar 2028	30 Mar 2031	30 Mar 2031

	Tranche C	Tranche D	Tranche E	Tranche F
Currency	GBP	GBP	GBP	GBP
Listed	No	No	No	No
Amount	£58m	£50m	£153m	£130m
Type	Floating	Fixed	Fixed	Fixed
Interest rate	GBP 6m SONIA + CAS + 1.64%	4.72%	2.30%	2.81%
Term	18.5 years	23.5 years	22.5 years	23.0 years
Maturity	30 Mar 2031	30 Mar 2036	31 Mar 2039	31 Dec 2039

Tranche A2 and B2 are listed on the International Stock Exchange.

Listed bonds

On 14 February 2013, High Speed Rail Finance (1) Plc ("HSRF (1)), a fully owned subsidiary of the group, listed bonds on London Stock Exchange in two tranches: Tranche A at £610m and Tranche B at £150m.

On 17 April 2015 the Company successfully completed a new Sterling index-linked bond issue in the form of a tap (the “Tap”) adding to Tranche B. The Tap amount was £96.5m. At 31 March 2026 the total combined indexed value for both issues of Tranche B was £408.6m.

The significant terms of the listed bonds with the amounts outstanding at the balance sheet date are as follows:

	Tranche A	**Tranche B**
Currency	GBP	GBP
Amount	£610.0m	£408.6m
Type	Fixed	Index-linked
Interest rate	4.375%	UKTI 0.75% + 1.566%
Term	25.7 years	25.7 years
Maturity	1 Nov 2038	1 Nov 2038

The inflationary increase to the nominal value of Tranche B of the listed bonds has been reflected in amounts due in more than one year (note 18).

The Group does not undertake speculative treasury transactions and does not trade in financial instruments. All of the Group’s financial instruments are denominated in GBP with the exception of the US$ USPP notes. The Group’s borrowings are secured by a fixed and floating charge over all the assets of the Helix Acquisition Limited group and a charge over the shares of that company.

Risk Management Objectives

The Group's financial risk management operations are ultimately carried out by the Board of Directors. The Group is exposed to a number of financial risks in the normal course of its business operations, the key ones being:

- Interest rate risk
- Inflation risk
- Foreign currency risk
- Liquidity risk
- Credit risk

The Board of Directors reviews and agrees policies for managing each of these risks and they are summarised below. These polices have remained unchanged throughout the period.

Interest Rate Risk Management

The group is exposed to interest rate risk because entities in the group borrow funds at both fixed and floating interest rates. The risk is managed by maintaining an appropriate mix between fixed and floating rate borrowings, and by the use of interest rate swap contracts. 97% of debt held by the Group carries fixed interest rates, minimising the exposure from adverse movements in interest rates.

Hedging activities are reviewed regularly to ensure they remain aligned with interest rate outlooks and the Group's risk appetite, and that the most cost-effective strategies are being applied.

£58m (2025: £58m) of the Group's USPP notes carry interest at SONIA plus CAS + 1.64% margin. This loan is not hedged. If the interest rates increased by 1% with all other variables being constant, the group's profit for the year ended 31 March 2026 would have decreased by £0.6m due to its exposure to the interest rate fluctuations. These are reasonable approximations of possible changes.

Inflation risk management

The group is exposed to inflation rate risk as certain of its major contracts are linked to RPI.

In order to manage this risk, the group uses inflation (RPI) swaps to ensure that income that is linked to inflation increases by a set amount year on year.

The group holds 246.5m (2025: £246.5m) of Indexed Linked listed bonds that are not hedged. If RPI had been 1% higher throughout the year, the interest charge on the Index Linked bond would have increased by £64k, and the uplift on the listed bond would have increased by a further £795k. These are reasonable approximations of possible changes.

23. Foreign Currency Risk Management

The group undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters utilising forward foreign exchange contracts.

The carrying amounts of the group’s foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows:

Liabilities	**2026**	**2025**
	£m	£m
USD	135.8	217.8

The group is exposed to USD exchange rate fluctuation as it has debt denominated in this currency.
This debt is fully hedged through cross currency swaps. This ensures that the group pays a fixed amount of GBP to service this debt, hence eliminating its foreign currency risk.

As a result of this, any movement in the USD to GBP exchange rate will not impact foreign currency risk.

23. Financial Instruments (continued)

Maturity profile of financial instruments

The following tables detail the Group's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Group's liquidity risk management as the liquidity is managed on a net asset and liability basis:

Liabilities

31 March 2026	Carrying amount	Total	0-1 year	1-2 years	2-5 years	More than 5 years
	£m	£m	£m	£m	£m	£m
Bank loans and overdrafts	62.0	62.0	62.0	-	-	-
Trade and other payables	16.1	16.1	15.5	0.6	-	-
Amounts owed to parent undertakings	590.4	1,429.9	56.0	56.2	168.1	1,149.6
USPP notes	643.8	764.2	121.6	116.4	241.4	284.8
Listed bonds	1,032.3	1,449.1	33.2	33.6	202.3	1,180.0
Finance lease liabilities (UKPN)	195.8	463.2	31.4	31.4	94.2	306.2
Total	**2,540.4**	**4,184.5**	**319.7**	**238.2**	**706.0**	**2,920.6**

31 March 2025	Carrying amount	Total	0-1 year	1-2 years	2-5 years	More than 5 years
	£m	£m	£m	£m	£m	£m
Bank loans and overdrafts	43.0	43.0	43.0	-	-	-
Trade and other payables	9.4	9.4	8.8	0.6	-	-
Amounts owed to parent undertakings	625.1	1,597.9	60.3	60.3	180.9	1,296.4
USPP notes	729.5	873.6	107.8	123.3	306.4	336.1
Listed bonds	1,017.5	1,478.1	32.9	33.1	154.3	1,257.8
Finance lease liabilities (UKPN)	187.9	474.8	30.1	30.1	90.5	324.1
Total	**2,612.4**	**4,476.8**	**282.9**	**247.4**	**732.1**	**3,214.4**

Assets

31 March 2026	**Carrying amount**	**Total**	**0-1 year**	**1-2 years**	**2-5 years**	**More than 5 years**
	£m	**£m**	**£m**	**£m**	**£m**	**£m**
Concession asset	1,379.0	1,379.0	26.6	33.8	95.7	1,222.9
Trade and other receivables	334.9	334.9	27.0	307.9	-	-
Amounts owed by parent undertakings	1,439.8	3,487.1	136.7	137.0	410.0	2,803.4
Cash and cash equivalents	3.0	3.0	3.0	-	-	-
Total	**3,156.7**	**5,204.0**	**193.3**	**478.7**	**505.7**	**4,026.3**

31 March 2025	**Carrying amount**	**Total**	**0-1 year**	**1-2 years**	**2-5 years**	**More than 5 years**
	£m	**£m**	**£m**	**£m**	**£m**	**£m**
Concession asset	1,399.0	1,399.0	20.0	26.6	90.3	1,262.1
Trade and other receivables	367.2	367.2	53.1	314.1	-	-
Amounts owed by parent undertakings	1,309.1	3,294.6	124.2	124.2	373.1	2,673.1
Cash and cash equivalents	3.7	3.7	3.7	-	-	-
Total	**3,079.0**	**5,064.5**	**201.0**	**464.9**	**463.4**	**3,935.2**

The following table details the Group's liquidity analysis for its derivative financial instruments. The table has been drawn up based on the undiscounted contractual net cash inflows and outflows on derivative instruments that settle on a net basis, and the undiscounted gross inflows and outflows on those projected interest rates as illustrated by the yield curves at the end of the report.

31 March 2026	Carrying amount	Total	0-1 year	1-2 years	2-5 years	More than 5 years
Net settled:	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**
Inflation swaps	(374.3)	(574.5)	(25.4)	(29.2)	(99.9)	(420.0)
Cross currency swaps	25.0	115.9	76.1	39.8	-	-
Total	**(349.3)**	**(458.6)**	**50.7**	**10.6**	**(99.9)**	**(420.0)**

31 March 2025	Carrying amount	Total	0-1 year	1-2 years	2-5 years	More than 5 years
Net settled:	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**
Interest rate swaps	(16.0)	(16.6)	(16.6)	-	-	-
Inflation swaps	(339.6)	(529.9)	(23.3)	(24.8)	(84.5)	(397.3)
Cross currency swaps	43.7	185.3	69.4	76.1	39.8	-
Total	**(311.9)**	**(361.2)**	**29.5**	**51.3**	**(44.7)**	**(397.3)**

Capital Management

The Group's capital management process is primarily through its management of cash. The Group has robust policies in place for cash management, with oversight from the Directors. The Group considers external requirements, such as debt covenants, when making decisions relating to capital management.

As a result, the Group remained in compliance with its debt covenants throughout the period. For this purpose, capital comprises cash and cash equivalents together with current and non-current borrowings.

Derivative Financial Instruments

The Group enters interest rate derivatives to manage interest rate risk arising from the Group's borrowings, cross currency swaps to manage currency risk on foreign currency borrowings and RPI swaps to manage the risk in inflation movements.

As part of financial risk management, the Group holds certain uncollateralised derivative financial instruments, including interest rate, inflation, and cross-currency swaps. These are valued by external, independent advisers using relevant inputs which are considered market-observable, such as forward rates risk-free interest rates, and FX rates from available market data. Therefore, they are classed as level 2 on the fair value hierarchy.

The derivatives reflect valuation adjustments ("XVA") to certain derivatives due to evolving market practices. Valuation adjustments are an umbrella term for adjustments made to the fair value of a derivatives contract to take into account the funding and credit risk.

The inclusion of XVAs has impacted the valuations of the swaps as shown below:
• a decrease in the fair valuation of the cross-currency swap asset of £0.2m (2025: £0.6m).
• a decrease in the fair valuation of the RPI swap liability of £36.9m (2025: £38.2m).

Interest rate swaps expired at 31 March 2026.

The following table details the notional principal amounts and remaining terms of inflation swap contracts outstanding as at the reporting date:

Outstanding receive fixed pay floating contracts	**Average RPI swap contract fixed interest rate**		**Notional principal value**		**Fair Value**	
	2026	**2025**	**2026**	**2025**	**2026**	**2025**
Less than 1 year	3.139%	3.139%	58.0	58.0	(23.7)	(21.7)
1 to 2 years	3.139%	3.139%	58.0	58.0	(24.8)	(20.7)
2 to 5 years	3.139%	3.139%	58.0	58.0	(75.8)	(62.1)
5 or more years	3.139%	3.139%	58.0	58.0	(249.9)	(235.0)

All inflation swap contracts exchanging fixed amounts for floating amounts are designated and effective as fair value hedges. The inflation rate swaps settle on a bi-annual basis. During the year, the hedge was 100% effective in hedging the fair value exposure to inflation.

Cross currency swap contracts

The following table details the notional principal amounts, and remaining terms of cross currency swap contracts outstanding as at the reporting date.

2026

Outstanding receive fixed pay floating contracts	Average contract fixed rate	Average contract fixed rate	Notional principal value	Notional principal value	Fair value
	USD	GBP	USD	GBP	GBP
			£m	£m	£m
Less than 1 year	3.790%	3.942%	179.6	111.2	16.4
1 to 2 years	3.790%	3.942%	62.4	38.6	8.6
2 to 5 years	3.790%	3.942%	-	-	-

2025

Outstanding receive fixed pay floating contracts	Average contract fixed rate	Average contract fixed rate	Notional principal value	Notional principal value	Fair value
	USD	GBP	USD	GBP	GBP
			£m	£m	£m
Less than 1 year	3.790%	3.942%	281.6	174.0	16.3
1 to 2 years	3.790%	3.942%	179.6	111.2	17.8
2 to 5 years	3.790%	3.942%	62.4	38.6	9.1

The cross currency swaps settle on a bi-annual basis. During the year, the hedge was 100% effective in hedging the exposure to movements in foreign currency exchange rates.

Interest rate swap contracts

The following table details the notional principal amounts, and remaining terms of interest rate swap contracts outstanding as at the reporting date.

Outstanding receive fixed pay floating contracts	Average contract fixed interest rate		Notional principal value		Fair Value	
	2026	2025	2026	2025	2026	2025
Less than 1 year	-	2.076%	-	1,600.0	-	(16.6)

The interest rate swaps were taken out to hedge against a loan that has now been settled. The interest rate swaps were carried at fair value through profit or loss, as they were not in hedge relationships, before their expiry on 31 March 2026.

23. Financial instruments (continued)

Amounts recognised in Group's statement of profit or loss for derivative financial instruments

	Group 2026 £m	*Group 2025 £m*
Interest rate swaps	**16.0**	*15.2*
Inflation swaps	**1.2**	*1.0*
Cross currency swaps	**-**	*(0.4)*
	17.2	*15.8*

The interest rate swaps were taken out to hedge against a loan that has now been settled. The interest rate swaps were carried at fair value through profit or loss, as they were not in hedge relationships, before their expiry on 31 March 2026.

Amounts recognised in Group's other comprehensive income for the derivative financial instruments

	Group 2026 £m	*Group 2025 £m*
Cross currency swaps	**0.1**	*3.8*
RPI swaps	**(35.9)**	*53.7*
	(35.8)	*57.5*

The cross-currency and RPI swaps are designated as effective hedging instruments and are carried at fair value thorough the other comprehensive income. All derivatives are classified as level 2 on the IFRS 13 fair value hierarchy as their valuation requires observable inputs other than quoted market prices. All derivatives are uncollateralised. The terms of some derivatives allow for netting. However, no netting has been applied, as the Group has no counterparties with which it holds debit and credit balances.

Amounts recognised on Group's Balance Sheet for derivative financial instruments

	Group 2026 £m	*Group 2025 £m*
Cross currency swaps	**25.0**	*43.7*
Interest rate swaps	**-**	*(16.0)*
RPI swaps	**(374.3)**	*(339.6)*
	(349.3)	*(311.9)*

If RPI had increased by 1 percentage point and all other variables held constant, the value of the RPI swaps would decrease by £22.8m (2025: decrease of £23.0m).

If the USD-GBP exchange rate had increased by 1 percentage point and all other variables held constant, the value of the RPI swaps would have decreased by £1.4m (2025: decrease by £2.2m).

These are reasonable approximations of possible changes.

Cash flow hedge reserve reconciliation

	Derivative movements		Deferred tax		Total	
	2026	2025	2026	2025	2026	2025
	£m	£m	£m	£m	£m	£m
Balance at 1 April	(178.4)	(239.3)	48.7	63.7	**(129.7)**	**(175.6)**
Gain/(loss) arising on changes in fair value of hedging instruments during the period	(35.9)	55.1	-	-	**(35.9)**	**55.1**
Amortisation of novated swaps	-	2.2	-	-	**-**	**2.2**
Adjustment to correct for previous errors in reserves	(4.0)	3.6	(4.0)	-	**(8.0)**	**3.6**
Cumulative gains arising on hedging instruments reclassified to profit or loss	3.5	-	-	-	**3.5**	**-**
Deferred tax charge	-	-	8.1	(15.0)	**8.1**	**(15.0)**
Balance at 31 March	**(214.8)**	**(178.4)**	**52.8**	**48.7**	**(162.0)**	**(129.7)**

The financial derivatives are comprised of:

	2026 £m	2025 £m
Balance related to continuing cash flow hedges	**154.3**	*130.5*
Balance related to discontinued cash flow hedges	**60.5**	*47.9*
	214.8	*178.4*

Discontinued cash flow hedges relate to RPI swaps which were novated.

24. Cash and cash equivalents

	Group 2026 £m	Group 2025 £m
Cash at bank and in hand	**3.0**	*3.7*
Cash equivalents - working capital facility	**(62.0)**	*(43.0)*
	(59.0)	*(39.3)*

25. Financial asset

	2026 £m	2025 £m
As at 1 April	**1,399.0**	*1,413.2*
Additions	**-**	*-*
Capital repayment of financial asset	**(162.0)**	*(155.8)*
Financial asset interest	**129.7**	*131.0*
Revaluation of asset	**12.3**	*10.6*
As at end of year	**1,379.0**	*1,399.0*

Revaluation of the asset is the difference between the opening balance, capital repayment of financial asset (domestic underpin income received), financial asset interest, and the closing balance, which was forecast at the start of the concession. Domestic underpin income is indexed to RPI, therefore increased RPI would result in an increased revaluation to account for a higher than expected capital repayment.

Analysed as:		
Less than one year	**26.6**	*20.0*
More than one year	**1,352.4**	*1,379.0*
	1,379.0	*1,399.0*

The financial asset relates entirely to the service concession held to 31 December 2040 to operate, maintain and renew the 109 kilometre high speed rail line. See note 1.7 for further information.

26. Related party transactions

Identity of related parties which the Group has transacted with:

The total remuneration for key management personnel for the year totaled £2.7m (2025: £2.3m). This amount is included in the staff costs in note 7.

In the year ended 31 March 2026, there have been no transactions with the Company's Directors or parties related to them (2025: none).

Helix Bufferco Limited and Betjeman Holdings Limited are related parties by virtue of being an intermediary parent undertakings. Betjeman Holdings JvCo Limited is a related party by virtue of being the ultimate parent undertaking (note 27).

During the financial year the Group completed the following transactions with related parties within the Betjeman Holdings JvCo Limited group of companies:

26.1 Loans to related parties

	2026	*2025*
	£m	*£m*
Helix Bufferco Limited	**1,105.6**	*1,005.2*
Helix Midco Limited	**0.6**	*0.5*
Helix Holdings Limited	**0.5**	*0.4*
Betjeman Holdings Limited	**330.0**	*302.8*
	1,436.7	*1,308.9*

26.2 Loans from related parties

	2026	*2025*
	£m	*£m*
Helix Bufferco Limited	**590.4**	*625.1*
	590.4	*625.1*

26.3 Other related party transactions

Other related party transactions are as follows:

Related party relationship	**Interest receivable**		**Interest payable**	
	2026	*2025*	**2026**	*2025*
	£m	*£m*	**£m**	*£m*
Helix Bufferco Limited	**100.4**	*91.3*	**57.4**	*59.9*
Betjeman Holdings Limited	**30.2**	*27.5*	**-**	*-*

27. Parent undertaking and controlling party

In the opinion of the Directors, there is no one ultimate controlling party of the Group. The Group is jointly owned by a consortium comprised of HICL Infrastructure Company Limited (the listed infrastructure investment company, advised by InfraRed Capital Partners Limited), funds managed by Equitix Investment Management Limited and third party funds managed by InfraRed Capital Partners Limited.

The Company’s immediate parent undertaking is Helix Bufferco Limited, a company incorporated in the United Kingdom.

The Company’s ultimate parent undertaking is Betjeman Holdings JvCo Limited, a company incorporated in the United Kingdom.

The smallest group in which the results of the Company are consolidated is Helix Acquisition Limited. The largest group in which the results of the Company are consolidated is Betjeman Holdings JvCo Limited, a company incorporated in the United Kingdom.

Copies of the consolidated financial statements of Betjeman Holdings JvCo Limited are available from 5th Floor, Kings Place, 90 York Way, London, N1 9AG.

28. Subsequent events

There have been no events subsequent to the balance sheet date that require disclosure.

29. Contingent liability

During the year ended 31 March 2026, a review of Group’s historical debt arrangement records identified a potential absence of documentation evidencing compliance with UK withholding tax (‘WHT’) requirements on payments of interest to overseas lenders. Following the advice received from our legal and tax advisers it was concluded that it is probable late paid interest will be due to HMRC of £2.8m, which has been recognised as a provision (note 17) and that it is possible that WHT may be payable to HMRC. The potential maximum WHT payment is £29.9m. Accordingly, the Group recognises a contingent liability for this amount. It is possible that a proportion of this liability may be recoverable through the repayment claim mechanism.

The Group also notes that it is possible additional interest of £3.1m accrued on the WHT may become payable, for the period between 2017 and 2022. The Group is working with HMRC to rectify this matter.