Octopus Energy Group Limited

Annual Report and Financial Statements 2025

Contents

Foreword

Greg Jackson – Chief Executive Officer and Founder

This year marks another major step forward in creating a global customer-centric clean energy major. With both our UK energy retail business and Kraken delivering growth and profit, and the backing of renowned investors, we're able to continue investing in innovation and scale in other markets, whilst relentlessly focusing on customer service and value.

In FY25 we became the UK's largest household supplier, serving 7.6 million homes. Our UK retail business has lower acquisition costs, higher loyalty, less need for loss-leading tariffs and lower operating costs than traditional rivals – demonstrating that putting customers first and investing in technology can deliver superior economics.

We also nearly doubled our non-UK customer base to 2.4 million. We've proven the model we pioneered in Britain works globally, using technology to deliver outstanding customer experience, delivering improving economics and almost identical Trustpilot ratings.

At the same time, we are investing at scale in the services that will define this new era of energy. From smart meters and solar panels to EV chargers, heat pumps and Europe's largest public charging network, we are embedding electrified technology into homes and businesses at an accelerating pace. In addition, OE Generation oversees 4.6 GW (about £7 billion) of green generation projects across 21 countries. These investments are the building blocks of the low-carbon post-transition system: one that is better for customers while also increasing resilience and energy security.

This is all delivered by our dedicated team, which grew from 8,500 to 11,400 this year, while maintaining top employee experience scores and being named a Sunday Times Top Ten Best Place to Work.

Our industry-leading customer service has been recognised again this year, including being named *Which? Recommended Provider* for the eighth year in a row and winning USwitch's award for overall customer satisfaction. We were also awarded by Kundenmonitor in Germany, by the National Energy Ombudsman in France and by Altroconsumo in Italy. Trustpilot scores across the Group have consistently remained among the top globally, ranging between 4.8 and 4.9 out of 5 across our retail markets.

Kraken continued its spectacular growth, now with over 73 million contracted accounts[1] across multiple countries, signing major new clients like Plenitude Iberia and, right before year-end, National Grid in the United States (its first major North-American vertically integrated utility client).

In September 2025, we announced our intention to spin off Kraken as an independent business, giving it the freedom to grow faster and further. Built to transform utilities, Kraken is already serving millions and I'm immensely proud of what the remarkably talented team has achieved so far.

[1] Of the 73 million live accounts on Kraken's platform, 19 million belong to the Group's internal retail subsidiaries.

Stuart Jackson – Chief Financial Officer and Co-founder

FY25 was a year of strong growth, significant investment and some excellent underlying business fundamentals but with impacts to the P&L from exceptional and one-off events. We closed the year with a strong balance sheet, reporting £1.5bn in net assets. Group revenue rose 10% to £13.7 billion. We grew to 10 million customers globally, became the UK's largest household supplier and nearly doubled our international customer base to 2.4 million. At the same time, we scaled our services and technology businesses at pace, from heat pumps, solar and EVs to Kraken's rapid global expansion.

We delivered positive underlying EBITDA of £90 million, demonstrating the strength of our core operations despite the impact of several headwinds. These included the warmest spring on record[2] which reduced consumption, the final settlement of the government's Energy Price Guarantee, and the final accounting impact of the Bulb Wholesale Adjustment Mechanism Agreement (WAMA) arrangements. The latter two exceptional, non-recurring items amounted to £144 million. Including these effects, reported EBITDA was negative £93 million. While headline profitability was affected, the underlying performance across the Group is robust, with margins stable in UK retail and international retail operations already delivering ahead of the UK retail business at the equivalent stage of development.

Our balance sheet is strong. We closed the year with £1.5 billion in cash and £1.5 billion in net assets. The government facility linked to Bulb was repaid in full from ring-fenced funds, leaving operating liquidity unaffected. Alongside this, we continue to take a robust approach to risk management, supported by in-house technology that enables well observed and controlled risk positions, comfortably within the capacity of the Group's balance sheet. Furthermore, we conservatively hold cash and contingent facilities to mitigate potential stress events, e.g. weather-related, which we test regularly to ensure resilience.

Alongside retail, our Low-carbon tech and services businesses expanded significantly. Installations have accelerated to deliver around 903,000 smart meters and 65,000 low-carbon devices such as heat pumps, EV chargers, solar panels and batteries. Our EV leasing fleet grew by more than 70% to over 27,500 vehicles, while Electroverse became Europe's largest public charging network, serving nearly 880,000 customers at the end of the year. Kraken doubled its contracted Annual Recurring Revenue to £422 million, expanded into adjacent sectors such as water and telecoms, and now supports more than 73 million accounts across multiple countries.

On capital adequacy, we continue to work constructively with Ofgem under the new framework introduced this year, despite the requirement being set at a level without precedent in any of the other deregulated markets in which we operate. The framework does not take into account the very material financial resilience arrangements that Octopus Energy retail businesses have in place with third parties. These arrangements support the Group's solid capital position and provide significant liquidity risk management benefit by shielding the business from mark to market collateral. These factors mean the Group is financially resilient and the UK retail business exceeds the regulator's minimum capitalisation requirements, with an agreed pathway to the target.

Looking ahead, we will continue to balance growth with financial discipline. The planned demerger of Kraken will allow it to accelerate its global expansion as an independent technology company, while Octopus Energy Group retains a strong and resilient position across its markets and is well positioned to continue leveraging technology and data science to drive innovation, customer experience and operating performance. Both businesses are set up for long-term success: Kraken with its expanding global footprint, and the Group with a proven operating model, a growing international retail base and increasing scale in low-carbon services. Together, they will drive sustained growth and strengthen our role in building a secure, decarbonised energy system.

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[2] Source: UK Met Office; +1.4°C above the long-term climatological average (includes March, April and May 2025).

Strategic report

Operational and financial review

What we do

Octopus Energy Group Limited (OEGL, the Group) is a global energy and technology group. It consists of businesses that operate across the entire post-transition energy value chain:

1. **Renewable generation:** a renewables fund manager (*Octopus Energy Generation,* ‘OE Gen’).
2. **Energy retail:** supply of electricity and gas to 10 million retail and business customers across eight countries, including the UK’s largest electricity supplier (*Octopus Energy,* ‘OE’).
3. **Energy services and hardware:** solar, battery, electric vehicle (EV) charger, heat pump and smart meter installation (*Octopus Energy Services*, ‘OES’). Heat pump design and manufacture *(Octopus Energy Heating,* ‘OEH’). EV leasing (*Octopus Electric Vehicles*, ‘OEV’). EV public charging platform (*Octopus Electroverse*).
4. **Technology:** licensing of software that underpins the entire value chain (*Kraken)*.

OEGL is at the forefront of addressing climate change by driving the energy transition globally through technology. We are creating a paradigm shift in the global energy system by reinventing the way energy is consumed through innovation and flexibility, for the benefit of customers and the planet.

Fundamental to this effort is the Group’s proprietary software and technology platform – Kraken – which is used by our own Octopus Energy energy retail businesses and is also licensed to other major energy suppliers around the world. Kraken is an advanced ‘operating system for utilities’ which integrates all parts of the utilities system, from managing and optimising renewable energy resources to delivering unparalleled customer experiences at the lowest operational cost-to-serve in the market[3].

> *“Our role is simple. We will bring about a sustainable global energy system faster and cheaper through technology”*
>
> Greg Jackson, CEO and Founder

Operational and financial review

During the fiscal year ended 30 April 2025, the Group delivered strong growth and maintained our unparalleled standard of customer service, while managing a combination of largely external and non-recurring challenges that influenced in-year financial performance, as detailed below.

We ended the year supplying 10 million customers globally, consolidating our leading domestic position, continuing our fast expansion in the international markets and rapidly scaling across our businesses in technology licensing, energy services and hardware, and renewable generation management.

The Group continued on its exceptional growth trajectory and ended FY25 with revenue of £13,683 million, up by 10% year-on-year (FY24: £12,433 million). Revenue growth was mainly driven by energy supply, which generated £13,027 million from the sale of gas and electricity (FY24: £12,107 million) across the UK, Europe (Germany, France, Spain, and Italy), and overseas, including the US and New Zealand.

[3] Source: Ofgem, *Latest Energy companies’ Consolidated Segmental Statements (CSS) available.*

Across these markets, the Group reached 16.4 million meters on supply by 30 April 2025 (FY24: 13.7 million), of which 13.9 million meters were in the domestic UK market and 2.5 million meters in its international markets (FY24: 12.5 million and 1.2 million meters respectively).

UK retail: now the UK's largest domestic energy supplier, still with unrivalled customer satisfaction

In January 2025, Octopus Energy became the UK's largest household energy supplier, with an overall market share of 24%[4]. In just nine years we have gone from new entrant to the UK's largest energy supplier, a speed and scale of disruption unprecedented in the utility sector in the UK. We now supply almost a quarter of all UK households, and accounted for 42% of all domestic customer switches in the UK during FY25. Reaching this position is a significant milestone, but the focus remains firmly on what lies ahead: accelerating the transition to cheaper, cleaner energy for every household.

Net customer acquisition remained strong, with UK customer numbers reaching 7.6 million by April 30, 2025, (FY24: 6.7 million). Customer numbers grew organically by over 800,000 during the year. At the same time, we expanded our smart tariff portfolio, with Intelligent Octopus portfolio growing by over 70% year-on-year, comprising approximately 1.7 GW of distributed power capacity under management.

We strengthened our reputation for outstanding customer service in FY25, with more than 300,000 new Trustpilot reviews, a market-leading rating of 4.8, and recognition as a *Which? Recommended Energy Supplier* for the eighth consecutive year. Customers continued to benefit from consistently low call wait times of under one minute, reflecting our focus on rapid, high-quality support.

Throughout FY25, we were also able to maintain our policy of keeping Standard Variable Tariff (SVT) prices below the price cap through reduced standing charges, at a cost of £57 million to the business.

International retail: accelerating growth and replicating our UK success

Building on our rapid rise in the UK, we accelerated our expansion in international retail. In FY25, our international retail businesses almost doubled their combined customer base, growing by 99% from 1.2 million in FY24 to over 2.4 million customers as of 30 April 2025. Growth was primarily organic and broadly spread across geographies.

During the year, we continued offering our Intelligent Octopus Go smart tariffs in Germany, launched them successfully in Spain and prepared their launch in the remaining international markets (i.e., Italy, France, US and New Zealand). Consistent with performance in the UK, our international retail businesses also have excellent Trustpilot scores, with ratings at or above 4.8 in all markets and over 200,000 reviews combined, validating the strength and scalability of our customer-centric approach.

Customers are also rewarding the Group's focus on service excellence: the Group was ranked number one in Germany by Kundenmonitor for customer satisfaction, in France by National Energy Ombudsman (Médiateur National de l'Énergie) for the lowest dispute rate, and in Italy by Altroconsumo among the best energy suppliers.

The Group's retail businesses are successfully replicating the UK model in other deregulated markets and they are delivering margins in line with the UK retail business at comparable customer scale. Increased scale, brand recognition, and loyalty are expected to lead to further operating efficiencies, reduced customer attrition and customer acquisition costs, and enhanced customer lifetime value.

Kraken: scaling globally and becoming the world's leading enterprise-grade utility platform

This growth in our energy supply business, both domestically and internationally, was powered by Kraken, our proprietary technology platform which continued its expansion as an integrated platform for global utilities, powered by AI. Live accounts on the platform grew by 35% year-on-year to 44.2 million, fuelled by growth in

[4] On a number of meters basis; source: Ofgem, Cornwall Insights, January 2025.

both Octopus Energy's own customer base and, more significantly, by third-party clients licensing the platform[5].

Recurring licensing revenue from non-Octopus Energy clients was up 26% year-on-year to £102 million in FY25. Main drivers were the successful completion of migration activities for millions of customer accounts signed in previous fiscal years, such as Energy Queensland in Australia, EDF Energy and Portsmouth Water in the UK.

Kraken's contracted Annual Recurring Revenue (cARR) – which will generate future revenue for the business – increased by 100% year-on-year and reached £422 million by the end of FY25[6]. Kraken expanded in the Americas, first by signing its first North American deal with Saint John Energy in Canada, then by partnering with Champion Energy Services (part of Calpine Corporation) in the US.

Moreover, Kraken signed at the end of FY25 a partnership in the United States with National Grid, which will become the first US integrated utility to implement Kraken and unlock best-in-class customer service for its several million customers across Massachusetts and New York.

Kraken also continued its expansion into adjacent utility sectors of telecommunications and water. In February 2025, it signed a partnership with TalkTalk in the UK, which will use Kraken as its sole customer management platform for its 3+ million broadband customers, aiming to enhance their customer offering.

Beyond its customer platform, Kraken expanded in field management, network billing, and asset flexibility and orchestration. As part of this expansion in FY25, Kraken acquired Jedlix, a Dutch supplier of smart flexible EV charging solutions, and Energetiq, an Australian network billing reconciliation software provider.

Finally, Kraken continued to strengthen its leadership team, marked by the appointment of Amir Orad as Kraken's CEO in July 2024, with subsequent senior hires since then, including their first Chief AI Officer and Chief Financial Officer.

Low-carbon tech and services: driving residential decarbonisation, from heat pumps to EVs

The Group continued to invest in low-carbon technologies and demand flexibility as core parts of our strategy. With energy demand from EVs and heat pumps set to rise sharply, we are building capability across the entire customer journey, from sale and installation through to integration with our technology platform, to capture the full value of residential decarbonisation, while also creating value for consumers and sharing the benefits through lower costs and smarter products.

Across the UK and the European countries where the Group operates, we installed in our customers' homes approximately 903,000 meters (FY24: c. 749,000) and 65,000 other low-carbon technology devices (i.e., heat pumps, EV chargers, solar panels and batteries; FY24: c. 30,000). We have also increased production of our own flagship heat pump (Cosy series) while continuing to expand its product portfolio (Cosy 6, Cosy 9 and Cosy 12).

Octopus Electroverse grew significantly in FY25 and became Europe's largest public charging network, reaching over 880,000 customers in the UK and abroad, while offering the ability to charge EVs from over 980,000 chargers across 40+ countries. Since year end it has grown to almost 1,100,000 customers and over 1,090,000 charge points today.

These rising volumes led the Group to generate £164 million of revenue through its metering service business and £222 million through other services businesses in FY25, up by 98% and 211% from the previous year respectively (FY24: metering service £83 million and other services £72 million).

Additionally, our fleet of leased EVs through Octopus Electric Vehicles (OEV) reached over 27,500 vehicles in the UK, growing by approximately 72% from FY24 and entering the top 10 largest EV leasing businesses in the

[5] Of the 44.2 million live accounts on Kraken's platform, 19.0 million belong to the Group's internal retail subsidiaries.
[6] £422 million cARR include £112 million cARR from the Group's internal retail subsidiaries.

country. Since year end the fleet has grown further to over 34,000. Leasing revenue for the Group in FY25 amounted to £134 million, up by 125% from the previous year (FY24: £59 million).

OE Gen: managing GW-scale renewable energy portfolio

As of 30 April 2025, OE Gen had £6.8 billion of assets under management (FY24: £6.7 billion)[7], representing over 4 GW of installed capacity across 21 countries. OE Gen recorded £34 million revenue in FY25 (FY24: £31 million), representing a growth of approximately 10% year-on-year.

Highlights in the year include surpassing £1.5 billion of offshore wind investments across OE Gen funds, following the launch of its first dedicated offshore wind fund, Vector, in 2023. In January 2025, funds managed by OE Gen also acquired OX2 France, an agrivoltaics developer, with plans to deliver almost 500 MW of solar PV capacity by 2031.

Additionally, in February 2025, the Group launched Octopus Energy Collective, after receiving authorisation from the Financial Conduct Authority (FCA). The Group introduced this pioneering investment platform, being a UK energy provider now offering direct investment into renewable energy projects to individuals.

The Group's underlying performance was profitable despite weather impacts and one-off charges

In FY25, the Group's gross profit margin was 8.4% (FY24: 9.0%). It generated an EBITDA loss of £93 million (FY24: positive £136 million), driven by a combination of: (i) an exceptionally warm spring in 2025 in the UK and internationally; (ii) continued investment into growth areas across retail, services and other avenues; and (iii) settlements of prior years' Energy Price Guarantee scheme (EPG) and WAMA costs.

Warm weather, particularly in March and April, negatively impacted Group-level EBITDA by approximately £103 million. The UK witnessed the warmest spring on record since 1885[8] and accounted for c. 90% of this impact, with the remainder attributable to international retail operations. In the UK our customers' gas consumption in March 2025 was 11% lower than the seasonal norm, and 25% lower in April 2025; electricity consumption was 1% and 7% lower respectively.

Evolving weather and energy consumption patterns underscore the importance of our investments into the low carbon energy value chain, in line with our mission. In FY25 we increased our investment in expanding our low-carbon technology portfolio and installation capabilities. This meant significantly growing our installation workforce and positioning the business across a wide range of services – from equipment sales and installation to aftercare, maintenance and flexibility. We also focused on improving hardware margins, labour efficiency and utilisation, while reducing overheads.

Underlying EBITDA amounted to positive £90 million in FY25[9] (FY24: £290 million), after adjusting for one-off charges, as mentioned above. These primarily include £70 million for the final settlement of the government's EPG subsidy scheme, originally in place over FY23 and FY24, and an accounting impact of £74 million from the finalisation of the original Bulb WAMA financing arrangements. The additional £103 million worth of warm weather impact is not included in these adjustments.

Positive underlying EBITDA was driven by the energy retail business's scale in the UK, reached through several years of investing in organic and inorganic customer growth, coupled with operational efficiency enabled by our Kraken platform and our operating model, and despite the weather impacts mentioned above.

Nevertheless, the Group recorded a net loss of £255 million for the financial year, dropping from a net income of £83 million in FY24. Our focus on building retail businesses outside the UK as well as our low-carbon tech and installation business meant strategic investments in people, brand and operations by the Group, which are reflected in the growth of administrative expenses to £1,502 million (FY24: £1,218 million). Staff and contractor costs rose to £469 million (FY24: £306 million) mirroring the increase in average monthly number of employees

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[7] Including approximately £0.2 bn of committed capital.

[8] Source: UK Met Office; +1.4°C above the long-term climatological average (includes March, April and May 2025).

[9] Please refer to section 'Additional information – Adjusted performance measures' of this report for more details on 'Adjusted EBITDA' components and calculation.

from 6,438 in FY24 to 10,030 in FY25. The substantial increase in customer volumes during the year was underpinned by higher expensed acquisition and marketing costs, which in total rose to £190 million (FY24: £88 million.

Finally, amortisation decreased to £143 million (FY24: £197 million). This decrease mainly reflects a change in accounting estimates based on a review of our actual customer retention rates in energy supply business and sustained software performance in Kraken, allowing us to amortise these costs over a longer period, in line with IFRS (further details are provided in Note 3).

The Group maintained its resilience with a liquid and well-capitalised balance sheet

At year end, the Group held £1,512 million in cash and restricted cash, demonstrating a strong liquidity position (FY24: £4,202 million). The decrease of £2,690 million compared to FY24 reflects the scheduled repayment for £2,838 million of the government facility put in place as part of the Wholesale Adjustment Mechanism Agreement ("WAMA"), linked to the Bulb acquisition. This was funded entirely from ring-fenced cash that had been held on the balance sheet since the transaction, and therefore did not impact the Group's operating liquidity.

Net assets for the Group amounted at year end to £1,482 million (FY24: £1,697 million), down from the previous year due to the statutory loss in FY25. The Group's solid liquidity and capital position strengthens our ability to weather future volatility. Liquidity risk from mark to market collateral requirements is largely eliminated through partner energy market access trading arrangements in the UK and Europe, covering the bulk of group activity. Our UK retail business was and remains above the Ofgem capital floor requirement. It is also on an agreed path towards meeting its set target of £115 per dual fuel customer, despite this being well beyond anything required in any other market in which we operate, and takes no account of the resilicence that flows from our uncommonly prudent trading arrangements, which afford material liquidity protection.

Non-current assets grew strongly to £1,843 million (FY24: £1,286 million), reflecting continued investment in intangible assets (up from £463 million in FY24 to £607 million in FY25) and in property, plant and equipment assets. These investments are aimed at supporting our expansion in retail energy markets both in the UK and internationally, further developing and strengthening Kraken's platform, while expanding our fleet of electric vehicles as part of our EV leasing business.

Long-term borrowings largely represent EV fleet external financing, secured against the vehicles themselves, amounting to £292 million, up from £107 million in FY24, mirroring the growth in the Group's EV leasing business and vehicles leased.

Conclusion: well-capitalised, scaling rapidly and positioned to lead the energy transition

In FY25 the Group continued to invest in growth at pace, adding customers, scaling Kraken globally, and expanding our low-carbon technology footprint. While profitability was affected by one-off items and the warmest spring on record, we have maintained a strong balance sheet and healthy liquidity position.

The exceptionally warm spring underscored the accelerating impact of climate change on energy consumption patterns, reinforcing our strategic imperative to lead the transition to a more resilient, decentralised energy system through our low-carbon technology investments. Coupling this with the Group's solid financial foundations, we are continuing to work to extend our market leadership in the coming years and accelerate the energy transition.

Key Performance Indicators (KPIs)

	30 April 2025	30 April 2024	% change
Octopus Energy supplied customers (million)	9.94	7.95	25%
Total accounts live on Kraken platform[10] (million)	44.2	32.8	35%
Assets under management (AUM) by OE Gen managed funds (£ billion)	6.8	6.7	1%
Capacity of renewable generation assets owned by OE Gen managed funds (GW)	4.6	3.6	28%
Revenue (£ million)	13,683	12,433	10%
Gross margin (%)	8.4	9.0	(7%)
EBITDA (£ million)	(93)	136	(168%)
Underlying EBITDA[11] (£ million)	90	290	(69%)
Operating (loss) (£ million)	(352)	(95)	271%
Net (loss)/profit (£ million)	(255)	83	(407%)
Net assets (£ million)	1,482	1,697	(13%)

Future developments

In September 2025, the Group announced its intention to spin off Kraken into a standalone company, aiming at speeding up the cutting-edge platform's expansion across the globe. The move will allow Kraken to fast-track investments into its technology, expand into new energy markets and regions, and drive innovation – all while building on its utility roots

The Directors expect the Group to continue growing during the forthcoming year, both organically and by pursuing acquisition opportunities that are strategically and stakeholder aligned as they arise. This growth will be fuelled by significant opportunities in energy retail domestically and abroad, in EVs, heating, as well as in deepened access to energy markets via our Flex platform. We continue to invest in building proprietary technology and know-how to support growth in customers on the platform, supplier efficiency, customer service quality, flexibility services, and further innovations in generation and supply.

Growth in customers on the Kraken platform will be through both the Group's own energy supply businesses in the UK and globally, as well as through new licensing agreements with other utility suppliers around the world.

The Group has announced its intention to demerge Kraken Technologies Limited and its subsidiaries. This does not impact the Group's impairment analysis or values disclosed in the accounts.

[10] Accounts on the Kraken platform at year end including those supplied by OEGL businesses.

[11] Adjusted for the impacts of the Bulb WAMA transaction accounting adjustments and other one-off items, which Management strips out to assess underlying profitability of the business. Please see additional information on page 52 for further details.

Sustainability report

Octopus Energy set out in 2016 to build a greener, cheaper and fairer energy system in the UK. Now as the UK's largest domestic energy supplier, we are at the forefront of driving the green energy revolution, relentlessly delivering better service, lower costs and more innovation.

We are driving full energy-system change, reinventing the way energy is consumed through physical and technological innovation. We are delivering the energy transition, helping reduce households' carbon footprint and bills through three fronts: growing renewable energy generation (mainly through deployment of funds managed by OE Gen); electrifying heating and transport; and enabling a smarter, greener grid through demand flexibility. With both a pioneering B2B platform-as-a-service offering (Kraken), and an integrated consumer energy business (Octopus Energy) with high brand awareness, customer trust and technology deeply embedded in the consumer energy value chain, Octopus is uniquely positioned to drive the decarbonisation of the consumer energy markets.

Climate-related Financial Disclosures (CFD)

The Group has included CFDs as required by the Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022. Due to the nature of our core business and strategy, we have incorporated how we have met the CFD focus areas throughout this report. These are shown in the table below.

Focus area	CFD requirement	Page number
Governance	a) Describe the governance arrangements to assess and manage climate-related risks and opportunities	Page 26 (corporate governance), page 5 (What we do)
Risk management	b) Describe how the company identifies, assesses and manages climate-related risks and opportunities c) and d) Describe the integration of climate-related risks into the company's overall risk management process – Describe the principal climate-related risks and opportunities; – Describe the time periods for assessment e) Describe the actual and potential impacts of these principal risks and opportunities on the business model and strategy	This section (see below), page 26 (corporate governance), page 22 (principal risks and uncertainties)
Scenarios	f) Analyse the resilience of the company's business model and strategy to different climate-related scenarios	This section (see below)
Metrics and targets	g) Describe the targets used by the company to manage climate-related risks and opportunities and the company's performance against those targets h) Describe the key performance indicators used to assess progress against targets used to manage climate-related risks and opportunities and describe the calculations on which those key performance indicators are based	This section (see below)

Resilience to climate-related scenarios

There are many potential pathways to net zero, each with different likelihoods and dependencies, and associated risks and opportunities. In order to ensure the resilience of our regulatory and operational strategy, we've used Network for Greening the Financial System (NGFS) scenarios. We've performed a qualitative assessment of the NGFS topics, of which we have identified 4 scenarios that could most impact our transition plan.

Net Zero 2050

- Ambitious climate policies are introduced immediately.
- Carbon Dioxide Removal (CDR) is used to accelerate the decarbonisation but kept to the minimum possible and broadly in line with sustainable levels of bioenergy production.
- Net CO_2 emissions reach zero around 2050, giving at least a 50% chance of limiting global warming to below 1.5°C by the end of the century, with limited overshoot (< 0.2°C) of 1.5°C in earlier years.

In this scenario, physical risks are relatively low but transition risks are high. It requires fast technology change and smooth, immediate policy implementation.

Delayed Transition

- New climate policies are not introduced until 2030 and the level of action differs across countries and regions based on currently implemented policies. The availability of CDR is assumed to be low, pushing carbon prices higher than in a scenario with similar climate ambition such as Below 2°C. As a result, emissions exceed the carbon budget temporarily before declining more rapidly than in Below 2°C to ensure a 67% chance of limiting global warming to below 2°C.

This scenario assumes global annual emissions do not decrease until 2030. Strong policies are then needed to limit warming to below 2°C. Negative emissions are limited, and there are both higher transition and physical risks than the Net Zero 2050 and Below 2°C scenarios.

Nationally Determined Contributions (NDCs)

- The moderate and heterogeneous climate ambition reflected in the conditional NDCs at the beginning of 2024 continues over the 21st century.
- Emissions decline but lead nonetheless to 2.3°C of warming associated with moderate to severe physical risks.

This includes all pledged policies even if not yet implemented, with transition risks, CDR deployment and technology change being relatively low.

Current Policies

- Only currently implemented policies are preserved, leading to high physical risks.
- Emissions grow until 2080 leading to about 3°C of warming and severe physical risks. This includes irreversible changes like sea level rise.

This scenario brings with it the highest physical and transition risks, while technology change and the deployment of CDR remain slow. It helps us consider the long-term physical risks to the economy and financial system if we continue on our current path.

The Group's fundamental business model and strategy of accelerating the energy transition puts it in a strong position to navigate all four climate scenarios detailed above. The Group's strategy is achievable across these scenarios and the more ambitious climate scenarios (Net Zero 2050 and NDCs) will accelerate opportunities for the Group. In addition, the diversity of activities within the Group, including smart energy technology, generation assets, low carbon technology and EVs, are broadly reflected in a Net Zero energy system. The Group is active in countries which have set ambitious NDCs, particularly the UK, EU and Japan, and is well positioned in growing energy transition sectors in these markets. A delayed energy transition could increase transition risks by moderating the speed of electrification and low carbon technologies, for instance, the dampening of government subsidies. We continue to monitor and mitigate these risks by working closely with policy makers yet ultimately, our core business model is largely unaffected by the speed of the energy transition.

Climate-related risks and opportunities

The Group is exposed to climate change and the impact it has on customer consumption and generation availability. As the most material part of our carbon footprint, and subject to various climate-related risks, we monitor energy markets closely. In early FY25, EU gas prices rose sharply, primarily due to Norwegian supply outages, compounded by ongoing geopolitical tensions in the Middle East. In Asia, strong Chinese Liquefied Natural Gas (LNG) demand drove further competition for cargoes, tightening the global market. Extreme weather conditions, including a severe heat wave in Asia and an active hurricane season in the US, further contributed to volatility in LNG supply and pricing, disrupting flows and amplifying market uncertainty. The Board regularly reviews risks, including those that are climate-related, through the monthly management reporting process and during quarterly Board meetings.

Physical risks

Physical risks are those that relate to the physical impact of climate change on the Group's assets. The trend of increased frequency of extreme weather, such as storms and flooding, caused by climate change could lead to asset damage and operational risks. Our provisional assessment of physical climate risk, conducted as part of our reporting readiness for upcoming frameworks like, the Corporate Sustainability Reporting Directive (CSRD), indicates that we do not anticipate significant climate-related risks to our properties or capital goods. This is because we mostly lease our facilities and fleet vehicles, mitigating most of our physical climate risk. We will continue to monitor this risk both voluntarily and through upcoming mandatory assessments as part of sustainability regulations.

OE Gen monitors the impact of climate-related risks on its portfolio of managed assets (such as the impact of changing weather on equipment downtime and energy yields) and takes steps to mitigate these. In partnership with Climate Scale, the majority of these assets have been assessed for climate-related hazards under a 4-degree scenario, with risks considered over the course of asset-life and physical risks relating to the Company's platform and portfolio companies assessed separately. More detail can be found in OE Gen's TCFD report. Within the overall Group, these risks are not considered material.

Transition risks

Transition risks relate to the Group's overall climate change strategy, including commitments to achieving net zero, and the role OEGL plays in driving the energy transition. OEGL is well positioned to take advantage of the opportunities that arise from the energy transition.

As a supplier of gas in multiple retail energy markets, we will be impacted by policy to reduce emissions arising from heating, cooling and energy use in buildings and the phasing out of fossil fuels including gas boilers. However, as the UK's largest installers of heat pumps and with growing international installation businesses in France, Spain and Germany we are well positioned for this transition and consider it a clear opportunity for further electrification of heat and consumer flexibility.

In the UK, where the price of electricity is largely driven by the price of LNG, we are also subject to the pace of transition from the wider energy market, which our energy trading team monitors regularly.

We also note a potential transition risk if the use of Renewable Energy Guarantees Of Origin (REGOs), due to a change in climate discourse or regulation is reduced or stopped entirely. However REGOs are discretionary, therefore we continually monitor their utility and value within the market. We don't envision this transition risk to affect the Group significantly, due to our industry leading customer service still being the main driver of customer loyalty.

Opportunities

The Group is well-positioned to benefit from the investment, product and service opportunities of the energy transition, including the following:

We are growing renewable generation by investing funds managed by OE Gen, helping bring countries closer to their zero carbon power sector targets in the medium to long-term:

OE Gen is one of Europe's largest renewable energy investors, partnering with developers to finance, build and manage projects end-to-end. It continually innovates to ensure efficient project delivery and to optimise day-to-day performance of operational renewable generation assets, bringing more green energy to consumers. The urgent need to tackle climate change, together with the global shift to renewables, creates significant opportunities for OE Gen to expand its portfolio and impact.

We are driving electrification to help build energy resilience in the long term through decentralised energy system:

OEV is making it as easy and affordable as possible for customers to switch to an EV by offering a comprehensive package, combining capability from across the Group. This includes a smart charging tariff from Octopus Energy (powered by Kraken), a home charger installed and manufactured by OES and public charging via Octopus Electroverse. OEV is the UK's second largest EV leasing salary sacrifice provider and continues to experience fast growth with the increasing demand for EVs.

As key enablers of the electrification and decarbonisation of homes, the markets for heat pumps, solar panels, home batteries and EV chargers continue to grow. The Group installs all of these in the UK (via OES), and has expanded internationally, installing solar panels and EV chargers in Spain, France and heat pumps in Germany. We continue to ramp up installations of our Octopus Cosy heat pumps, with the launch of the Cosy 9 and further models broadening the range of homes they can serve. From FY26 we will also be installing our own Octopus designed EV chargers. Cosy heat pumps integrate with the Octopus ecosystem allowing customers to reduce their heating costs through our smart tariffs. The UK government is offering grants of £7,500 for air source heat pumps such as Octopus's Cosy heat pump, making it more affordable for customers to decarbonise their homes and save money.

We are taking the lead on energy flexibility to help build energy system resilience through the short and long term:

OEGL is building the energy system required to deliver the energy transition and help end our dependence on carbon-intensive fossil fuels. By harnessing demand flexibility (ability to shift demand in time) to the energy system we will help enable higher penetration of renewables in the energy supply mix and save millions of tonnes of CO_2 emissions. We continue to grow one of the largest flexibility portfolios in the world (MW under management), both through a continuously expanding range of customer products (smart tariffs and campaigns) but also through growing tolling arrangements, while simultaneously expanding the activities of Octopus Energy Trading to utilise this portfolio in the most impactful way.

Our continuously growing range of products, such as Intelligent Octopus (IO), manage EVs, home batteries, heat pumps and thermostats. IO is the UK's leading EV tariff and one of the world's largest virtual power plants, unlocking benefits for OEGL across global energy markets. By harnessing flexibility from all major consumer energy assets, and providing aggregated demand for grid management, we are paving the way for grids to accommodate more smart energy assets while supporting network stability and climate-related resilience.

We are innovating through technology to help unlock additional decarbonisation opportunities in both the short and long term:

Technology is a critical enabler for accelerated climate action and can provide opportunities to lower emissions and costs for consumers, create social and environmental co-benefits, and achieve various Sustainable Development Goals. Kraken Technologies offers an end-to-end solution for digitalising utilities (which it licenses to clients). It delivers operational efficiency to support the transition to a decentralised, decarbonised energy system by leveraging advanced data, AI and machine learning capabilities. It also powers grid flexibility and network management as well as facilitating the rollout of low-carbon technologies. The increasing number of Battery Energy Storage Systems (BESSs) expands the market for Kraken's products. Kraken currently manages 50% of the UK's grid-scale battery sites, including Scotland's Blackhillock battery, one of Europe's largest, which is expected to save approximately £170 million and reduce CO_2 emissions by 3.4 million tonnes over 15 years.

A great example of how our innovative capabilities across the Group come together is our pioneering product, Octopus Zero Bills, the first-of-its-kind energy tariff with zero energy bills guaranteed for up to 10 years, for homes kitted out with the right combination of solar panels, a home battery and a heat pump that meet our specifications. This year we launched our first Zero Bills homes in Scotland, Germany and for social housing residents with Sovereign Network Group (SNG) in England, enabling access to green and affordable homes , as well as attempting our first Zero Bills retrofit to an existing home. Octopus Energy aims to deliver 100,000 Zero Bills homes by 2030, and is also rolling out the product in Germany and New Zealand. Our ability to deliver these homes is enabled by Kraken which orchestrates energy self-consumption, import and export to maximise the value of the energy, as the smart technology enables us to to minimise the energy import and maximise the export of the home.

Climate-related metrics and targets

The Group is focused on delivering the energy transition as fast as possible and all our businesses are focused on capturing the opportunities arising from the transition. Given that the Group's footprint is primarily linked to sales of natural gas, our direct decarbonisation efforts hinge on accelerating the electrification of customer demand. This involves installing low-carbon technologies in homes and leveraging smart tariffs to manage them when grid electricity is most environmentally friendly and cost-effective for customers.

In the UK, we also have several energy efficiency targets to help low-income customers reduce their energy consumption, emissions and energy bills through installing energy efficiency upgrades under the Energy Company Obligation (ECO) and Great British Insulation Scheme (GBIS).

We will continue our indirect efforts to advocate for policy and regulatory changes that support heating decarbonisation. This includes promoting consumer flexibility programmes for low-carbon technologies deployment, and policy certainty that electrification is the preferred solution for home heating. We will also continue to push to resolve issues within the planning system and improve home efficiency standards.

As of April 2025, Octopus Energy Group has approved near- and long-term science-based emissions reduction targets with the Science Based Target initiative (SBTi). The targets require the Group to achieve net-zero Greenhouse Gas (GHG) emissions across our value chain by FY40, from an FY24 baseline year. We will be publishing our approved targets and carbon footprint this calendar year, in line with SBTi disclosure guidelines.

We aim to achieve these targets through the following interventions:

Scope	Interventions
1	Continue to shift our vehicle fleet (globally) to electric as quickly as possible. As most of our emissions are mobile, switching petrol and diesel vehicles for electric vehicles charged with renewable electricity will eliminate these emissions.
2 (market-based)	Continue to switch our facilities' electricity supplies to renewable sources. 100% of facility electricity will come from renewables by FY30, reducing our Scope 2 market-based emissions. We are working with facility managers at all our sites globally to design and plan for this.
3	The vast majority (95%) of our total emissions come from the well-to-tank (WTT) distribution and use of natural gas by our millions of retail customers globally. Directly, the reduction in our Scope 3 emissions will be driven by: • Driving heat pump innovation and rollout • Offering smart energy solutions • Innovating in flexibility to encourage uptake • Aiming to build 100,000 Zero Bills Homes by 2030 • Expanding renewable generation • Advocating for more ambitious national decarbonisation targets and policies Indirectly, the reduction in our Scope 3 emissions will be driven by the broader electrification and decarbonisation of heating. We are active proponents of policies that support this transition across all our operational markets and in international forums, including the European Commission, COP, Munich Security Conference and Davos. By sending clear signals and removing obstacles, governments can give consumers and industry the confidence to invest in heat pumps and other low carbon technologies. This will unlock economies of scale, enabling heat pumps to be deployed widely and contributing to achieving net zero.

Streamlined Energy and Carbon Reporting (SECR)

Energy consumption

		FY25	FY24
Building energy consumption	Natural gas (kWh)	426,992	378,839
	Electricity (kWh)	2,616,699	2,623,793
	Percentage from renewable electricity (%)	74	69
Fleet energy consumption	Petrol (litres)	76,795	118,786[12]
	Diesel (litres)	1,084,879	638,345
	Liquified Petroleum Gas (litres)	327	0
	Petrol (kWh)	727,093	1,247,966
	Diesel (kWh)	11,403,166	6,040,020
	Liquified Petroleum Gas (kWh)	2,215	0
	Electricity Home Charge (kWh)	2,138,179	850,000
	Electricity Remote Charge (kWh)	4,225,298	32,325
Total energy consumption	Energy usage (kWh)	21,539,642	11,172,943

Greenhouse gas emissions

		FY25	FY24
Scope 1 emissions[9]	Building energy (tCO_2e)	78	69
	Fleet energy (tCO_2e)	2,887	1,853
Scope 2 emissions	Building Electricity – location-based (tCO_2e)	538	544
	Building Electricity – market-based (tCO_2e)	184	320
	Fleet Electricity – location-based (tCO_2e)	1,321	183
	Fleet Electricity – market-based (tCO_2e)	319	142
Scope 1 and 2 emissions	Total Scope 1 and 2 – location-based methodology (tCO_2e)	4,824	2,648
	Intensity (tCO_2e/£m revenue)	0.35	0.21
	Intensity (tCO_2e/per FTE)	0.42	0.33
	Total Scope 1 and 2 – market-based methodology (tCO_2e)	3,468	2,384
	Intensity (tCO_2e/£m revenue)	0.25	0.19
	Intensity (tCO_2e/per FTE)	0.30	0.30

The Group complies with all mandatory energy and carbon reporting regulations under SECR for the year 1 May 2024 to 30 April 2025 in accordance with The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 ('the 2018 Regulations').

For this report, we are disclosing Scope 1 and Scope 2 GHG emissions in absolute tonnes of carbon dioxide equivalent (CO2e) in line with the GHG protocol methodology. For FY25 we have employed the operational control approach which means we have included the energy consumption for facilities and fuel use of vehicles under the Group's operational control. We have only reported on material subsidiaries, as well as acquisitions from the date of acquisition. Our carbon accounting software partner is ISO 14064-1 certified as assured by

[12] Petrol and diesel kWh's and litres incorrectly reported inversely in FY24, correction has been applied to FY24 data in FY25 table above.

Lloyd's Register Quality Assurance. The report is based on internal data without external verification. The Group complies with all mandatory energy and carbon reporting regulations under SECR for the year 1 May 2024 to 30

Scope 1:

In FY25 the OES fleet grew significantly to support the rapid rollout of low-carbon technologies in homes across the UK; however, this only contributed to a 54% increase in Scope 1 mobile combustion emissions. While supply chain constraints temporarily slowed our transition away from internal combustion engine vehicles, we still delivered a remarkable shift in electrifying our services fleet vehicles. Starting the period, 50% of our fleet were Internal Combustion Engine (ICE) vehicles and Battery Electric Vehicles (BEV's) respectively, by year end 93% were BEV with the remaining 7% being ICE, of which we continue to progress phasing out.

Scope 1 building energy emissions increased by 13% due to the opening of new office and warehouse spaces.

Scope 2:

Market-based building electricity emissions decreased 43% as we continue to switch facilities to renewable electricity. During FY24 and FY25 we increased the percentage of our facilities' electricity supply coming from renewable sources to 74%, we aim to work with third party building managers with existing energy supply contracts to switch our remaining facilities to renewables. This, alongside the continued electrification of our Services fleet means we're on track to achieve our SBTi approved target to reduce absolute Scopes 1 and 2 (market-based) GHG emissions 90% by FY40.

Location-based building electricity emissions decreased slightly, primarily due to improvements in data quality (which previously included some estimations) and the successful implementation of energy-saving initiatives across our UK facilities outlined in our Energy Saving Opportunity Scheme (ESOS) Action Plan. These initiatives included adaptations to lighting, heating, and air conditioning controls as well as smart control of office monitors. This was achieved despite our full-time equivalent employee count increasing during the period.

Location-based fleet electricity emissions rose due to the successful integration of Battery Electric Vehicles (BEVs) into our services fleet, as engineers charged both more at home and remotely. .

Market-based fleet electricity emissions increased at a slower rate than BEV fleet growth, emissions roughly doubled whilst BEV's tripled during the period. This was achieved by increasing the proportion of renewable electricity used to charge our fleet vehicles from 59% to 87%. Key initiatives included installing EV chargers in our engineers' homes and implementing a fleet-wide rollout of Octopus Electroverse top-up cards for all engineers. Remote charge energy consumption for our fleet increased at a higher rate than home charging, as not all engineers are able to have a charger installed at their home.

Across fleet and facilities, we significantly increased the proportion of our purchased electricity from renewable sources, rising from 66% to 83% during the period. In addition, we improved the quality of data used in our reporting, increasing data coverage from 93% to 100% across Scope 1 and 2.

Engaging with our stakeholders

This report sets out how the Directors comply with the requirements of Section 172 Companies Act 2006, including employee engagement, and how these requirements are considered in the Board's decision-making throughout the year.

Further details on stakeholder engagement are on page 26 within the Corporate Governance Report.

It is the Board's priority to ensure that the Directors have acted both individually and collectively in good faith, and in the way that they consider would be most likely to promote the success of OEGL for the benefit of its members as a whole and with regard to all its stakeholders. The requirements of Section 172 of the Company Act can be summarised as follows:

A Director of a company must act in the way they consider to be in good faith and would be most likely to promote the success of the company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to:

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

The following paragraphs summarise how the Directors fulfil their duties. In all cases the Board is responsible for setting and monitoring these high standards and receives regular updates for discussion at board meetings.

Risk management

Risk management is a key function of the Board's role in oversight of the business and the Group's success in achieving its strategic objectives and mission. The Board regularly reviews risks, including those which are climate-related, through the monthly management reporting process and during quarterly Board meetings.

Management also reviews risks, on a weekly basis through a series of detailed operations reporting packs. OEGL balances risk and agility through a sophisticated mix of stress testing, reporting and frequent senior level oversight across the spectrum of risks. This enables the Group to understand and prepare for the impact of risk crystallisation and react quickly when required. The principal risks and uncertainties facing OEGL are detailed later in this strategic report on page 22.

Our people

People are the most important part of the Group and the Board is passionate about creating a business which people want to be part of. Everything we have built at OEGL was built by our people and the continuous feedback loop from the people who make up our business allows us consistently to find better ways of working together. The Board puts particular focus on nurturing a culture of autonomy, empowerment and trust, and encouraging straightforward, honest and transparent communication. It monitors employee engagement through regular updates from the Senior Management Team on data from Officevibe (internal employee ratings and feedback) and Glassdoor (external).

The Board also maintains its accessibility via ad hoc but regular engagement with the OEGL employee community often in the form of visits to OEGL's London headquarters or regional offices.

All permanent staff own shares or are granted share options in the Group, so that they derive added benefit from the ongoing growth and success of the business, helping to align employee values with those of shareholders.

Informal, regular access to our senior management team drives accountability at all levels. We achieve this via several channels – from open internal messaging to a weekly 'Family Dinner' where all members of staff across the world are invited to the same online meeting to learn about the latest business developments. Our Founders (who are Directors), and occasionally other members of the Board, typically host these or attend these meetings. During these sessions, employees are encouraged to ask questions directly to the CEO, CFO and CTO and to celebrate the achievements and challenges of their teams together.

Our customers

OEGL is built on a foundation of obsessively trying to deliver outstandingly positive experiences for customers and the Board is committed to upholding and promoting this. The fundamental principles of pragmatism, simplicity and honesty are ingrained in all areas of the business, including the Board. It monitors customer engagement through regular updates from the business on a whole range of customer metrics including Trustpilot scores, quarterly complaints performance, customer switching data, and market research including Customer Happiness Index (CHI) and Net Promoter Score (NPS). The result of this focus across all areas of the business, including the Board, is very high engagement with our customers.

Further details are set out within the Corporate Governance section page 26.

Suppliers

We carefully select partners and suppliers to work with on a number of factors including their reputation within their industry and ability to demonstrate care and quality throughout their process. Our onboarding process is grounded in our business and personal principles, including our undertakings and provisions outlined in our Modern Slavery Statement.

We operate in accordance with the guidelines recommended by the Office of the Small Business Commissioner, which oversees the Prompt Payment Code, for all suppliers. This ensures that suppliers are paid on time, provides them with clear guidance on our payment processes, and encourages good practice throughout the supply chain.

Community and environment

The Group is helping the world move towards a decarbonised future, underpinned by renewable power generation and consumption. Our technologies support system-wide change to end the world's reliance on fossil fuels. We see consumer flexibility as key to achieving this by enabling the shifting of consumption to times when renewable power is cheap and abundant. We are also strong supporters of locally sourced renewable energy, pioneering local energy innovation with numerous tech trials and constantly growing our base of 'community energy' contracts.

The business also uses funds under its own control to support vulnerable and low-income households who are struggling with their energy bills. We did so in the UK through a combination of a pricing strategy that was set below the price cap across the whole year, and the decision to provide millions of pounds in energy credit to support more than 90,000 of our customers in financial hardship (i.e., Octo Assist Fund). Additionally, we provided tens of thousands of its vulnerable customers with electric blankets, relief from standing charges for certain periods of time (i.e., 'standing charge holidays'), winter fuel payments to some of its pensioner customers that missed out on the government programme, and our You Pay, We Pay voluntary scheme, helping tackle customers energy debt.

On top of that, we employ social workers in every one of our UK's locations to help customers receive the right level of support, and we made hundreds of thousands of visits to people's homes to help them cut bills and save energy through simple but effective measures, like thermostats, timers, basic draught proofing.

Shareholders

We are committed to openly engaging with our shareholders and all shareholder interests are represented at the Group's Board meetings. Our Board is attended by representatives from each of our five major external shareholders and convenes formally on a quarterly basis to review business performance and discuss strategic topics and opportunities. In addition to these meetings, the Group provides a monthly financial performance reporting pack to all of our investor shareholders and reserves time with each of them to cover any resulting queries. The Board has appointed members for the Audit, Risk and Compliance Oversight Committee, with duties covering financial and non financial reporting, internal controls and risk management systems, risk and compliance and external audit. Finally, the Group maintains ongoing accessibility and engagement with its shareholders via the Strategic Finance and Communications teams.

Business conduct

We aim to supply energy and services in ways which are economically, environmentally and socially responsible. The Board is responsible for setting and monitoring these high standards of business conduct, including the culture and reputation of the Group, and receives regular updates at Board meetings.

The Group abides by our Modern Slavery Statement and is committed to ensuring that all operations are compliant with relevant laws. We also apply this philosophy to supplier relationships by carefully selecting partners and suppliers to work with based on a number of factors, including their integrity within their industry.

The Senior Management Team keeps the Board up to date with the business and relationships with key stakeholders, including customers. They monitor various forms of customer communication closely and all handle some customer communications directly to retain a first-hand understanding of customer and employee sentiment, and the impact of our actions on customers as a business.

Our Board considers key stakeholders in all of its key decisions

Here are some of the decisions the Board made this year which demonstrate how key stakeholders have been taken into account:

Investment in international retail growth (via budget)

The decision to continue investing strongly in international retail was driven by the potential for growth and diversification. The Board closely monitored each country's financial and business KPIs, comparing them against the Group's track record of growth in the UK market. They confirmed the potential to replicate that success abroad, letting customers access affordable, sustainable energy solutions. Diversification benefits mean new roles and development opportunities for employees, strong opportunities for revenue expansion and geographic risk mitigation for shareholders.

Investment in services growth (via budget)

Investing in services growth supports the Group's long-term strategy of driving decarbonisation across the whole domestic energy value chain. This decision benefits customers by providing more sustainable solutions like EV charging and heat pump installations, aligns with environmental goals, and creates new roles for employees. For shareholders, it diversifies revenue streams and positions the Group to lead in low-carbon technologies and harness the full potential of flexibility of energy markets, within the evolving energy landscape.

Investment in growth towards an operationally independent Kraken business (via budget)

The Board's investment in expanding Kraken's headcount ensures they can continue to deliver high quality services for an expanding client base. It supports long-term growth for shareholders and strengthens the platform's capabilities. The Board's decision to separate Kraken from the Group has been executed at an operational level and includes separate IT systems and resources, strengthened people operations capabilities, segregation of relevant IP and setup of intercompany services agreements. This decision builds on an existing policy of separate ringfenced instances for each client and effective Chinese walls.

Launch of The Collective

The decision to launch Octopus Energy Collective positioned the Group to lead the market in unlocking public ownership of renewables at scale, offering diversification benefits to its customers, accelerating the rollout of renewables and democratising renewables investment. The decision enables the Group and its shareholders to benefit from an additional channel of customer acquisition, as well as increased potential for customer retention.

Principal risks and uncertainties

The Board and Senior Management Team identify, assess, and manage risks associated with the Group's business objectives and strategy in the following categories:

Wholesale market risk

The Group faces wholesale market risks through its retail businesses, primarily in the UK through Octopus Energy Ltd and Octopus Energy Operations Ltd, and with a growing international retail customer base (together the 'retail businesses'). The retail businesses follow a strict and sophisticated hedging policy, and do not speculate on market movements, nor assume or rely on market movement in either direction.

For each customer that is acquired or renewed onto a fixed price contract, the retail businesses make forward commitments for power and gas delivery for the duration of the term offered to the customer, allowing for some expected attrition. Daily adjustments are made to correct the wholesale position for variances in demand and renewable generation versus forecast.

For customers in the UK on standard variable price contracts, the retail businesses execute a rolling hedge that follows the price-cap methodology as set by Ofgem which operates on a three-month cycle. In this way, we are able to match pricing of the standard variable tariff with wholesale costs and therefore benefit from relatively stable margins in the variable book to the extent that customer refixing behaviour is stable.

This approach largely locks in margin for customers across the life of their contracts and provides a basis for financial planning. Variances to expected margin for fixed products result from 'shaping loss' (tailoring a hedge constructed from freely available market products to the specific consumption shape of the Group's portfolio) and 'imbalance costs' (consumption turns out differently from hedged-for expectations). These risks are monitored closely.

Cash flow and liquidity risk

We are a prudently run, profitable and strongly backed group of businesses. The Group manages cash responsibly and has clear sight to expected cash requirements, using both a multi-year long-term monthly financial model and a short-term daily cash flow model that covers a 13-week timespan.

The Group monitors financial risks at a business unit level which is then consolidated to report to shareholders at Board meetings. It undertakes stress and sensitivity testing on forecast performance to ensure that sufficient capital is maintained through a set of quantified 'liquidity buffers' which reserve significant capital specifically to absorb potential liquidity risks. The stress testing includes the impact of cold weather and correlated material increases in wholesale price for this additional consumption volume, customer payment distress and other performance/macro-driven potential shocks.

Core to stability within its retail businesses are several wholesale trading arrangements, which remove the risk of cash calls resulting from wholesale market price changes, resulting in increased protection from short-term liquidity pressures. These arrangements cover both the UK domestic market, as well as its main international markets, with investment-grade institutions acting as the Group's counterparties.

Additionally, the Group maintains a mixture of equity and secured credit facility funding to ensure there is sufficient capital for current and future operations, including under stress scenarios. As for counterparty risk, the Group allocates its significant cash reserves across a number of different investment grade institutions, guaranteeing diversification to its funds, and constant access to liquidity even under stress scenarios.

Commercial risk

The Group faces several types of commercial risk in the course of its operations.

Risk generated by the competitive environment, against which we are well placed thanks to competitive advantage from our brand and customer loyalty, proprietary software platform and associated highly efficient operating model in retail supply.

We take a robust and proactive approach to managing credit risk within our retail business, with a strong focus on both debt prevention and resolution. Debt prevention is embedded in our broader business strategy and begins at the customer acquisition stage, where we utilise a credit scoring process wherever allowed by law, as well as in the management of payments. Prevention efforts continue throughout the customer lifecycle, supported by Kraken's advanced debt management capabilities.

Nonetheless, some customers inevitably fall into arrears. To address this, we operate a sophisticated debt resolution programme. While underpinned by advanced technology, it remains fundamentally a human-led operation. Our approach is designed to engage with customers at the right time, using the most appropriate interventions to achieve positive outcomes. For some, this means proactively offering support; for others, it involves more escalated actions to prevent further financial deterioration.

This year, we enhanced our technical and operational capabilities and made the strategic decision to bring our collections operations in-house. This move has reduced our reliance on third-party debt collection agencies, improved our collections performance, and delivered significant seven-figure cost savings.

In our Retail businesses, there is supplier risk associated with our energy procurement as a result of the trading agreements in place, which allows the majority of power and gas purchased to be concentrated amongst a single partner in each market. We have selected suppliers with strong credit standing and backing, and we are actively diversifying power procurement through the expansion of our Power Purchase Arrangement (PPA) portfolio, which provides access to multiple counterparties and increased exposure to renewable generation.

OEV sets residual values on EVs at the point of lease origination with reference to forecast sale values at the expected point of disposal. A reduction in forecast disposal values exposes OEV to expected losses, which could be the result of macro economic or sub-sector specific factors. To mitigate this risk, OEV monitors the market closely, including close engagement with manufacturers and other market participants.

In addition OEV has started to implement initiatives to mitigate or reduce the impact of market movements through lease contract extension and re-leasing of vehicles. Residual values are set by a specialist committee, who take into account a number of factors including benchmarking against external forecasts at the point of lease origination.

Finally, OEV is subject to credit risk on its portfolio of lease contracts that are financed through hire purchase and securitisation facilities. Credit risk is mitigated by underwriting each customer to assess creditworthiness prior to entering into a lease arrangement.

Operational risk

Operational risk arises from a weakness or failure in a business's systems and controls. The Group continues to enhance its controls and processes, particularly with respect to its IT system and security. The potential impact and likelihood of processes failing is assessed on a regular basis and aspects have been subject to external assessment. Where these likelihoods are felt to be outside of the Directors' appetite for risk, management actions and/or control improvements are identified to bring each potential risk back to within acceptable levels. The Group also has a disaster recovery plan in place covering current business requirements.

OEGL is built to minimise significant risks arising from operational process and system changes. By drawing on data from Kraken and other external sources (e.g. weather data that feeds proprietary forecasting models), the Group is able to maintain a granular, continuously updated view of key metrics in energy. By automating processes which elsewhere are delivered by humans and spreadsheets, the Group is able to deliver additional control and reliability through automated software testing and defined coding standards – as well as reducing manual error.

Kraken's continuous integration and continuous deployment (CI/CD) approach means that Kraken is typically updated through over 150 small changes per day across all clients' instances, with full rollback available, as opposed to a more traditional release cycle. Kraken's ability to rely on the modern Cloud platform capabilities to manage data from across the business and across functions reduces risk of error in translation, extraction and manipulation.

OEGL continues to improve its security controls to address both the cyberattacks it detects and cyber risks that are tracked through internal risk management processes. Attacks seen in the year include denial of service, credential stuffing, phishing attacks and device malware attempts that are commonplace in any business. These incidents were minor and mitigated, with no impact on the Group's systems that we are aware of.

For the corporate IT environment, we continue to finetune our Software-as-a-Service (SaaS) tools and put greater emphasis on identity and zero-trust controls to help mitigate cyberattacks. We educate all staff to work securely whether they are working in one of our offices or any other location, avoiding the operational impact of losing a business location. Through our supplier review processes and business continuity planning we monitor and manage risks from supply chain attacks and disruption.

From a Kraken perspective we continue to harden the application and the Cloud services we use. Reliance on Cloud has some risks associated with it which are mitigated through close supplier relationships. Kraken has a dedicated, rapidly growing security and privacy team with over 30 team members as well as dedicated CISO and Deputy CISO. During the last year, Kraken has started building its own Cyber Defence Centre that includes cyber security and incident response, across Europe, Asia and the Americas.

Organic growth of Octopus branded businesses globally, acquisition, and an increase in the number of Kraken customers, has resulted in an increase in the amount of data held in Kraken. This includes personal data, including data defined as special category data under General Data Protection Regulation (GDPR). OEGL takes the risk of a data breach very seriously not only from the perspective of the potential impact of fines through GDPR (or any other relevant privacy laws and regulations) and the impact of reputational damage on business goals, but also the human impact on its end customers.

Kraken continues to improve controls around data security, which include access control and Cloud data security monitoring. Kraken also focuses on making data retention periods more granular for clients, improving access controls across the application and support services and continuing to ensure the auditability of actions involving customer data.

Regulatory risk

Government regulation and decisions relating to the transition to net zero can have an impact on much of OEGL. The Group primarily faces regulatory risk through its retail businesses. This includes requirements to maintain levels of regulatory capital in certain jurisdictions, which we address through our capitalisation and liquidity strategy. In all markets the Regulation and Policy teams monitor changes through regular engagement with the Regulators and other bodies. Our operational teams also have detailed knowledge of the requirements of their markets, and our product teams participate in advisory boards and committees to help shape future regulation. We also maintain relationships with government departments and other stakeholders to ensure our business model is well understood and the implications for retailers and customers of policy changes are considered.

In FY25, for the UK retail businesses we have been engaging with the Regulator on important issues including price protection, proposed changes to standing charges, the financial resilience framework and delivery of programmes to enable greater consumer flexibility. We also engage regularly on wider energy transition policy issues which materially impact our customers including the need for planning reform, market reform and levy reform. The Board is updated on material regulatory changes both while they are being developed and when implemented.

Approved by the Board and signed on its behalf by:

S Jackson
CFO and Co-founder
31 October 2025

Registered office: UK House, 5th Floor, 164-182 Oxford Street, London, United Kingdom, W1D 1NN
Registered number: 09718624

Corporate governance – Wates Principles

The Group is committed to and has applied the principles of corporate governance contained in the Wates Corporate Governance Principles for large private companies for the year ended 30 April 2025. Further explanation of how each principle has been applied is set out below.

Principle One: Purpose and Leadership

Our vision is to drive the renewable energy transition cheaper and faster through technology – for customers and the planet. The Group is deeply committed to enabling decarbonisation of our energy system, and all its products and services are positioned to help achieve this. We are part of the UN Race to Zero and Utilities for Net Zero alliance (UNEZA), helping build momentum around the shift to a decarbonised energy system through our involvement in Business Ambition for 1.5°C (OEGL), and our leading position in Tech Zero.

The Group has approved near and long-term science-based emissions reduction targets with the SBTi. Committed to reaching net-zero GHG emissions across the value chain by FY40 from an FY24 baseline year.

OEGL's Board comprises investor representatives and founding executives, plus one independent non-executive Director chosen for their expertise in energy, especially the key areas of market and trading risk. The Board believes that the OEGL mission is of utmost importance with all members supporting OEGL's vision and bringing different expertise and perspectives.

Customer centricity is at the heart of the Group's ethos, and this is a key focus for all Board members. In practice this means holding ourselves to a higher standard than just 'treating customers fairly' and instead means a relentless focus on how we can create and deliver an even better customer experience for retail customers, as well challenging ourselves to deliver more value for our technology licensing customers and investors in OE Gen funds.

The Group's culture of autonomy, empowerment, and trust was established by its founders and early management, all of whom remain in the C-suite, along with initial investor Octopus Capital. For more detail on how the Board engages with our people, please see 'Engaging with our stakeholders' on page 19. The relatively flat hierarchy cultivated across the Group provides managers with strong visibility across team practices and processes. Additionally, this allows employees access to appropriate channels both within and outside their teams in the event of a need to raise conduct or practice concerns.

The Group's strategy is based on the principles of a future energy system powered by renewables, value flowing to an empowered consumer, and the role of technology in driving efficiency and cost reduction. These principles serve as a constant reference point for decisions made throughout the entire business.

For additional information on our vision and purpose, please refer to the strategic report – What we do (page 5).

Principle Two: Board Composition

The OEGL Board comprises nine members:

- Two representatives from Octopus Capital, OEGL's initial investor, with CEO Simon Rogerson serving as the current Chair.
- Three members representing subsequent, separate investors in OEGL.
- Three founders, serving as CEO, CTO, and CFO.
- One independent member.

The Chair actively seeks input from all Board members to encourage productive discussions on all matters.

Various external observers, including personnel from OEGL investors, the Director of Strategy, and the Head of Strategic Finance, also attend Board meetings. This ensures a broad spectrum of experience, encompassing both the energy industry and other fields, is present. Additionally, other executives may join meetings as needed to offer their expertise.

An independent non-executive Director offers an important non-partisan perspective. This individual helps to shape key elements of the Group's hedging policy and contributes extensive experience to discussions concerning finance, customers, regulatory matters and strategic initiatives.

The size of the Board has been carefully considered to ensure the propensity for a broad debate as well as efficient decision-making. Board members have deep and current business experience in energy and other sectors.

Communication channels are deliberately open throughout the business, extending beyond top-level management and Executive Directors. A formal and informal communication matrix has been established across all stakeholders, providing open access to the Board, Non-Executive Directors, and observers. This ensures employees are integral to discussions on key decisions, such as major acquisitions or strategic resolutions.

OEGL has yet again maintained its negative mean and median gender pay gap (on average women earn more through salaries than men), and many of the most senior roles in the Group are held by women (including the CEO of OE Gen and the Group Chief Product and Marketing Officer). FY25 also marked the first full year as a Director of our first female Board member, Richa Sirohi. Her addition to the Group's Board of Directors represented a significant step in improving diversity at the highest level of governance. Remaining Board members are male, primarily due to the fact that the Group founders and founding investors were male.

Principle Three: Director Responsibilities

The Board is committed to upholding its accountability and responsibilities, which includes ensuring that its governance processes, systems, and controls are fit for purpose, as well as identifying opportunities for improvement. As the Group expands both within existing markets and internationally, the Board recognises the ongoing need to ensure these processes and controls remain adequate.

The Board is kept informed of both financial and non-financial performance through regular updates. This information is then communicated to the senior management team by the Strategic Finance team. The Board and observers receive comprehensive monthly financial packs, which include a review of financial results and an update on progress against the budget and forecast. Additionally, ad hoc Board strategy discussion meetings are held periodically.

The Group has an Audit, Risk and Compliance Oversight Committee, which monitors and reviews the integrity of financial statements, significant reporting issues, accounting and hedging policies, and material financial and non-financial information. Internal working groups are also established flexibly as needed for Operations and Tech requirements (for example, Debt and Payments Working Group) or the Recruitment and Opportunities Working Group self-established by employees to promote ethnic diversity within the business. This self-determining feature is highly celebrated by the management team and will continue to be encouraged going forward.

For further information on how Directors fulfil their roles and discharge their responsibilities, please refer to the Directors' responsibilities statement on page 33.

Principle Four: Opportunity and Risk

The Board is regularly engaged in identifying opportunities to create and preserve value for OEGL, as well as being aware of and monitoring major risks to the Group's future via the Audit, Risk and Compliance oversight Committee. Board approval is required for material investments and other major strategic decisions. Management typically embraces opportunities to move fast in low-risk ways, then learn and scale, but the Board provides guidance on the prioritisation of opportunities, especially at times when there are multiple attractive routes for potential capital investment.

The Board dedicates significant time to larger risks, especially financial ones. To inform decisions, the team employs multi-dimensional scenario planning. The Senior Management Team and Group analysts, in collaboration with Board members, regularly assess and reassess both opportunities and any material risks that emerge, including those related to climate.

Principle Five: Remuneration

Remuneration and employee equity allocation have been delegated to Senior Management and are managed through Board-approved policies. As founders and significant shareholders, our Executive Directors' interests are inherently aligned with the Group's performance, behaviours, purpose, values, and strategy. However, as the Group's operations expand, so does the need for more sophisticated remuneration and oversight and therefore the Group plans to establish a Remuneration Committee.

Principle Six: Stakeholder Relationships and Engagement

The Board recognises its influence on stakeholders and is committed to promoting the values of fairness and transparency in these relationships. For certain stakeholders, such as potential investors and suppliers, the Board acts as an enabling channel.

Board members are able to participate in the weekly 'Family Dinner', an all-Company meeting where topics both positive and negative are discussed in an informal, open forum. The gathering serves as a vital channel for communicating the latest Group strategy and developments to employees. Additionally, members of the Senior Management Team occasionally ask more senior employees to contact Board members directly via email or phone to provide project updates or seek advice.

Employee wellbeing is formally monitored using Officevibe, a platform enabling daily (or as frequent as desired) feedback on happiness levels. Should ratings decline, Team Leaders address the team to understand and quickly resolve any challenges in an environment that encourages honest feedback.

For further information on how we engage with our stakeholders please refer to our Section 172 statement on page 19.

Directors’ report

Future developments

We’ve included a statement on future developments in the Strategic Report which you can find on page 10.

Events after balance sheet date

On 2 May 2025, OEGL acquired 75% of Moca Energy (Moca). Moca develops decarbonisation software and provides energy improvement services to commercial real estate companies.

On 8 May 2025, OEGL acquired a 14.8% minority Investment in Mobile Power (MOPO). MOPO supplies green energy to businesses and individuals in Sub-Saharan Africa suffering from unstable or zero grid access.

On 15 August 2025, OEGL extended the existing Letter of Credit Facility (LCF) from £800 million to £925 million.

The Group has announced its intention to demerge Kraken Technologies Limited and its subsidiaries. This does not impact the Group’s impairment analysis or values disclosed in the accounts.

For further information please see Note 29.

Research and development activities

We invest in the development of our technologies and products. Kraken, Octopus Electroverse and Octopus Electric Vehicles are continuously developing and improving their low carbon technology to meet the needs of the Group and their customers. Our heating business designs and produces heat pumps for manufacture and sale by the Group. The Group will make Research and Development expenditure credit claims where this research and development qualifies.

Dividends

The Directors did not recommend an interim or final dividend to be paid during the period (FY24: £nil).

Engaging with employees and other stakeholders

We have included a statement on engaging with our people and other stakeholders in line with our Section 172 requirements in the Strategic Report, which you can find on page 19.

Sustainability reporting

We have included a dedicated section on sustainability reporting in the Strategic Report which includes Climate-related Financial Disclosure (CFD) and Streamlined Environmental Carbon Reporting (SECR). This can be found on page 11.

Financial risk management objectives and policies

The Group has a strict risk assessment and management policy in which the main risks to the business are considered. These include wholesale market risk, credit risk, cash flow and liquidity risk. The Group has policies in place to mitigate these risks. With strict and sophisticated hedging policies, we ensure a prudent and tech-led approach to wholesale risk. Alongside cash flow management and planning the Group ensures there is sufficient capital for current and future operations. For further detail on financial risk management please refer to principal risks and uncertainties on page 22.

Political donations

The Group hasn’t made any donations or incurred any expense to any registered UK political party or any political organisation in the UK, EU or elsewhere (FY24: nil).

Existence of branches outside the UK

As of year end the Group has four branches across Europe.

Policy on employing people living with disabilities

Across the Group, we work hard to hire, promote and treat people based on their merits and abilities. Our people are our strongest asset and the unique skills and perspectives people bring to the team are the driving force of our success.

For employees with disabilities, whether they are new hires or existing employees who acquire a disability during their employment, we are committed to ensuring their continued career development, success, and integration. While we adopt an autonomous approach, leaving teams to manage training and development in the way that suits them best, we ensure that all necessary adjustments and accommodations are made to provide disabled employees with the resources and support they need. In the case of an employee acquiring a disability, we ensure that appropriate adjustments are made, including training or role modifications, to enable them to continue in their role or transition to a new position that better fits their abilities. Teams are encouraged to foster an inclusive environment and support all employees in their career progression.

As an equal opportunity employer, we do not discriminate based on any protected attribute, and we welcome applications for employment from anyone. Our commitment is to provide equal opportunities, an inclusive work environment, and fairness for everyone.

Some examples of what we've been doing include:

- Our job adverts are gender-neutral, avoiding language that could discourage certain genders or demographics from applying.
- We've rolled out unconscious bias, diversity and inclusion training for hiring managers and interviewers, and always prioritise diverse interview panels to ensure a fair recruitment process.
- We've eliminated gender bias from the pay structure of field roles so that all new starters receive the same starting salary.
- We've partnered with professional associations, community groups, and educational institutions to seek out candidates from underrepresented groups.
- We offer inclusive benefits that cater to the needs of all genders, such as parental leave policies, flexible work arrangements, and support for employees transitioning genders.

The list above certainly isn't exhaustive and all employees can get involved in making their organisation, departments and teams feel like home for everyone. Those in leadership positions are expected to set an example on this, but that doesn't stop anyone from taking the initiative and making a great idea happen.

Going concern

The financial statements have been prepared on a going concern basis which the Directors consider to be appropriate for the following reasons.

The Directors have assessed the liquidity of the business through a detailed going concern forecast and in particular considered the associated hedge position required, which in the UK is procured through a third party without collateral requirements, with a similar arrangement introduced for the European operations. This also includes consideration of commitments by Octopus Energy Group to fund international operations and committed acquisitions when applicable, together with any actions required to ensure compliance with the capital floor requirements of Ofgem's financial resilience requirements for UK suppliers.

The Group held cash of £1,512m at 30 April 2025. There are significant peaks and troughs through the year with April generally the low point of the cash flow cycle. On the basis of existing funding previously received from shareholders, along with ongoing available facilities and trading lines, the forecast cash flows show headroom through the going concern period even under stressed conditions reflecting reasonable sensitivities identified including cold winter scenarios as noted below.

The general approach to hedging expected supply requirements is set out on page 22, along with consideration of the Group's principal risks and uncertainties including increased risks from ongoing cost of living challenges. The Group assembles a set of sophisticated financial forecasting models from key divisions which it tracks and calibrates carefully based on actual performance. The largest cash flow movements are driven by the energy supply business and this forecasting includes consideration of changes in both the hedge book and forward wholesale market prices.

Existing and new regulatory requirements arising over the period have been considered, and assumptions of increased customer gains and losses (together with increased numbers of fixed price contracts) included. The Directors have also actively considered downside sensitivities of cash flows from operations including that which would arise from a cold winter and some associated higher pricing. The Directors have evaluated risks based on historical weather data, which is used to model a range of increased consumption that could arise from an unusual, sustained cold winter during a winter month over the forecast period.

The Group has previously received equity injections as well as access to financing through committed loans from banks, trading counterparties and cash generated by other Group businesses. The business also continues to actively consider further investments and regularly reviews options for additional working capital or other facilities or equity injections although the going concern position does not assume these additional sources of capital in the forecasts. Corporate investment across the Group and acquisition activity is continually monitored to reflect the economic and regulatory environment.

Following the detailed process above the Directors have a reasonable expectation that the Group will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and consequently have prepared the financial statements on a going concern basis.

Directors

The Directors who served throughout the year were as follows: G Jackson, S Jackson, J Eddison, C Hulatt, S Rogerson, M Lawrence, J Briskin (resigned on 26 March 2025), T B Hodges, R Sirohi and J Bowie (appointed on 26 March 2025).

Directors' indemnities

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

Auditor

Each of the persons who is a Director at the date of approval of this report confirms that:

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

Deloitte LLP have expressed their willingness to continue in office as auditors and appropriate arrangements have been put in place for them to be deemed reappointed as auditors in the absence of an Annual General Meeting.

Approved by the Board and signed on its behalf by:

S Jackson
CFO and Co-founder
31 October 2025

Registered office: UK House, 5th Floor, 164-182 Oxford Street, London, United Kingdom, W1D 1NN
Registered number: 09718624

Directors' responsibility statement

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the Group financial statements in accordance with United Kingdom adopted international accounting standards. The financial statements also comply with International Financial Reporting Standards (IFRSs) as issued by the IASB. The Directors have chosen to prepare the parent company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 101 'Reduced Disclosure Framework'. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing the 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent auditor’s report to the members of Octopus Energy Group Limited

Report on the audit of the financial statements

Opinion

In our opinion:

- the financial statements of Octopus Energy Group 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 30 April 2025 and of the group’s loss 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;
- the consolidated and parent company statement of financial positions;
- the consolidated and parent company statements of changes in equity;
- the consolidated cash flow statement;
- the significant accounting policy information; and
- the related notes 1 to 45.

The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law 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 our assessment of the entity's:

- financing and hedging facilities including nature of facilities, repayment terms and any covenants
- linkage to business model and medium-term risks
- compliance with legislation and associated regulatory requirements
- assumptions used in the forecasts including customer behaviours and seasonality
- amount of headroom in the forecasts
- sensitivity analysis including cold winter scenarios; and
- sophistication of the model used to prepare the forecasts, testing of clerical accuracy of those forecasts and our assessment of the historical accuracy of forecasts prepared by management.

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, 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. These included the group's operating licence and UK Electricity and Gas Acts, Utilities Act, Energy Act, and licenses, and associated applicable commitments that apply to the UK energy industry including Renewable Obligation Certificates (ROCs).

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

As a result of performing the above, we identified the greatest potential for fraud in concerning the risk of management bias and potential manipulation of financial data arising from the migration of the accounting system from Aqilla to NetSuite. This risk was considered significant due to the inherent complexities of system transitions and the potential for misstatement during data transfer.

- We obtained the FY25 Trial Balance from NetSuite and performed a detailed comparison of the General Ledger (GL) account descriptions against those in the legacy Aqilla accounting software. This procedure was conducted to assess the consistency and accuracy of GL account descriptions following the system migration. Our audit procedures to address this risk included:
- A detailed comparison of General Ledger account descriptions and code mappings between the legacy Aqilla system and the new NetSuite system to assess the consistency and accuracy of data migration.
- An inspection of accounting entries recorded in the Aqilla system subsequent to the entity's official transition date to NetSuite, to understand the rationale for such entries and to assess potential control weaknesses or data integrity concerns.
- Dual-population testing covering both pre- and post-migration periods for entities undergoing the system change, to ensure the completeness and accuracy of the data transfer.
- Engagement of IT specialists to review the governance and control documentation supporting the migration process and to assess the design and observable implementation of associated controls, with a specific focus on data security and retention.

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, in-house and external 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.

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.

Anthony Matthews

Anthony Matthews FCA
(Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
London, UK
31 October 2025

Consolidated financial statements

Consolidated statement of profit or loss

For the year ended 30 April 2025

	Notes	2025 £m	2024 £m
Revenue	4	13,682.8	12,432.9
Cost of sales	5	(12,532.9)	(11,310.1)
Gross Profit		**1,149.9**	**1,122.8**
Administrative expenses	5	(1,502.3)	(1,217.6)
Share of net profit of associate	14	0.3	0.1
Operating (Loss)		**(352.1)**	**(94.7)**
Finance income	7	127.1	194.8
Finance expense	7	(35.1)	(22.5)
(Loss)/Profit before tax		**(260.1)**	**77.6**
Income tax credit	8	5.3	5.7
(Loss)/Profit for the financial year		**(254.8)**	**83.3**
(Loss)/Profit attributable to:			
Owners of the parent		(254.8)	83.3
(Loss)/Profit for the financial year		**(254.8)**	**83.3**

Reflecting the immaterial values currently involved, the translation of overseas subsidiaries and hedge accounting is included within the profit or loss and not separately disclosed. There are no other items of other comprehensive income and therefore a separate statement of other comprehensive income is not presented.

The notes on pages 444 to 812 form part of these financial statements.

Consolidated statement of financial position

At 30 April 2025

	Notes	2025 £m	2024 £m
Non-current assets			
Property, plant and equipment	9	466.1	196.2
Right of use assets	10	180.2	83.8
Goodwill	11	579.8	535.3
Intangible assets	11	606.5	462.8
Investments in financial assets	15	9.9	8.2
Total non-current assets		**1,842.5**	**1,286.3**
Current assets			
Inventory	17	180.6	21.3
Trade and other receivables	18	3,129.5	2,983.4
Cash and cash equivalents	19	1,512.4	4,202.1
Total current assets		**4,822.5**	**7,206.8**
Current liabilities			
Trade and other payables	20	(4,544.4)	(6,465.5)
Borrowings	22	(71.5)	(22.2)
Lease liabilities	26	(55.8)	(9.4)
Total current liabilities		**(4,671.7)**	**(6,497.1)**
Non-current liabilities			
Trade and other payables	20	(33.6)	(61.7)
Lease liabilities	26	(157.7)	(88.4)
Borrowings	22	(292.4)	(107.4)
Deferred tax liability	16	(27.4)	(41.6)
Total non-current liabilities		**(511.1)**	**(299.1)**
Net assets		**1,482.2**	**1,696.9**
Capital and reserves			
Called up share capital	23	–	–
Share premium account	24	1,689.2	1,689.2
Other reserves	24	82.1	42.0
Accumulated losses		(289.1)	(34.3)
Total equity		**1,482.2**	**1,696.9**

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards. The notes on pages 44 to 812 form part of these financial statements. The consolidated financial statements were approved and authorised for issue by the Board and were signed on its behalf by:

S Jackson
CFO and Co-founder
31 October 2025

Registered office: UK House, 5th Floor, 164-182 Oxford Street, London, United Kingdom, W1D 1NN
Registered number: 09718624

Consolidated statement of changes in equity

For the year ended 30 April 2025

	Notes	Called up share capital £m	Share premium £m	Share based payments reserve £m	Accumulated profits/ (losses) £m	Total equity to owners £m	Total equity £m
At 1 May 2023		–	1,072.7	21.4	(119.1)	975.0	975.0
Other adjustments		–	–	–	1.5	1.5	1.5
Profit for the year		–	–	–	83.3	83.3	83.3
Profit for the year		**–**	**–**	**–**	**83.3**	**83.3**	**83.3**
Shares issued during the year	23	–	616.5	–	–	616.5	616.5
Share buy back		–	–	(0.9)	–	(0.9)	(0.9)
Employee share scheme options	24	–	–	21.5	–	21.5	21.5
At 1 May 2024		–	1,689.2	42.0	(34.3)	1,696.9	1,696.9
(Loss) for the year		–	–	–	(254.8)	(254.8)	(254.8)
Total (loss) for the year		**–**	**–**	**–**	**(254.8)**	**(254.8)**	**(254.8)**
Employee share scheme options	24	–	–	40.1	–	40.1	40.1
At 30 April 2025		**–**	**1,689.2**	**82.1**	**(289.1)**	**1,482.2**	**1,482.2**

The notes on pages 444 to 812 form part of these financial statements.

Consolidated statement of cash flows

For the year ended 30 April 2025

	Year ended 30-Apr 2025 £m	Year ended 30-Apr 2024 £m
Cash flow from operating activities		
(Loss)/profit after tax	(254.8)	83.3
Adjustments for:		
Depreciation of property, plant and equipment	77.1	17.6
Impairment of property, plant and equipment	11.0	–
Depreciation of right of use assets	38.8	17.4
Amortisation of intangible assets	143.2	196.8
Finance income	(92.0)	(172.4)
Share option expense	27.4	20.3
Taxation credit	(5.3)	(5.7)
Increase in trade and other receivables	(127.1)	(245.8)
Increase/(decrease) in trade and other payables	724.9	(129.9)
Increase in provisions and accruals	370.3	361.6
Increase in inventory	(159.3)	(8.3)
Corporation tax repaid/(paid)	1.3	(102.2)
Interest received	127.1	194.9
Settlement of WAMA (see note 20)	(2,837.9)	–
Net cash (used in)/generated from operating activities	(1,955.3)	227.6
Cash from Investing activities		
Purchase of property, plant and equipment	(360.2)	(93.7)
Purchase of intangible assets	(292.2)	(159.3)
Purchase of subsidiaries (net of cash acquired)	(10.7)	131.6
Settlement of deferred consideration – SERL	(82.8)	(47.4)
Settlement of deferred consideration – Bulb	(86.6)	(167.6)
Investment in financial assets	(1.7)	(1.5)
Net cash used in investing activities	(834.2)	(337.9)
Cash flows from financing activities		
Lease liability repaid	(50.4)	(10.5)
Loans received	220.2	71.3
Loans repaid	(35.0)	(30.1)
Interest paid	(35.1)	(21.4)
Issue of shares	–	616.4
Net cash generated from financing activities	99.7	625.7
Net (decrease)/ increase in cash and cash equivalents	(2,689.7)	514.4
Cash and cash equivalents at the beginning of the period	4,202.1	3,687.7
Cash and cash equivalents at the end of the period	1,512.4	4,202.1
Cash and cash equivalents at the end of the period comprise:		
Cash at bank on hand	1,434.8	1,281.4
Restricted cash	77.6	2,920.7

The notes on pages 444 to 812 form part of these financial statements.

Notes to the consolidated financial statements

1. Company information

Octopus Energy Group Limited and its subsidiaries (together referred to as the 'Group') are primarily engaged in the provision of energy. The Group's principal activity is as an energy technology pioneer, driving the green energy revolution through technology. The Group encompasses businesses that engage in energy supply, both as a retailer and software platform provider, vehicle leasing, installation of smart meters, and other energy related assets.

The following UK subsidiary undertakings are exempt from the requirements of the Companies Act 2006 (the Act) relating to the audit of individual accounts by virtue of section 479A of the Act: Centre for Net Zero Limited, Kraken Labs Limited, KrakenFlex Limited, Octopus Centre for Heating Technology Limited, Octopus Electroverse Limited, Octopus Energy Development Partnership GP Limited, Octopus Energy Development Partnership LP Limited, Octopus Energy Eco Limited, Octopus Energy EU TradeCo Limited, Octopus Energy Euro Finco Limited, Octopus Energy Generation Africa HoldCo Limited, Octopus Energy France Holdco Limited, Octopus Energy Generation Fund Management Holdings Limited, Octopus Energy Generation No.1 Limited, Octopus Energy Generation No.2 Limited, Octopus Energy Generation No.3 Limited, Octopus Energy Generation SL Limited, Octopus Energy Heating Limited, Octopus Energy Hydrogen Group Ltd, Octopus Energy Hydrogen Limited, Octopus Energy Operations 2 Limited, Octopus Energy Production Limited, Octopus Energy Trading Limited (formerly Affect Energy Limited), Octopus Hydrogen (Production) Limited, Octopus Hydrogen Production 1 Limited, Octopus REIP DM1 Limited, Octopus REIP DM2 Limited, Octopus Renewable Energy Income Partnership GP LLP, Octopus Renewables Infrastructure Partnership V GP LLP, OEDP FTP Limited, SB Trading Company (SBTC) Ltd, Sennen Tech Ltd and Smart Pear Limited. OEGL will guarantee the debts and liabilities of its UK subsidiaries, at the balance sheet date in accordance with section 479C of the Companies Act 2006.

2. Significant accounting policies

2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with UK-adopted international accounting standards and International Financial Reporting Standards as issued by the IASB.

The consolidated financial statements have been prepared on the historical cost basis, except for financial instruments that are measured at fair value at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of IFRS 2 Share-based Payment, leasing transactions that are within the scope of IFRS 16 Leases, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 Inventories or value in use in IAS 36 Impairment of Assets.

The consolidated financial statements are prepared in GBP (£), which is the functional currency of the Company and presentational currency of the Group. Foreign operations are included in accordance with the policies set out in Note 2.14.

There are no new or revised financial reporting standards that impact on the Group's consolidated financial statements. Certain new accounting standards, amendments to accounting standards and interpretations have been published that are not mandatory for 30 April 2025 reporting periods and have not been early adopted by the Group. These standards, amendments or interpretations are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions hence they have not been presented in detail in these financial statements.

Rounding is taken to the nearest tenth of a million.

The principal accounting policies adopted are set out below:

2.2 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Group and entities controlled by the Group (its subsidiaries) made up to 30 April each year. Control is achieved when the Group:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Group has less than a majority of the voting rights of an investee, it considers that it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, the results of subsidiaries acquired or disposed of during the year are included in profit or loss from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with the Group's accounting policies.

All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the Group are eliminated on consolidation.

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. Those interests of non-controlling shareholders that are present ownership interests entitling their holders to a proportionate share of net assets on liquidation may initially be measured at fair value or at the non- controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement is made on an acquisition-by-acquisition basis. Other non-controlling interests are initially measured at fair value. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Group and to the non-controlling interests. Total comprehensive income of the subsidiaries is attributed to the owners of the Group and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Group.

When the Group loses control of a subsidiary, the gain or loss on disposal recognised in profit or loss is calculated as the difference between: (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest; and (ii) the previous carrying amount of the assets (including goodwill), less liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as required/permitted by applicable IFRS Accounting Standards). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9 Financial Instruments when applicable, or the cost on initial recognition of an investment in an associate or a joint venture.

In accordance with the exemption available under section 408 of the Companies Act 2006, no separate statement of comprehensive income is presented in respect of the Group.

2.3 Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interest issued by the Group in exchange for control of the acquiree. Acquisition- related costs are recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value at the acquisition date, except that:

- deferred tax assets or liabilities and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with IAS 12 Income Taxes and IAS 19 Employee Benefits respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with IFRS 2 at the acquisition date (see below); and
- assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

When the consideration transferred by the Group in a business combination includes a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Other contingent consideration is remeasured to fair value at subsequent reporting dates with changes in fair value recognised in profit or loss.

When a business combination is achieved in stages, the Group's previously held interests (including joint operations) in the acquired entity are remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

2.4 Going concern

The financial statements have been prepared on a going concern basis which the Directors consider to be appropriate for the following reasons.

The Directors have assessed the liquidity of the business through a detailed going concern forecast and in particular considered the associated hedge position required, which in the UK is procured through a third party without collateral requirements, with a similar arrangement introduced for the European operations. This also includes consideration of commitments by Octopus Energy Group to fund international operations and committed acquisitions when applicable, together with any actions required to ensure compliance with the capital floor requirements of Ofgem's financial resilience requirements for UK suppliers.

The Group held cash of £1,512m at 30 April 2025. There are significant peaks and troughs through the year with April generally the low point of the cash flow cycle. On the basis of existing funding previously received from shareholders, along with ongoing available facilities and trading lines, the forecast cash flows show headroom through the going concern period even under stressed conditions reflecting reasonable sensitivities identified including cold winter scenarios as noted below.

The general approach to hedging expected supply requirements is set out on page 22, along with consideration of the Group's principal risks and uncertainties including increased risks from ongoing cost of living challenges. The Group assembles a set of sophisticated financial forecasting models from key divisions which it tracks and calibrates carefully based on actual performance. The largest cash flow movements are driven by the energy supply business and this forecasting includes consideration of changes in both the hedge book and forward wholesale market prices.

Existing and new regulatory requirements arising over the period have been considered, and assumptions of increased customer gains and losses (together with increased numbers of fixed price contracts) included. The Directors have also actively considered downside sensitivities of cash flows from operations including that which would arise from a cold winter and some associated higher pricing. The Directors have evaluated risks based on historical weather data, which is used to model a range of increased consumption that could arise from an unusual, sustained cold winter during a winter month over the forecast period.

The Group has previously received equity injections as well as access to financing through committed loans from banks, trading counterparties and cash generated by other Group businesses. The business also continues to actively consider further investments and regularly reviews options for additional working capital or other facilities or equity injections although the going concern position does not assume these additional sources of capital in the forecasts. Corporate investment across the Group and acquisition activity is continually monitored to reflect the economic and regulatory environment.

Following the detailed process above the Directors have a reasonable expectation that the Group will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and consequently have prepared the financial statements on a going concern basis.

2.5 Revenue

The Group's revenue is mainly derived from energy supply. The Group also derives income from software licensing, EV leasing, low-carbon technology installation and renewables fund management. Revenue from contracts with customers is recognised when its performance obligations are satisfied, i.e., when control of an asset (i.e. the goods or services) is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. An asset is transferred when (or as) the customer obtains control of that asset. Depending on the nature of the performance obligations, revenue is recognised either over time or at a point in time.

Revenue is measured as the amount of the transaction price that is allocated to that performance obligation. The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring the promised goods or services to a customer, excluding amounts collected on behalf of third parties (for example, Value Added Tax).

The majority of revenue arose within the United Kingdom; however revenue is also generated in Australia, Germany, Spain, France, Italy, Japan, The Netherlands, New Zealand, Singapore, Switzerland, Turkey and the United States.

The Group applies the five-step process set out in IFRS 15, Revenue from contracts with customers, to ensure an appropriate revenue recognition policy is in place, i.e.:

- Identify the contract with a customer.
- Identify the separate performance obligations in the contract.
- Determine the transaction price.
- Allocate the transaction price to the separate performance obligations.
- Recognise revenue when/as each performance obligation is satisfied.

The nature of the services the Group provides, and of the amounts which the customer is charged, is such that the result of this process is generally clear, since the services provided are separately identifiable and priced, and the customer is generally invoiced either upfront or on completion of the service. The invoiced prices in the contract are considered standalone selling prices, and therefore determining the transaction price does not require significant judgements.

Revenue streams are analysed between as follows:

Provision of energy

- Revenues from the provision of electricity and gas are recognised when the Group fulfils its performance obligation by transferring a promised good or service to a customer. An asset is deemed to be transferred when the customer obtains control of the asset. Energy supply is recognised over time as the customer receives and consumes the energy supplied and appropriately reflects the pattern of transfer.
- For amounts that haven't been billed to the customer, the revenue is estimated using contracted tariff rates and estimated usage. This amount is reflected as contract assets at the end of the financial period. Further information can be found within Note 3 – critical accounting judgements and key sources of estimation and uncertainty.

Licensing revenue

- Licensing agreements are in place between Kraken Technologies Limited and its customers. The revenue is generated from licensing and related services. Licensing fees, customer migration and operating services are each recognised over time as the customer uses and benefits from the services simultaneously. The methods used appropriately reflect the pattern of transfer of services to customers.

Services revenue

- Revenue is derived from the installation and replacement of smart meters across UK households for existing and new Octopus Energy customers, contracted through meter asset providers.
- Services revenue is also derived from the installation of EV chargers, heat pumps, solar panels and batteries.
- The revenue in relation to the provision of these services is recognised as the service is provided.

Other revenue

- The Group generates revenue from rentals of EVs where the Group is acting as a principle in a leasing arrangement. The revenue is recognised on a straight-line basis over the lease term. Additionally, the Group recognises revenue relating to fees earned acting as agent for the facilitation of leases between customer and principal financier.
- Fund management turnover is received in relation to investment management services provided to funds who own and construct renewable energy assets. The revenue from these services is recognised over the period that these services are provided to its customers.
- All other revenue is measured at the fair value of the consideration received or receivable and represents the amount receivable for goods supplied or services rendered, net of returns, discounts and rebates allowed by the Group and value added taxes.

2.6 Intangible assets

Intangible assets are measured at cost on initial recognition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation. Intangible assets are amortised over their useful economic life as follows:

- Software: 5 years
- Customer acquisitions: 3 to 5 years
- Fund contracts: 10 to 25 years

Intangible assets acquired as part of a business combination

Intangible assets acquired in a business combination are identified and recognised separately from goodwill where they satisfy the definition of an asset and are identifiable. The cost of such intangible assets is their fair value at the acquisition date.

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses. Intangible assets are amortised over their useful life in line with the above policy, depending on the nature of the asset.

During the financial year, the estimated useful life of the customer acquisition costs was reviewed. It was determined that the estimated useful life should be revised from three years. Customer churn varies by territory, and therefore the useful economic live has been updated from three to five years, depending on customer churn in the applicable territory. Further information on this change in accounting estimate is described in Note 3.

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition.

Goodwill is not amortised as it is expected to have an indefinite useful economic life, but is reviewed for impairment on an annual basis.

Software development costs

Software development costs are recognised as an intangible asset when all the following criteria are demonstrated:

- it is technically feasible to complete the software;
- management intends to complete the software;
- there is an ability to use or sell the software;
- it can be demonstrated that the software will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development are available;
- the expenditure attributable to the software during development can be reliably measured.

Subsequent to initial recognition, software development costs are reported at cost less accumulated amortisation and accumulated impairment losses. Total software development costs less their estimated residual value are amortised over their useful economic life on a straight-line basis. Amortisation starts when the asset is available-for-use. Costs associated with maintaining computer software are recognised as an expense.

During the financial year, the estimated useful life of the software development costs was reviewed. It was determined that the useful economic life should be revised from three years to five years, reflecting updated information on the asset's performance and economic utility. Further information on this change in accounting estimate is described in Note 3.

Research and other development expenditure that does not meet the criteria for capitalisation as a software development cost are recognised as an expense in the Consolidated Statement of Comprehensive Income.

2.7 Property, plant and equipment

Property, plant and equipment is stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Depreciation is charged to write down the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

- Right of use assets: Over life of lease
- Office equipment: 3 to 5 years
- Motor vehicles: 2 to 4 years
- Plant and equipment: 20 years

2.8 Impairment of non-financial assets

Non-financial assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or Cash Generating Unit (CGU) to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs).

Non-financial assets that have been previously impaired are reviewed at each reporting date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased. In accordance with IAS 38, Intangible Assets, goodwill is not amortised, but is reviewed for impairment on an annual basis.

2.9 Investments in subsidiary undertakings

A subsidiary is an entity controlled by the Group. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee);
- exposure, or rights, to variable returns from its involvement with the investee; and
- the ability to use its power over the investee to affect its return.

Investments are stated at cost less a provision for any impairment in value. Costs of the investments include all costs directly related to the acquisition of the investments.

2.10 Investments in associates and joint ventures

Investments in associates and joint ventures are accounted for using the equity method. The carrying amount of the investment is increased or decreased to recognise the Group's share of the profit or loss and other comprehensive income, adjusted where necessary to ensure consistency with the accounting policies of the Group. In some cases, certain conditions in the agreements may dictate the level of returns from an investment, which will impact how the investment is measured. Further detail has been provided in Note 14. Unrealised gains and losses on transactions between the Group and its associates and joint ventures are eliminated to the extent of Group's interest in those entities. Where unrealised losses are eliminated, the underlying asset is also tested for impairment.

2.11 Inventory

Inventory is stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, inventories are assessed for impairment. If inventories are impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss. Further details can be found in Note 17.

2.12 Cash and cash equivalents

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

Cash balances subject to legal or contractual restrictions that prevent the Group from accessing the funds for general operational use are classified as restricted cash. This includes amounts that have been ringfenced as part of the deal to acquire Octopus Energy Operations Limited, over a certain period, OEOL is restricted to make any distribution to the wider Octopus Group.

In the Consolidated Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

2.13 Financial instruments

A financial asset or a financial liability is recognised only when the Group becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are offset and the net amount reported in the Consolidated Statement of Financial Position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Group uses forward contracts to hedge power and gas delivery for each of its customers. These contracts are considered to fall outside the scope of the application of IFRS 9 when they are entered into as part of the Group's normal business activity, 'own use' and as such are excluded from application of IFRS 9 or are immaterial to the Group's financial statements.

Financial assets

The Group's financial assets comprise cash and cash equivalents (see Note 2.12 above), trade receivables, investments in equity, contract assets, prepayments and other receivables.

Trade receivables are initially measured at their transaction price. Other financial assets are measured at their fair value on initial recognition. Financial assets are accounted for on an amortised cost basis, using the Effective Interest Rate (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

A contract asset is recognised for revenue where the performance obligation (being the provision of utilisation and subscription services) has been completed, but payment remains conditional on acceptance by the customer. Once invoiced, the amount recognised as contract assets is reclassified to trade receivables. Contract assets arise from unbilled revenue, where services have been provided but not billed.

Investments in equity are held at fair value, with any gains or losses taken to the statement of profit or loss. Transaction costs are expensed and not capitalised within the initial cost of the asset.

The Group recognises a loss allowance, for expected credit losses on its financial assets which are held at amortised cost. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the financial asset. When the expected credit loss for trade receivables is determined, the Group makes use of the simplified approach, whereby the loss recognised is equal to the lifetime expected credit losses.

Lifetime expected credit losses represent the expected losses that may result from possible default events. The Group considers a financial asset in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is provided for in full when there is no reasonable expectation of recovering the contractual cash flows.

The expected lifetime credit losses of the trade receivables and contract assets are estimated using a provision matrix. The matrix is based on the Group's historical credit loss experience, adjusted for forward-looking factors, that are specific to the trade receivables. This approach is also used for estimating the expected lifetime credit loss of the contract assets. At 30 April 2025 and 2024 an average expected credit loss has been used within the provision matrix.

The Group recognises an allowance for Expected Credit Losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

When applicable, certain ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

A financial asset is 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.

Financial liabilities

The Group's financial liabilities comprise trade payables, accruals and other payables, contract liabilities and lease liabilities.

Trade payables are initially recognised at fair value, which is usually the original invoice amount and are subsequently held at amortised cost using the effective interest method. If payment is due within one year or less, payables are classified as current liabilities. If not, they are presented as non-current liabilities.

A contract liability is recognised if a payment is received from a customer before the Group transfers the related goods or services or for instances where the customer is invoiced in advance. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

As part of the acquisition of OEOL in FY23, a financial instrument was created called the WAMA. The WAMA was recognised as fair value through profit or loss with gains and losses recognised in the profit or loss in cost of sales or interest. The final balance of the WAMA was repaid in September 2024.

The lease liabilities are measured in accordance with IFRS 16 (see Note 2.15 below). All other financial liabilities are classified as held at amortised cost. These liabilities are initially measured at fair value less transaction costs and subsequently measured using the effective interest method.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

2.14 Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined. Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Consolidated Statement of Comprehensive Income.

For the purpose of presenting consolidated Financial Statements, the assets and liabilities of the Group's non-sterling functional currency subsidiary undertakings, joint ventures and associates are translated into pounds sterling at exchange rates prevailing at the balance sheet date. The monthly results of these subsidiary undertakings, joint ventures and associates are translated into pounds sterling each month at the average rates of exchange for that month.

2.15 Leases

As a lessee, the Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises right-of-use assets representing the right to use the underlying assets, and lease liabilities representing obligations to make lease payments.

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term.

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

The Group enters into lease agreements with respect to the provision of EVs on lease. Leases for which the Group is principal lessor are classified as operating leases, as the terms of the lease do not substantially transfer all the risks and rewards of ownership to the lessee. Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease.

2.16 Finance income

Interest income is recognised in the Consolidated Statement of Profit or Loss using the effective interest rate method.

2.17 Taxation

Tax is recognised in the Consolidated Statement of Profit or Loss, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Group operates and generates income.

Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted by the end of the reporting period. Deferred tax assets are recognised to the extent that it is probable that they will be able to be utilised against future taxable income, based on the Group's forecast of future operating results which is adjusted for significant non-taxable income and expenses and specific limits to the use of any unused tax loss or credit. Deferred tax liabilities are always provided for in full.

Deferred tax assets and liabilities are offset only when the Group has a right and intention to set off current tax assets and liabilities from the same taxation authority.

Deferred tax balances are not recognised in respect of temporary differences arising on initial recognition (other than on a business combination) that do not affect profit or loss. In respect of business combinations, deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.18 Share-based employee remuneration

The Group operates equity-settled, share-based remuneration plans for its employees. None of the Group's plans feature any options for a cash settlement. All goods and services received in exchange for the grant of any share-based payment are measured at their fair values.

Where employees are rewarded using share-based payments, the fair values of employees' services are determined indirectly by reference to the fair value of the equity instruments granted. This fair value is appraised at the grant date and excludes the impact of non-market vesting conditions (e.g. profitability and sales growth targets and performance conditions). The fair value has been determined using the Black-Scholes Model with the use of external valuation support to determine appropriate inputs including expected volatility and the risk-free interest rate.

All share-based remuneration is ultimately recognised as an expense in profit or loss with a corresponding credit to retained earnings. If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period based on the best available estimate of the number of share options expected to vest.

Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised if there is any indication that the number of share options expected to vest differs from previous estimates. Any adjustment to cumulative share-based payment compensation resulting from a revision is recognised in the current period. The number of vested options ultimately exercised by holders does not impact the expense recorded in any period.

Upon exercise of share options, the proceeds received net of any directly attributable transaction costs are allocated to share capital.

2.19 Government grants

Government grants are recognised in the profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Government grants that are receivable as compensation for expenses or losses already incurred are recognised in the income statement in the period in which they become receivable. These are offset against costs to which they relate.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

When preparing consolidated financial statements, management makes a number of judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The key significant judgements include:

Capitalisation of internally developed software

Determining when to capitalise development costs for customised software projects requires careful judgement, particularly in distinguishing between research and development phases.

Management assesses directly attributable efforts in product development, to segregate development from administrative costs. Employee time is evaluated through conversations with employees and management judgement to determine administrative time, which is expensed as operational costs rather than capitalised. The Group capitalises all other salary and wage costs in relation to these employees.

After capitalisation, management monitors whether the recognition requirements continue to be met and whether there are any indicators that capitalised costs may be impaired.

Further details on the capitalisation criteria for internally developed software can be found in Note 2.6.

Change in useful life of customer acquisition costs

The estimated amortisation period for customer acquisition costs is determined by management, based on the period of time that a customer is expected to generate revenue for the business. This is informed by historical customer churn.

During the year ended 30 April 2025, management reviewed the estimated useful life of customer acquisition costs and identified that a significant proportion of customers are being retained beyond the previously assumed three-year period, indicating a longer useful life. Management has seen an improvement in customer churn across the territories as our businesses become more established and therefore the estimated useful life has been revised from three years to five years, dependent on territory.

In accordance with IFRS, the reassessment of the intangible asset's useful life reflects management's best estimate based on current, reliable information. This adjustment aligns with the asset's economic reality, indicating it will generate economic benefits for the Group over a longer period than initially expected, thus providing more reliable financial information.

The change in accounting estimate has been applied prospectively from 1 May 2024. There is no impact on prior period financial statements as this change represents a revision of an estimate rather than an error or a change in accounting policy. This revision constitutes a significant judgement by management and has resulted in a reduced amortisation charge in the period of £72.5m. The future amortisation expense will be based on the revised useful life of three to five years, subject to ongoing annual review.

Further details on intangible assets can be found in Note 2.6.

Change in useful life of internally developed software

During the year ended 30 April 2025, management reviewed the estimated useful life of internally developed software. Previously, the estimated useful life was determined to be three years, reflecting management's best estimate at the time, based on the specific product life cycle. However, due to advancements in the understanding of the assets performance and its sustained utility beyond initial projections, management has revised the estimated useful life to five years.

The reassessment was carried out in accordance with IFRS, which requires changes in accounting estimates to be based on the most current and reliable information available. This revised useful life has been derived from the analysis of coding and performance data and technological trends. Therefore, management believes the revised estimate aligns with the assets economic reality and provides more reliable and relevant financial information.

The change in accounting estimate has been applied prospectively from 1 May 2024. There is no impact on prior period financial statements as this change represents a revision of an estimate rather than an error or a change in accounting policy. This revision constitutes a significant judgement by management and has resulted in a reduced amortisation charge in the period of £31.8m. The future amortisation expense will be based on the revised useful life of five years, subject to ongoing annual review.

Further details on intangible assets can be found in Note 2.6.

Key sources of estimation uncertainty include:

Revenue recognition

Revenue includes an estimate of the sales value of units supplied to customers between the date of the last meter reading and the period end. This is calculated by reference to data received through third party settlement systems, together with estimates of consumption not yet processed through settlements. These volume calculations are carried out on a customer-by-customer basis, and then multiplied by the customer's specific tariff to generate the revenue.

The consumption of energy by customers is dependent on several factors, including weather, cost of living, lifestyle and support received. In order to best estimate our revenue and costs we apply demand elasticity percentages, which estimate how demand may have changed between the most recent consumption data and year end. These percentages are benchmarked and refined using smart meter data and only needed to be applied to the relatively small percentage of revenue and costs which remained unbilled at year end.

These estimates are sensitive to the assumptions used in determining the portion of sales not billed and based on meter readings at the reporting date. We do not expect material future sensitivities for these estimates and therefore no further information has been disclosed. Further details on revenue recognition can be found in Note 2.5.

Provision for bad and doubtful debts

The Group's key bad debt risk relates to energy customer balances, which are mitigated by a very high penetration of direct debit collections, close monitoring of customer account performance and strict processes for non-payment.

Management assesses billed debt and accrued income to estimate the recoverability and a provision is recognised for the estimated balance that is unlikely to be recovered. This proportion of balance to be included in the provision is derived from historical non-payment trends. The rate of provision is calculated based on the age of customer balances, the method of payment involved, and the supply status of the customer. This calculation is reviewed on a regular basis, to reflect changes in collection performance across debt cohorts.

Implicit in this method is the assumption that historical performance is reflective of future performance. Volatility in both the energy market and broader macroeconomic environment places additional emphasis on the consideration of this assumption. To address this risk, management reviews a suite of key early warning indicators, macroeconomic data and regulatory changes on a regular basis to ensure that the provision rate assumptions are appropriate, and, where necessary, assumptions are updated. However, based on prior experience, the Group expects that any revision within the next financial year to the level of provision attributable to the Group's energy customer balances outstanding as at 30 April 2025 is unlikely to be material.

Further details on provisions can be found in Note 21.

4. Revenue

Revenue includes revenue generated from energy supply, licensing, metering, other services and generation. The revenue recognition policies are set out in the revenue accounting policy note above Note 2.5.

	Year ended 30-Apr 2025 £m	Year ended 30-Apr 2024 £m
Electricity supply	8,368.6	7,722.7
Gas supply	4,658.1	4,384.2
Total energy supply	**13,026.7**	**12,106.9**
Licensing revenue	101.9	81.0
Metering service revenue	164.2	83.0
Leasing revenue	133.5	59.4
Other services revenue	222.1	71.6
Generation revenue	34.4	31.0
Total revenue from contracts with customers	**13,682.8**	**12,432.9**

Revenue from energy supply includes a £(70.3)m reduction in revenue recoverable from the government (compared to £374.4m increase in 2024) in relation to the Energy Price Guarantee and Energy Bills Relief Scheme. The EPG scheme concluded in June 2023 and following the completion of all settlement periods, a reconciliation was performed during the financial year. This resulted in an overall reduction in the final EPG discount amounts applied, which has been recognised as a decrease in revenue.

5. Operating (loss)

The operating (loss) is stated after charging:

	Year ended 30-Apr 2025 £m	Year ended 30-Apr 2024 £m
Direct energy costs	6,760.1	7,530.4
Network transmission costs	2,342.6	1,540.9
Other costs	3,430.2	2,238.8
Total cost of sales	**12,532.9**	**11,310.1**
Sales and Marketing	189.6	87.7
Amortisation (see note 11)	143.2	196.9
Depreciation (see notes 9 and 10)	81.5	23.7
General and Administration	533.5	496.4
Staff and contractor costs	469.1	305.5
Legal and professional	85.4	107.4
Total	**1,502.3**	**1,217.6**

Included within cost of sales is £34.4m (2024: £10.3m) of depreciation and £106.3m (2024: £39.8m) of staff and contractor costs.

Legal and professional expenses includes £3.1m for auditor's remuneration for the audit of the Group and subsidiary financial statements (2024: £3.0m).

Included within admin expenses is £27.3m (2024: £11.9m) of research and development expenditure.

Employee costs consist of:

	Year ended 30-Apr 2025 £m	**Year ended 30-Apr 2024 £m**
Wages and salaries	403.4	234.1
Social security costs	47.6	27.0
Costs of defined contribution scheme	13.9	9.3
Share-based payment charge (see note 24)	27.4	21.5
	492.3	**291.9**

The Group has capitalised £69.9m of salary costs as part of intangible assets (2024: £24.4m) which are not included above. The average monthly number of employees, including Directors, during 2025 was 10,030 (2024: 6,438).

6. Key management personnel compensation

	Year ended 30-Apr 2025 £m	**Year ended 30-Apr 2024 £m**
Short-term employee benefits	0.8	0.6
	0.8	**0.6**

The Directors are considered to be the key management personnel of the Group (see Note 27).

The highest paid Director received short-term employee benefits of £348k (2024: £280k) and Company contribution to defined contributions pension schemes of £17k (2024: £15k).

There are five Directors who are employed by the Group's shareholders and do not specifically receive any remuneration in respect of their services to the Group.

7. Finance income/(expense)

	Year ended 30-Apr 2025 £m	Year ended 30-Apr 2024 £m
Finance income	**127.1**	**194.8**
Interest expense on financial liabilities held at amortised cost	(26.2)	(6.0)
Finance charges payable on lease liabilities	(8.9)	(10.9)
Other interest payable	–	(5.6)
Finance expense	**(35.1)**	**(22.5)**

Finance income includes bank interest on deposits, of which £47.3m (2024: £140.4m) is to be passed back to the government owned Bulb in SAR as per the terms of the acquisition of OEOL. This has been paid back within the year.

8. Taxation

The taxation credit/(charge) is made up as follows:	Year ended 30-Apr 2025 £m	Year ended 30-Apr 2024 £m
Current taxation		
Corporation tax for period	–	(56.9)
Foreign tax	(1.8)	–
Adjustments in respect of current income tax of previous year	5.6	29.7
Total current tax credit/(charge)	3.8	(27.2)
Deferred tax		
Origination and reversal of timing differences	14.4	25.5
Adjustments in respect of current income tax of previous year	(12.9)	7.4
Total deferred tax at 25%	1.5	32.9
Income tax credit recognised in Consolidated Statement of Comprehensive Income	5.3	5.7
Factors affecting the tax for the period		
(Loss)/Profit before taxation	(260.1)	77.6
Income tax:		
Tax charge calculated at UK statutory corporation tax rate of 25%	65.0	(19.4)
Effect of:		
Fixed asset difference	(1.5)	(2.6)
Disallowed expenses and non-taxable income	(3.6)	(7.7)
Group relief surrendered	–	(0.7)
Payment for group relief	–	1.1
Adjustments in respect of prior years	5.6	30.0
Adjustments in respect of prior periods – deferred tax	(12.9)	6.6
Movement in deferred tax not recognised	(40.8)	(5.8)
Difference in UK and overseas rate	(6.5)	1.0
Share option timing differences	–	9.0
Capitalised interest	–	3.1
Intangible asset differences	–	(8.9)
Income tax credit	**5.3**	**5.7**

The Group has applied the temporary exception issued by the IASB in May 2023 from the accounting requirements for deferred taxes in IAS 12. Accordingly, the Group neither recognises nor discloses information about deferred tax assets and liabilities related to Pillar Two income taxes.

The government of the United Kingdom, where the parent company is incorporated, has enacted the Pillar Two income taxes legislation effective from 1 January 2024. For the purposes of Pillar Two, OEGL is considered to be the Ultimate Parent Entity ('UPE'). Under the legislation, the OEGL would be required to pay top-up tax on profits of its subsidiaries that are taxed at an effective tax rate of less than 15%. The Group does not expect exposures in any of the jurisdictions in which it operates, as all are expected to meet the conditions for Safe Harbour relief. This information is based on the profits and tax expense determined as part of the preparation of the Group's consolidated financial statements.

The Group is continuing to assess the impact of the Pillar Two income taxes legislation on its future financial performance.

9. Property, plant and equipment

	Office equipment £m	Motor vehicles £m	Plant and equipment £m	Total £m
Cost				
At 1 May 2024	88.1	159.0	7.6	254.7
Additions	69.0	288.3	0.7	358.0
Impairment	–	(11.0)	–	(11.0)
Disposals	(18.2)	–	–	(18.2)
At 30 April 2025	**138.9**	**436.3**	**8.3**	**583.5**
Depreciation				
At 1 May 2024	40.9	17.0	0.6	58.5
Charge for the period	34.2	42.6	0.3	77.1
Disposals	(18.2)	–	–	(18.2)
At 30 April 2025	**56.9**	**59.6**	**0.9**	**117.4**
Net book value				
At 30 April 2025	**82.0**	**376.7**	**7.4**	**466.1**
At 30 April 2024	**47.2**	**142.0**	**7.0**	**196.2**

10. Right of use assets

	Buildings and leasehold improvements £m	Electric vehicles £m	Batteries £m	Total £m
Cost				
At 1 May 2024	105.4	–	–	105.4
Additions	25.0	76.0	34.2	135.2
At 30 April 2025	**130.4**	**76.0**	**34.2**	**240.6**
Depreciation				
At 1 May 2024	21.6	–	–	21.6
Charge for the period	14.5	15.7	8.6	38.8
At 30 April 2025	**36.1**	**15.7**	**8.6**	**60.4**
Net book value				
At 30 April 2025	**94.3**	**60.3**	**25.6**	**180.2**
At 30 April 2024	**83.8**	**–**	**–**	**83.8**

11. Intangible assets

	Software development £m	Customer acquisitions £m	Goodwill £m	Fund contracts £m	Total £m
Cost					
At 1 May 2024	177.8	856.3	535.3	17.2	1,586.6
Additions	74.3	212.9	–	–	287.2
Arising from business combinations	–	–	5.1	–	5.1
Disposals	–	(67.7)	–	(0.3)	(68.0)
Remeasurement of business combination	–	–	39.4	–	39.4
At 30 April 2025	**252.1**	**1,001.5**	**579.8**	**16.9**	**1,850.3**
Amortisation					
At 1 May 2024	85.4	500.5	–	2.6	588.5
Charge for year	31.0	111.4	–	0.8	143.2
Disposals	–	(67.7)	–	–	(67.7)
At 30 April 2025	**116.4**	**544.2**	**–**	**3.4**	**664.0**
Net book value					
At 30 April 2025	**135.7**	**457.3**	**579.8**	**13.5**	**1,186.3**
At 30 April 2024	92.4	355.8	535.3	14.6	998.1

Disposals of customer acquisitions consists of the netting down of fully amortised assets.

Software development cost represents the salaries and other costs associated with the development of the Kraken software. All software development cost assets included above were in use at the reporting period-ends.

Disposals of customer acquisitions consists of the write down of fully amortised assets. £67.7m cost has been netted down against £67.7m accumulated depreciation, resulting in no impact on the closing net book value.

Under IFRS goodwill is not amortised but is subject to an annual impairment test. Impairment of goodwill is reviewed annually at the level of the CGU by comparing the goodwill held to the five-year forecast and terminal value. Each CGU represents the lowest level within the Group at which the goodwill is monitored for internal management purposes. An impairment charge is taken in relation to the goodwill not recoverable. As at 30 April 2025 goodwill impairment testing has resulted in no impairment charges.

The carrying amount of goodwill has been allocated to CGUs as follows:

	30-Apr 2025 £m	**30-Apr 2024 £m**
Generation	36.3	36.3
International retail	28.0	28.0
UK Retail	488.1	448.6
Licensing	13.1	10.9
Services	14.3	11.5
	579.8	535.3

Services includes £2.8m of goodwill arising from business combinations in the year derived from the acquisition of Daulto GmbH. Licensing includes £2.2m of goodwill arising from business combinations in the year derived from the acquisition of Jedlix B.V., Energetiq Pty and Energetiq Services Pty. Further details can be found in Note 13.

An additional £39.4m of goodwill has been recognised within the 12-month measurement period with regards to OEO2L for the remeasurement of the provisional fair value of net assets acquired. Further details can be found in Note 13.

Management has performed goodwill impairment reviews for all CGUs focusing on the identification of potential impairment indicators supported by calculations of each CGUs Value in Use. Value in Use has been calculated using a discounted cash flow model with forecasted revenue and gross margins, discount rate and terminal value growth rate being the key assumptions. Furthermore, sensitivity analysis have been performed on all key assumptions impacting these valuation models. The Value in Use determined in all cases supports the goodwill balances recorded for the applicable CGU. The only material goodwill balance relates to UK Retail. Given the headroom arising on calculation of the value in use no reasonably possible sensitivity was identified.

12. Group undertakings

Interests in Group undertakings

The list of all subsidiaries is as follows:

Subsidiary undertakings incorporated in the United Kingdom:

Name	Address of registered office	Nature of business	Interest 2025	Interest 2024
Centre for Net Zero Limited*	UK House, 5th Floor, 164-182 Oxford Street, London, United Kingdom, W1D 1NN	Global energy transition research	100%	100%
DataGlow Energy Limited	UK House, 5th Floor, 164-182 Oxford Street, London, United Kingdom, W1D 1NN	Holding Company	100%	–
Kraken Labs Limited	UK House, 5th Floor, 164-182 Oxford Street, London, United Kingdom, W1D 1NN	Business and domestic software development	100%	100%
Kraken Technologies Limited*	UK House, 5th Floor, 164-182 Oxford Street, London, United Kingdom, W1D 1NN	Business and domestic software development	100%	100%
KrakenFlex Limited	UK House, 5th Floor, 164-182 Oxford Street, London, United Kingdom, W1D 1NN	Other information technology service activities	100%	100%
KTL FinCo Limited	UK House, 5th Floor, 164-182 Oxford Street, London, United Kingdom, W1D 1NN	Holding Company	100%	100%
KTL MidCo Limited*	UK House, 5th Floor, 164-182 Oxford Street, London, United Kingdom, W1D 1NN	Holding Company	100%	100%
Leyland Metering Services Limited (dormant)	UK House, 5th Floor, 164-182 Oxford Street, London, United Kingdom, W1D 1NN	Meter installation	100%	100%
Octopus Energy Trading Limited*	UK House, 5th Floor, 164-182 Oxford Street, London, United Kingdom, W1D 1NN	Trade of electricity and gas	100%	100%
Octopus Centre for Heating Technology Limited	12 Charlestown Drive, Portadown, Craigavon, Armagh, Northern Ireland, BT63 5GA	Pump development	100%	100%
Octopus Electric Vehicles Limited*	UK House, 5th Floor, 164-182 Oxford Street, London, United Kingdom, W1D 1NN	Renting and leasing of cars and light motor vehicles	100%	100%
Octopus Electroverse Limited*	UK House, 5th Floor, 164-182 Oxford Street, London, United Kingdom, W1D 1NN	Business and domestic software development	100%	100%
Octopus Energy 212 Limited*	UK House, 5th Floor, 164-182 Oxford Street, London, United Kingdom, W1D 1NN	Pump development	100%	100%
Octopus Energy AIF Management Limited	Fourth Floor, One Molesworth Street, Dublin 2, Ireland	Fund management activities	100%	100%
Octopus Energy Collective Limited	UK House, 5th Floor, 164-182 Oxford Street, London, United Kingdom, W1D 1NN	Holding Company	100%	100%
Octopus Energy Development Partnership GP Limited	UK House, 5th Floor, 164-182 Oxford Street, London, United Kingdom, W1D 1NN	Holding Company	100%	100%
Octopus Energy Development Partnership LP Limited	UK House, 5th Floor, 164-182 Oxford Street, London, United Kingdom, W1D 1NN	Holding Company	100%	100%
Octopus Energy Eco Limited	UK House, 5th Floor, 164-182 Oxford Street, London, United Kingdom, W1D 1NN	Provider of Home Heating Cost Reduction Obligation	100%	100%
Octopus Energy EU TradeCo Limited*	UK House, 5th Floor, 164-182 Oxford Street, London, United Kingdom, W1D 1NN	Holding Company	100%	–
Octopus Energy Euro FinCo Limited*	UK House, 5th Floor, 164-182 Oxford Street, London, United Kingdom, W1D 1NN	Other business support service activities	100%	100%
Octopus Energy France Holdco Limited*	UK House, 5th Floor, 164-182 Oxford Street, London, United Kingdom, W1D 1NN	Holding Company	100%	–
Octopus Energy Franchisor Limited*	UK House, 5th Floor, 164-182 Oxford Street, London, United Kingdom, W1D 1NN	Other business support service activities	100%	–
Octopus Energy Generation (Ireland) Limited	1 Stokes Place, St. Stephen's Green, Dublin 2, Ireland	Fund management activities	100%	100%
Octopus Energy Generation Africa Holdco Limited	UK House, 5th Floor, 164-182 Oxford Street, London, United Kingdom, W1D 1NN	Holding Company	100%	–
Octopus Energy Generation Fund Management Holdings Limited	UK House, 5th Floor, 164-182 Oxford Street, London, United Kingdom, W1D 1NN	Holding company	100%	100%

Octopus Energy Generation Limited (formerly known as Octopus Energy Generation Holdco Limited)*	UK House, 5th Floor, 164-182 Oxford Street, London, United Kingdom, W1D 1NN	Holding company	100%	100%
Octopus Energy Generation No.1 Limited	UK House, 5th Floor, 164-182 Oxford Street, London, United Kingdom, W1D 1NN	Production of electricity	100%	100%
Octopus Energy Generation No.2 Limited	UK House, 5th Floor, 164-182 Oxford Street, London, United Kingdom, W1D 1NN	Production of electricity	100%	100%
Octopus Energy Generation No.3 Limited	UK House, 5th Floor, 164-182 Oxford Street, London, United Kingdom, W1D 1NN	Production of electricity	100%	100%
Octopus Energy Generation SL Limited	UK House, 5th Floor, 164-182 Oxford Street, London, United Kingdom, W1D 1NN	Holding Company	100%	-
Octopus Energy Heating Limited*	UK House, 5th Floor, 164-182 Oxford Street, London, United Kingdom, W1D 1NN	Pump development	100%	100%
Octopus Energy Hydrogen Group Ltd*	UK House, 5th Floor, 164-182 Oxford Street, London, United Kingdom, W1D 1NN	Environmental	75%	75%
Octopus Energy Hydrogen Limited	UK House, 5th Floor, 164-182 Oxford Street, London, United Kingdom, W1D 1NN	Other business support service activities	75%	75%
Octopus Energy Limited*	UK House, 5th Floor, 164-182 Oxford Street, London, United Kingdom, W1D 1NN	Trade of electricity and gas	100%	100%
Octopus Energy Networks Limited*	UK House, 5th Floor, 164-182 Oxford Street, London, United Kingdom, W1D 1NN	Distribution of electricity	100%	-
Octopus Energy Operations 2 Limited (formerly known as Shell Energy Retail Limited)	UK House, 5th Floor, 164-182 Oxford Street, London, United Kingdom, W1D 1NN	Trade of electricity and gas	100%	100%
Octopus Energy Operations Limited	UK House, 5th Floor, 164-182 Oxford Street, London, United Kingdom, W1D 1NN	Trade of electricity and gas	100%	100%
Octopus Energy Production Limited (Formerly Renewable Energy Devices Limited)	12 Charlestown Drive, Portadown, Craigavon, Armagh, Northern Ireland, BT63 5GA	Manufacture of pumps	100%	100%
Octopus Energy Retail 2022 Limited*	UK House, 5th Floor, 164-182 Oxford Street, London, United Kingdom, W1D 1NN	Holding company	100%	100%
Octopus Energy Services Limited*	UK House, 5th Floor, 164-182 Oxford Street, London, United Kingdom, W1D 1NN	Energy smart meter installer	100%	100%
Octopus Hydrogen (Production) Limited	UK House, 5th Floor, 164-182 Oxford Street, London, United Kingdom, W1D 1NN	Other business support service activities	75%	75%
Octopus Hydrogen Production 1 Limited	UK House, 5th Floor, 164-182 Oxford Street, London, United Kingdom, W1D 1NN	Other business support service activities	75%	75%
Octopus REIP DM Holdings Ltd	UK House, 5th Floor, 164-182 Oxford Street, London, United Kingdom, W1D 1NN	Fund management activities	100%	100%
Octopus REIP DM1 Ltd	UK House, 5th Floor, 164-182 Oxford Street, London, United Kingdom, W1D 1NN	Fund management activities	100%	100%
Octopus REIP DM2 Ltd	UK House, 5th Floor, 164-182 Oxford Street, London, United Kingdom, W1D 1NN	Fund management activities	100%	100%
Octopus Renewable Energy Income Partnership GP LLP	UK House, 5th Floor, 164-182 Oxford Street, London, United Kingdom, W1D 1NN	Holding Company	100%	100%
Octopus Renewables Limited	UK House, 5th Floor, 164-182 Oxford Street, London, United Kingdom, W1D 1NN	Fund management activities	100%	100%
OEDP FTP Limited	UK House, 5th Floor, 164-182 Oxford Street, London, United Kingdom, W1D 1NN	Fund management activities	100%	100%
OEGen Company Secretary Limited	UK House, 5th Floor, 164-182 Oxford Street, London, United Kingdom, W1D 1NN	Company secretarial services	100%	100%
OETF DataGlow Holdings Limited	UK House, 5th Floor, 164-182 Oxford Street, London, United Kingdom, W1D 1NN	Holding Company	100%	-
SB Trading Company (SBTC) Ltd*	UK House, 5th Floor, 164-182 Oxford Street, London, United Kingdom, W1D 1NN	Other business support service activities	100%	100%
Sennen Tech Ltd	UK House, 5th Floor, 164-182 Oxford Street, London, United Kingdom, W1D 1NN	Other information technology service activities	100%	100%
Smart Pear Limited	UK House, 5th Floor, 164-182 Oxford Street, London, United Kingdom, W1D 1NN	Other information technology service activities	100%	100%

Subsidiary undertakings incorporated outside the United Kingdom:

Name	Address of registered office	Nature of business	Interest 2025	Interest 2024
Anyskill Technologies GmbH	Lottumstr. 15, 10119, Berlin, Germany	Business and domestic software development	100%	100%
Avel Braz SARL	LANVERS, 29790 BEUZEC-CAP-SIZUN, France	Production of electricity	100%	–
EFEA SAS	15 PASSAGE LONJON 34000 MONTPELLIER	Production of electricity	60%	–
Energetiq Pty Limited	Suite 2, Level 30, 385 Bourke Street, Melbourne, Australia	Business and domestic software development	100%	–
Energetiq Services Pty Limited	Suite 2, Level 30, 385 Bourke Street, Melbourne, Australia	Provider of IT engineering services	100%	–
Jedlix B.V.	Jedlix B.V. Stationsplein, 45, D1. 145 3013AK - Rotterdam	Business and domestic software development	100%	–
Kraken Bilgi ve Teknolojileri Danışmanlık ve Ticaret Limited. Şti.	Yesilce Mah. Emirsah SK. No: 21A Kagithane, Istanbul	Business and domestic software development	100%	100%
Kraken Labs Limited (French branch)	87 rue de Richelieu, 75002, Paris, France	Business and domestic software development	100%	100%
Kraken Labs Limited (German Branch)	August Everding Str. 25, 81671 Munich, Germany	Energy smart meter installer	100%	100%
Kraken Labs Limited (Italian Branch)	Via F. Sassetti 32, 20124, Milan, Italy	Business and domestic software development	100%	100%
Kraken Labs Limited (Spanish Branch)	Calle Pintor Sorolla, 5 - puerta 2 (46002 - Valencia) Spain	Business and domestic software development	100%	100%
Kraken Tech Australia Pty Ltd	'Como Centre' Suite 201 Level 2, 644 Chapel Street, South Yarra VIC 3141	Provider of IT engineering services	100%	100%
Kraken Tech NZ Limited	Floor 5, 10 Brandon Street, Wellington, 6011, New Zealand	Business and domestic software development	100%	100%
Kraken Technologies Japan G.K. (formerly Octopus Energy Japan G.K)	KDX Hakozaki Building 8th Floor, 41-12 Nihombashi Hakozakicho, Chuo-ku, Tokyo, Japan	Business and domestic software development	100%	100%
Kraken Technologies Switzerland Sarl	Route du Verney 20, 1070 Puidoux, Switzerland	Provider of IT engineering services	100%	100%
Kraken Technologies US, Inc	110 Main Street, Suite 500, Houston TX 77002 United States	Provider of IT engineering services	100%	100%
Octopus Energy Espana, S.L.U.	Calle Pintor Sorolla, 5 - puerta 2 (46002 - Valencia) Spain	Trade of electricity and gas	100%	100%
Octopus Energy France	6-8 boulevard Haussmann, 75009 Paris, France	Trade of electricity and gas	100%	100%
Octopus Energy Generation Singapore Pte Ltd	9 Raffles Place, #26-01 Republic Plaza, Singapore 048619	Fund management activities	100%	100%
Octopus Energy Generation US, LLC	108 W. 13th Street, Suite 100, Wilmington, DE 19801, County of New Castle	Fund management activities	100%	100%
Octopus Energy Germany GmbH	August Everding Str. 25, 81671 Munich, Germany	Trade of electricity and gas	100%	100%
Octopus Energy Germany HoldCo GmbH*	August Everding Str. 25, 81671 Munich, Germany	Holding Company	100%	–
Octopus Energy Italia CER1 S.r.l	Via Del Bozzolo 3, 63100 – Ascoli Piceno, Italy	Fund management activities	100%	100%
Octopus Energy Italia Eco S.r.l.*	Via dei Gorghi 9, 63100 Ascoli Piceno	Energy solar installer	100%	–
Octopus Energy Italia S.r.l	Via Del Bozzolo 3, 63100 – Ascoli Piceno, Italy	Trade of electricity and gas	100%	100%
Octopus Energy LLC	114 Main St. Houston, TX 77002	Trade of electricity and gas	100%	100%
Octopus Energy Metering Germany GmbH	August Everding Str. 25, 81671 Munich, Germany	Meter installations	100%	100%

Octopus Energy Northeast LLC	108 W. 13th Street Suite 100, City of Wilmington, County of New Castle, Delaware 19801	Trade of electricity and gas	100%	–
Octopus Energy NZ Limited*	46 Ellice Street, Mount Victoria, Wellington, 6011	Production of electricity	100%	100%
Octopus Energy Offshore Wind GP SARL	17, boulevard F.W. Raiffeisen, L-2411 Luxembourg	Fund management activities	100%	100%
Octopus Energy Poland Operations Sp. z o.o.	Ul. Mosieznicza 3/Pcs, 31-547 Kraków, POLSKA	Shared service centre	100%	100%
Octopus Energy Services Espana S.L.U.*	Calle Pintor Sorolla, 5 - puerta 2 (46002 - Valencia) Spain	Energy solar installer	100%	100%
Octopus Energy Services France*	87 Rue de Richelieu, 75002, Paris	Energy solar installer	100%	–
Octopus Energy Services Germany GmbH	August Everding Str. 25, 81671 Munich, Germany	Energy smart meter installer	100%	100%
Octopus Energy Singapore Holdings Pte Ltd.*	8 Raffles Place, #26-01 Republic Plaza, Singapore 048619	Holding Company	100%	100%
Octopus Energy Singapore Pte Ltd.	8 Raffles Place, #26-01 Republic Plaza, Singapore 048619	Trade of electricity and gas	100%	100%
Octopus Energy Transition GP Sarl	17, boulevard F.W. Raiffeisen, L-2411 Luxembourg	Fund management activities	100%	100%
Octopus Energy US Community Solar LLC	1013 Centre Road, Suite 403-B, City of Wilmington, County of New Castle, Delaware 19805	Fund management activities	100%	100%
Octopus Energy US Inc.*	1013 Centre Road, Suite 403-B, City of Wilmington, County of New Castle, Delaware 19805	Holding Company	100%	100%
Octopus Energy US Mezzanine 2 LLC	108 W. 13th Street Suite 100, City of Wilmington, County of New Castle, Delaware 19801	Holding Company	100%	–
Octopus Energy US Mezzanine LLC	1013 Centre Road, Suite 403-B, City of Wilmington, County of New Castle, Delaware 19805	Holding Company	100%	100%
Octopus Energy US Vehicles LLC	1013 Centre Road, Suite 403-B, City of Wilmington, County of New Castle, Delaware 19805	Renting and leasing of cars and light motor vehicles	100%	100%
OCTOPUS REIP III GP Ltd	2nd Floor, Gaspé House, 66-72, Esplanade, St Helier, JE1 1GH, Jersey	Fund management activities	100%	100%
Octopus REIP IV GP Limited	2nd Floor, Gaspé House, 66-72, Esplanade, St Helier, JE1 1GH, Jersey	Fund management activities	100%	100%
Octopus Renewables Infrastructure Partnership GP SARL	60 avenue J.F. Kennedy, Luxembourg- 1855 Luxembourg	Fund management activities	100%	100%

** Indicates direct investment of Octopus Energy Group Limited*

All subsidiary undertakings incorporated in the United Kingdom and outside the United Kingdom are included in the consolidation.

13. Acquisitions

During the year ended 30 April 2025, the Group made the following acquisitions:

1. Daulto GmbH

On 20 December 2024, the Group acquired Daulto (Daulto GmbH) for a total consideration of €0.5m for 100% of the share capital. Daulto is a heat pump specialist and this acquisition will strengthen the Group's presence in the Baden-Württemberg, Hesse, and Rhineland-Palatinate regions of Germany. No further disclosures have been made on the ground of materiality.

2. Energetiq Pty and Energetiq Services Pty

On 1 July 2024, the Group acquired Energetiq (Energetiq Pty and Energetiq Services Pty) for a total consideration of £10.4m for 100% of the share capital. Energetiq is an energy billing reconciliation software provider which will help add network billing capabilities to Kraken. No further disclosures have been made on the ground of materiality.

3. Jedlix B.V.

On 12 July 2024, the Group acquired Jedlix (Jedlix B.V.) for a total consideration of £7.2m for 100% of the share capital. Jedlix is a Dutch EV smart charging software developer which provides OEM API integration and smart charging services. No further disclosures have been made on the ground of materiality.

Finalisation of Octopus Energy Operations 2 Limited fair values

The Group has adjusted the provisional amounts that were recognised for the business combination of Octopus Energy Operations 2 Limited (OEO2L). As of 30 April 2025 management has reassessed the fair value of assets and liabilities acquired under this acquisition, within the measurement period of 12 months from the acquisition date. Following this re-measurement the amount of goodwill recognised on initial acquisition has been revised and reflected in the balance sheet as at 30 April 2025.

Within the 12 month measurement period the fair value of the acquired trade receivables and accrued income balances were re-assessed and determined to be overstated by £16m. In addition the fair value of accrued expenses was found to be understated by £23m. Both revisions have resulted in an increase in goodwill related to the business combination by £39m.

14. Investments in joint ventures and associates

At 30 April 2025, the detail of the Group's companies accounted for under the equity method are as follows:

			Proportion of ownership interest and voting rights held by the Group	
Name	Principal activity	Place of incorporation and principal place of business	As at 30 April 2025	As at 30 April 2024
TG Octopus Energy Co., Ltd	Electricity supply	Japan	30%	30%
Co-op Community Energy Limited	Renewable generation	United Kingdom	50%	50%

Group			Proportion of ownership interest and voting rights held by the Group	
Name	Principal activity	Place of incorporation and principal place of business	As at 30 April 2025	As at 30 April 2024
Energise Energy Solutions Limited*	Meter installation	United Kingdom	25%	25%

* Indirectly owned

All of the above are accounted for using the equity method. No further information has been provided on the basis of materiality.

15. Other investments

	As at April 2025 £m	As at April 2024 £m
At 1 May	8.2	6.7
Investment during the period	1.7	1.5
At 30 April	9.9	8.2

16. Deferred tax

	As at 30-Apr 2025 £m	As at 30-Apr 2024 £m
Movement in provision		
Opening (liability)/asset	(41.6)	8.7
P&L movement	1.5	32.9
Deferred tax in equity	12.7	–
Deferred tax balance sheet movement	–	(83.2)
Closing liability	**(27.4)**	**(41.6)**

	As at 30-Apr 2025 £m	As at 30-Apr 2024 £m
Provision for deferred tax		
Fixed asset timing differences	(34.7)	(3.1)
Short term timing differences	50.5	23.5
Intangible asset timing differences	(43.2)	(62.0)
Total deferred tax liability	**(27.4)**	**(41.6)**

17. Inventory

	As at 30-Apr 2025 £m	As at 30-Apr 2024 £m
Low carbon technology	61.8	18.5
Energy efficiency schemes	90.1	–
Electric vehicles	28.7	2.8
Total inventory	**180.6**	**21.3**

Low carbon technology primarily consists of finished goods used as part of the services business for electric chargers, heat pumps and solar installations.

Energy efficiency schemes relate to Annual Bill Savings (ABS) units acquired as part of the Energy Company Obligation (ECO) scheme. These units will be applied against the Group's future ECO obligation enforced by Ofgem. Included in low carbon technology is work in progress and an obsolescence provision, no further information has been disclosed on the grounds of materiality.

During the year, £446.6m (2024: £34.7m) of inventory was recognised in cost of sales. Write downs of inventory recognised as an expense in the period were not material.

18. Trade and other receivables

The following balances are all due to be realised within one year of the reporting date:

	As at 30-Apr 2025 £m	As at 30-Apr 2024 £m
Trade receivables	1,471.4	1,144.4
Other receivables	77.9	107.6
Current tax asset	110.3	102.9
Amounts owed from related parties	6.4	36.0
Prepayments and industry securities	507.7	596.0
Contract assets	955.8	996.5
Total	**3,129.5**	**2,983.4**

Trade receivables and contract assets are shown net of provisions, see Note 21 for further details.

Contract assets include accrued income and the provision for expected credit losses.

Included in trade receivables is nil (2024: £56.0m) for the government EPG and EBRS schemes.

19. Cash and cash equivalents

	As at 30-Apr 2025 £m	As at 30-Apr 2024 £m
Cash at bank	1,512.4	4,202.1

The movement in cash reflects the scheduled repayment of the government facility put in place as part of the WAMA linked to the Bulb acquisition for £2.8bn. This repayment was funded entirely from ring-fenced cash that had been held on the balance sheet since the transaction, and therefore did not impact the Group's operating liquidity.

Included within cash at bank is £77.6m (2024: £2,920.7m) of restricted cash.

20. Trade and other payables

Amounts falling due within one year

	As at 30-Apr 2025 £m	As at 30-Apr 2024 £m
Liabilities held at amortised cost		
Trade payables	303.4	153.8
Other payables	200.3	30.6
Accruals	2,512.6	2,169.1
Contract liabilities	1,486.0	1,151.9
Liabilities held at fair value through the profit and loss		
Other financial liabilities	–	2,838.1
Other payables	39.6	117.8
Amounts owed to related parties	2.5	4.2
Total	**4,544.4**	**6,465.5**

At 30 April 2024, other financial liabilities held at fair value through the profit and loss relate to the WAMA. This was initially valued at the acquisition date and then at each subsequent period end based on the estimated future discounted cashflows required to fulfil the contractual obligations, with the related movements included in costs of sales. The balance has been settled in FY25. Excluding the settlement of the WAMA, cash generated from operating activities is £1,137.3m (2024: £227.6m). For further information please see Note 2.13 – Financial instruments.

Liabilities held at fair value through the profit or loss also include £42.1m (2024: £122.0m) of deferred consideration for business combinations, see Note 13 for further details.

Other payables held at amortised cost includes a balance of £63.4m (2024: £5.7m) relating to EPG amounts due to be subsequently finalised and settled to the government.

Further disclosures relating to trade and other payables are set out in Note 21.

Non current trade and other payables

	As at 30-Apr 2025 £m	As at 30-Apr 2024 £m
Liabilties held at amortised cost		
Other payables	–	2.4
Liabilities held at fair value through the profit or loss		
Other payables	24.3	34.7
Amounts owed to related parties	9.3	24.6
	33.6	**61.7**

Further disclosures relating to trade and other payables are set out in Note 21.

21. Financial instruments

The Group has the following financial assets and financial liabilities at the reporting dates:

	As at 30-Apr 2025 £m	As at 30-Apr 2024 £m
Financial assets		
Current assets		
Held at amortised cost:		
Cash and cash equivalents	1,512.4	4,202.1
Trade receivables	1,471.4	1,144.4
Other receivables	77.9	107.6
Contract assets	955.8	996.5
Total assets held at amortised cost	**4,017.5**	**6,450.6**
Non-current assets		
Held at Fair value through the profit or loss:		
Financial assets	9.9	8.2
Total non-current assets held at fair value	**9.9**	**8.2**
Total financial assets	**4,027.4**	**6,458.8**
Financial liabilities		
Current liabilities		
Held at amortised cost:		
Trade payables	(303.4)	(153.8)
Other payables	(200.3)	(30.6)
Accruals	(2,512.6)	(2,169.1)
Contract liabilities	(1,486.0)	(1,151.9)
Lease liabilities	(55.8)	(9.4)
Total current liabilities held at amortised cost	**(4,558.1)**	**(3,514.8)**
Held at Fair value through the profit or loss:		
Other financial liabilities	–	(2,838.1)
Other payables	(39.6)	(117.8)
Amounts owed to related parties	(2.5)	(4.2)
Total non-current liabilities held at fair value	**(42.1)**	**(2,960.1)**
Non-current liabilities		
Held at amortised cost:		
Other payables	–	(2.4)
Lease liabilities	(157.7)	(88.4)
Total non-current liabilities held at amortised cost	**(157.7)**	**(90.8)**
Held at Fair value through the profit or loss:		
Other payables	(24.3)	(34.7)
Amounts owed to related parties	(9.3)	(24.6)
Total non-current liabilities held at fair value	**(33.6)**	**(59.3)**
Total financial liabilities	**(4,791.5)**	**(6,625.0)**

The Group's financial risk management framework addresses the main risks arising from the Group's financial instruments, which are liquidity risk, credit risk and market risk. The Directors review and agree policies for managing these risks, which are summarised below:

Liquidity risk: The Group uses short and long-term cash flow forecasts to manage liquidity risk. A key factor in managing the Group's liquidity risk is the demand for and cost of energy. The Group manages this risk by following a strict, sophisticated, and risk-averse hedging policy; our in-house Energy Trade Risk Management (ETRM) system and traders enable deep data focus, and unique agility in adapting to market volatility. The Group hedges in line with tariffs offered to customers and generators and utilises demand forecast models, price curves built from wholesale market data, and trade capture to calculate exposures.

The Group manages its cash resources to ensure it has sufficient funds to meet all expected demands as they fall due. Cash management strategies are conservative and include intra-month, short-term cash flow projections as well as longer term views of monthly cash positions, funding requirements, and financial performance. In addition, core to stability within the UK retail business is a wholesale trading arrangement which removes the risk of cash calls resulting from wholesale market price changes, resulting in increased protection from short-term liquidity pressures.

Credit risk: credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade and contract assets receivables). The Group's exposure to credit risk is mitigated by the nature of its customer base and payment profiles. Cash collections and aged debtor profile payments are reviewed on an ongoing basis, to ensure any issues are escalated and reviewed. The Group faces credit risk in holding the majority of the Group's cash at a limited number of financial institutions. This risk is mitigated through the investment of cash in short-term money market funds, which ensures liquidity while reducing via diversification. In addition, cash not held in money market funds are predominantly held in same-day access accounts. These risks have been further reduced over the course of the year through diversification of financial institutions and money market funds.

In addition OEV is subject to credit risk on its portfolio of vehicle leases financed through hire purchase arrangements and special purpose securitisation vehicle. OEV mitigates this risk by underwriting each customer to assess creditworthiness before entering in to lease arrangements.

Market risk: Market risk is the possibility that changes in interest rates or foreign exchange rates will adversely affect the value of assets, liabilities or expected future cash flows.

Interest rate risk: The facility in place with the Group bears a fixed rate of interest. The Group's facility bears a fixed rate of interest.

Additionally, interest is paid on the EV securitisation facility at a floating rate whilse the lease contracts originated by OEV are at a fixed rate. The Group mitigates its interest rate risk by entering into interest rate swap agreements with a suitably rated counterparty and as a result does not have a material net interest rate risk exposure.

Foreign exchange risk: The Group's increasing international presence increases the foreign exchange risk present within the Group. Foreign exchange gains and losses arise in the normal course of business from the recognition of receivables and payables and other monetary items in currencies other than the Group's functional currency.

Liquidity risk

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

As at 30 April 2025	<3 months £m	3-12 months £m	1-5 years £m	>5 years £m	Total £m
IFRS 16 lease liability	3.6	52.2	131.4	26.3	213.5
Trade payables	303.4	–	–	–	303.4
Other payables	2,722.9	29.6	24.3	–	2,776.8
Contract liabilities	1,486.0	–	–	–	1,486.0
Amounts owed to related parties	2.5	–	9.3	–	11.8
Other financial liabilities	–	–	–	–	–
	4,518.4	**81.8**	**165.0**	**26.3**	**4,791.5**

As at 30 April 2024	<3 months £m	3-12 months £m	1-5 years £m	>5 years £m	Total £m
IFRS 16 lease liability	–	9.4	59.1	29.3	97.8
Trade payables	153.8	–	–	–	153.8
Other payables	2,250.9	66.6	37.1	–	2,354.6
Contract liabilities	1,151.9	–	–	–	1,151.9
Amounts owed to related parties	4.2	–	24.6	–	28.8
Other financial liabilities	1,024.0	1,814.1	–	–	2,838.1
	4,584.8	**1,890.1**	**120.8**	**29.3**	**6,625.0**

Credit risk

Given the seasonality of energy consumption across the year, customer balances held within trade receivables fluctuate and as a result a debit position does not necessarily mean that customers are at risk of non-payment or should be credit impaired. Therefore, our provision is largely focused on customers' with overdue debt, where customers have not met a payment obligation. It is the payment obligation that is used as the mechanism to determine the age of the receivables, if payments made do not cover the obligation for a customer, there is a shortfall on the obligation. The shortfall of a customer is used to determine how much of the customer's receivable is impaired. This debt that is past due is included within gross trade receivables.

	As at 30-Apr 2025 £m	**As at 30-Apr 2024 £m**
Trade receivables not past due	1,095.6	885.4
Trade receivables past due	1,323.5	1,195.6
Contract assets	1,283.4	1,090.9
Less: allowance for impairment	(1,275.3)	(1,031.0)
Net trade receivables and contract assets	2,427.2	2,140.9

IFRS 9 is applicable to the Group's trade receivables and contract assets. The movement in the Expected Credit Loss (ECL) impairment allowance can be reconciled as follows:

	2025 £m	2024 £m
Opening balance	**1,031.0**	**496.5**
Acquired as part of business combination	16.2	236.3
Charged to administrative expenses	321.4	362.5
Receivables written off	(93.3)	(64.3)
Closing balance	**1,275.3**	**1,031.0**

The ageing is based on historic payment, together with an assessment of whether these are representative of likely future behaviour of accounts, rather than the age of the specific debt. The ageing of the trade receivables overdue can be seen in the table below:

2025	Gross trade receivables overdue £m	Provision £m	Net trade receivables overdue £m
<3 months	176.6	37.4	139.2
3-6 months	116.0	47.4	68.6
6-12 months	227.0	120.8	106.2
>12 months	803.8	694.0	109.8
Total	**1,323.4**	**899.6**	**423.8**

2024	Gross trade receivables overdue £m	Provision £m	Net trade receivables overdue £m
<3 months	97.3	11.1	86.2
3-6 months	244.2	71.5	172.7
6-12 months	168.2	105.7	62.5
>12 months	686.0	640.2	45.8
Total	**1,195.7**	**828.5**	**367.2**

Included within the total provision value there is an additional overlay for items that have not fallen overdue to take into account the forward looking economic uncertainty. This is not included in the ageing table above.

Group capital

The Group's capital includes issued capital and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Group's capital management is to maximise the shareholder value, while at the same time operating within a capital framework that interacts efficiently with liquidity risk, credit risk and market risk frameworks discussed above.

Movements in the Group's issued capital, share premium, preference shares, and all other equity reserves attributable to the equity holders of the parent are as set out in the Consolidated Statement of Changes in Equity.

22. Borrowings

	As at 30-Apr 2025			As at 30-Apr 2024		
	Current £m	Non-current £m	**Total £m**	Current £m	Non-current £m	**Total £m**
Borrowings	71.5	292.4	**363.9**	22.2	107.4	**129.6**

During the year, the Group entered into a Letter of Credit Facility (LCF) of £800.0m, and a Revolving Credit Facility (RCF) of £300.0m. As at the 30 April 2025, the Group has not utilised the RCF.

Included within borrowings there is £278.0m (£40.1m current) (2024: £41.0m current) of debt relating to the senior and mezzanine tranches of Group's EV debt securitisation being £236.0m and £42.0m respectively. This borrowing carries a rate of interest equal to 1.05% and 9.50% plus SONIA for the senior and mezzanine tranches respectively and is payable monthly in arrears. The current revolving period end date of the facility is 12 December 2025, with final maturity being six years after this date. There are a number of portfolio and financial covenants related to the securitisation that are assessed on an ongoing basis. There has been no breach to any covenants during the financial year or subsequent.

Additionally, borrowings include £84.3m (£31.3m current) (2024: £88.4m current) that relates to EV lease contract financing under sale and leaseback arrangements with a term between two and four years. The sale and leaseback transaction does not qualify for lease accounting under IFRS 16 as the sale element does not meet the requirements for sale under IFRS 15. Each sale and leaseback transaction within the borrowing amount carries a fixed cost of funds with an average across the portfolio of 8%.

23. Share capital

	As at 30 April 2025 No.	As at 30 April 2025 £	As at 30 April 2024 No.	As at 30 April 2024 £
Allotted, called up and fully paid				
A1 Ordinary shares at £0.00025 each	166,468,331	41,617	166,468,331	41,617
A2 Ordinary shares at £0.0001 each	7,591,783	759	7,591,783	759
B Ordinary shares at £0.0001 each	11,828,628	1,183	11,828,628	1,183
C Ordinary Shares at £0.0001 each	3,325,637	333	3,325,637	333
D Ordinary shares at £0.0001 each	3,402,658	340	3,402,658	340
E Ordinary shares at £0.001 each	2,500,000	2,500	2,500,000	2,500
F Ordinary shares at £0.0001 each	3,458,041	346	3,458,041	346
	198,575,078	47,078	198,575,078	47,078

Rights attaching to the shares

Voting rights as a percentage of total voting rights are as follows: A1 Ordinary and A2 Ordinary shares proportionally – 75.001%; B Ordinary shares – 14.999%; and E Ordinary shares – 10%. No other share class confers voting rights.

On a return of assets, after discharging liabilities, any surplus will be used to first pay holders of all share classes pari passu, with the exception of the E Ordinary shares, an amount equal to the nominal value of such shares; secondly an aggregate sum of £10,000 proportionally to the holders of the E Ordinary shares; and any remaining balance will be paid to the holders of all share classes pari passu with the exception of the holders of E Ordinary shares.

Share class	Voting rights	Dividends
A1	Yes	Yes
A2	Yes	Yes
B	Yes	Yes
C	No	Yes
D	No	Yes
E	Yes	No
F	No	Yes

There have been no share transactions in the year.

24. Capital and reserves

Share premium account

Includes any premiums received on issue of share capital. Nil (2024: £616.5m) share premium has been issued in the year.

Other reserves

Comprises the fair value of share options recognised as an expense.

	As at 30-Apr 2025 £m	As at 30-Apr 2024 £m
Share options	82.1	42.0

Share options have been awarded to employees, the options vest over a period of 24 to 48 months, with a graded weighting of 50% to 100% respectively. A portion of the total share expense will be recognised equally each year over the vesting period.

The movement in other reserves is comprised of the £27.4m (2024: £21.5m) charge for share scheme options and £12.7m (2024: nil) deferred tax in equity.

Accumulated losses

Includes all current and prior periods retained accumulated losses.

25. Share based payments

The Group grants share options to all of the Group's employees. The exercise price is set dependent upon the employee's joining date. Options are conditional on the employee completing four years' service (the vesting period), otherwise employees forfeit their options. The options are exercisable on a liquidity event arising. The Group has no legal or constructive obligation to repurchase or settle the options in cash.

The share-based payment charge included in profit or loss for the year ended 30 April 2025 was £27.4m (2024: £21.5m).

Details of the number of share options and the weighted average exercise price outstanding during the period are as follows:

	30-Apr-25		30-Apr-24	
	Weighted average exercise price £	Number	Weighted average exercise price £	Number
Outstanding at beginning of year	13.51	12,022,287	11.75	7,645,509
Granted during the year	23.39	2,953,418	17.51	5,733,442
Exercised during the year	–	–	8.38	240,785
Forfeited during the year	18.37	1,403,783	13.48	1,115,879
Outstanding at the end of the year	15.27	13,571,922	13.51	12,022,287
Exercisable at year-end	–	–	–	–

The fair value of the share options at the grant date was calculated using the Black-Scholes model, which is considered to be the most appropriate generally accepted valuation method of measuring fair value. The weighted average fair value of share options granted during the year was £13.61 (2024: £10.67) at the grant date.

The range of exercise prices in respect of options outstanding at 30 April 2025 is £6.55 to £25.19 (2024: £6.55 to £21.90).

26. Leases

The Group has lease contracts for rental premises, EV leasing and other equipment used in its operations.

The right of use assets and lease liabilities shown in the Consolidated Statement of Financial Position are in respect of these leases.

The carrying amounts of right of use assets, and the movements during the period, are shown in Note 10 above. All payments due on these leases are fixed under the terms of the relevant lease agreements, with the exception of one that is adjusted annually to RPI.

Set out below are the carrying amounts of lease liabilities and the movements during the period:

	As at 30-Apr 2025 £m	**As at 30-Apr 2024 £m**
At 1 May	97.8	271.5
Additions	155.6	41.3
Reclassification[1]	–	(211.5)
Accretions of interest	10.5	3.9
Payments	(50.4)	(7.4)
At 30 April	213.5	97.8
Current (note 15)	55.8	9.4
Non-current (note 16)	157.7	88.4

[1] In FY24 management reviewed the classification of the electric vehicles and determined that these do not meet the definition of a finance lease under IFRS 16. These were reclassified to motor vehicles where Octopus is the principal lessor. Where the leases reflect an agency position, these no longer meet the recognition criteria under IFRS 16 and have as such been derecognised.

The following amounts are recognised in the Consolidated Statement of Profit or Loss:

	As at 30-Apr 2025 £m	As at 30-Apr 2024 £m
Depreciation of right of use assets	38.8	8.0
Accretions of interest on lease liabilities	10.5	3.9

In respect of leases accounted for under IFRS 16, the Group had total cash outflows for leases of £50.4m in 2025 (2024: £7.4m). The Group also had non-cash additions to right-of-use assets of £135.2m in 2025 (2024: £39.9m).

The Group also has certain leases with lease terms of 12 months or less. The Group applies the 'short-term lease' recognition exemptions for these leases. Minimum leases payments under non-cancellable operating leases in respect of these items are as follows:

	As at 30-Apr 2025 £m	As at 30-Apr 2024 £m
Leases maturing:		
No later than one year	13.3	8.6
Total	**13.3**	**8.6**

The charge taken through the Consolidated Statement of Profit or Loss in respect of these leases in 2025 is £13.3m (2024: £8.6m).

27. Related party transactions

The Company is owned by (i) Octopus Energy Holdco Limited (32.07%), which is itself owned by OE Holdco Limited; (ii) OE Holdco Limited (0.16%); (iii) Origin Energy International Holding Pty Ltd (22.18%); (iv) Tokyo Gas United Kingdom Ltd (10.02%); (v) GIM Willow (Scotland) LP (12.78%); (vi) CPP Investment Board (12.31%); (vii) Galvanize Innovation & Expansion Fund I, LP (0.25%); (viii) Lightrock Climate Impact FundSCSP (0.41%); and (ix) management and employees via a bare trust arrangement with Octopus Nominees Limited (9.82%). It is the opinion of the Directors that the Group and Company have no single controlling party but that OE Holdco has significant influence.

Transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note.

Transactions with key management personnel

The Directors are considered to be the key management personnel. Key management remuneration is disclosed in Note 6. There were no amounts receivable from, or payable to, key management personnel at 30 April 2025 (2024: nil).

Transactions with related parties

Transactions between the Group and its related parties are disclosed below:

	As at 30 April 2025 £m	As at 30 April 2024 £m
Sales to related parties	40.1	21.4
Equity funding received	–	627.6

Transactions with related parties are carried out at arm's length terms and conditions.

Balances with related parties

	As at 30-Apr 2025 £m	**As at 30-Apr 2024 £m**
Amounts owed from related parties <1 year	6.4	36.0
Amounts owed from related parties >1 year	–	–
Total	**6.4**	**36.0**

At 30 April 2024, amounts owed are due as part of the equity investment from Origin Energy and Tokyo Gas in FY21. These balances were all settled in the year.

At 30 April 2025, £3.5m is due from Octopus Investments Limited for fund management fees, £1.4m and £1.5m is due from Origin Energy and Tokyo Gas respectively for sales during the year.

	As at 30-Apr 2025 £m	**As at 30-Apr 2024 £m**
Amounts owed to related parties <1 year	2.5	4.2
Amounts owed to related parties >1 year	9.3	24.6
Total	**11.8**	**28.8**

As at 30 April 2024 and 30 April 2025, amounts owed are due to Octopus Capital Limited for the acquisition of ORL.

28. Contingent liabilities

The Group has nil material contingent liabilities or commitments at year end (2024: nil).

29. Events after the reporting date

On 2 May 2025, OEGL acquired 75% of Moca Energy Ltd (Moca). Moca develops decarbonisation software and provides energy improvement services to commercial real estate companies. This acquisition is not material and therefore no further disclosures have been made.

On 8 May 2025, OEGL acquired a 14.8% minority Investment in Mobile Power Ltd (MOPO). MOPO supplies green energy to businesses and individuals in Sub-Saharan Africa suffering from unstable or zero grid access. This acquisition is not material and therefore no further disclosures have been made.

On 15 August 2025, OEGL extended the existing Letter of Credit Facility (LCF) from £800m to £925m.

Since the year end, the Group has announced its intention to demerge Kraken Technologies Limited and its subsidiaries. This does not impact the Group's impairment analysis or values disclosed in the accounts.

Additional information – Adjusted performance measures

Adjusted Performance Measures

The Group's consolidated Financial Statements include metrics that are not listed in the IFRS accounting standards. These measures are used by the Group to track the underlying performance of the business by excluding non-recurring transactions. They are not however, defined terms under IFRS and may not be comparable with similarly titled measures reported by other companies. This includes EBITDA and underlying EBITDA which are defined and reconciled below.

Underlying EBITDA

EBITDA is a business performance measure of operating (loss), after adjusting for depreciation and amortisation. Further to this, management excludes the impact of the WAMA accounting adjustments to be able to assess underlying profitability, see Note 2.13 financial liabilities for more details; the underlying EBITDA also removes the impact of the final settlement of the EPG scheme which results in a decrease to revenue in FY25, see Note 4. In addition to any non-recurring items. Where possible they have been reconciled to the statutory equivalents from the primary statements, Consolidated statement of Profit or Loss ('PL') or the notes to the Financial Statements.

	Notes	2025 £m	2024 £m
Operating (loss)/profit	PL	(352.1)	(94.7)
Depreciation	9/10	(115.9)	(34.0)
Amortisation	11	(143.2)	(196.9)
EBITDA		**(93.0)**	**136.2**
WAMA impact	2.13	(73.9)	(81.6)
Energy price guarantee settlement	4	(70.3)	–
Non cash accounting treatment changes		(27.8)	–
Acquisitions, associated restructuring costs and other one off items		(11.0)	(72.5)
Underlying EBITDA		**90.0**	**290.3**

Company financial statements

Company statement of financial position

At 30 April 2025

	Notes	2025 £m	2024 £m
Non-current assets			
Property, plant and equipment	34	0.6	0.4
Investments	35	1,196.8	151.4
Deferred tax asset	37	2.2	2.7
Total non-current assets		**1,199.6**	**154.5**
Current assets			
Trade and other receivables	38	477.1	1,009.9
Cash and cash equivalents	39	348.0	723.3
Total current assets		**825.1**	**1,733.2**
Current liabilities			
Trade and other payables	40	(44.2)	(101.2)
Total current liabilities		**(44.2)**	**(101.2)**
Non-current liabilities			
Trade and other payables	40	(2.6)	(2.7)
Total non-current liabilities		**(2.6)**	**(2.7)**
Net assets		**1,977.9**	**1,783.8**
Capital and reserves			
Called up share capital	41	–	–
Share premium account	42	1,689.2	1,689.2
Other reserves	42	71.1	42.0
Profit and loss reserve		217.6	52.6
Total equity		**1,977.9**	**1,783.8**

The total profit for the Company in the year is £165.0m (2024: £33.8m).

These Company financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework. The notes on pages 87 to 91 form part of these financial statements. The Company financial statements were approved and authorised for issue by the Board and were signed on its behalf by:

S Jackson
CFO and Co-founder
31 October 2025

Registered office: UK House, 5th Floor, 164-182 Oxford Street, London, United Kingdom, W1D 1NN
Registered number: 09718624

Company statement of changes in equity

For the year ended 30 April 2025

	Notes	Called up share capital £m	Share premium £m	Share based payments reserve £m	Profit and loss reserve £m	Total equity £m
At 1 May 2023		–	1,072.7	21.4	18.8	1,112.9
Comprehensive operating profit for the year		–	–	–	33.8	33.8
Total comprehensive operating profit for the year		**–**	**–**	**–**	**33.8**	**33.8**
Shares issued during the year	41	–	616.5	–	–	616.5
Share buy back		–	–	(0.9)	–	(0.9)
Employee share scheme options	42	–	–	21.5	–	21.5
At 1 May 2024		–	1,689.2	42.0	52.6	1,783.8
Comprehensive operating profit for the year		–	–	–	165.0	165.0
Total comprehensive operating profit for the year		**–**	**–**	**–**	**165.0**	**165.0**
Share buy back		–	–	(3.7)	–	(3.7)
Employee share scheme options	42	–	–	32.8	–	32.8
At 30 April 2025		**–**	**1,689.2**	**71.1**	**217.6**	**1,977.9**

The notes on pages 87 to 91 form part of these financial statements.

Notes to the financial statements

30. Company information

Octopus Energy Group Limited is a private company limited by shares and registered in England and Wales, registered number 09718624. Its registered office is located at UK House, 5th Floor, 164-182 Oxford Street, London, United Kingdom, W1D 1NN.

31. Significant accounting policies

31.1 Accounting policies

The Company financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101).

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of UK-adopted international accounting standards (UK-adopted IFRS), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The accounting policies used in the Company financial statements are the same as those used in the consolidated financial statements.

For the accounting policies, please refer to the relevant notes to the consolidated financial statements.

31.2 FRS101 disclosure exemptions

The Company has taken advantage of the following disclosure exemptions under FRS101:

a) the requirements of IFRS 7 Financial Instruments: Disclosures;
b) the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement;
c) the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of paragraph 79(a)(iv) of IAS 1;
d) the requirements of paragraphs 10(d), 10(f) and 134-136 of IAS 1 Presentation of Financial Statements;
e) the requirements of IAS 7 Statement of Cash Flows;
f) the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
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;
i) the requirements of paragraphs 130(f)(ii), 130(f)(iii), 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets.

32. Operating profit

Employee costs consist of:

	Year ended 30-Apr 2025 £m	Year ended 30-Apr 2024 £m
Wages and salaries	17.3	11.8
Social security costs	2.7	1.9
Costs of defined contribution scheme	0.9	0.7
Share-based payment charge (see note 42)	1.1	0.2
	22.0	**14.6**

The average monthly number of employees, including Directors, during 2025 was 4,457 (2024: 2,090).

33. Key management personnel compensation

	Year ended 30-Apr 2025 £m	Year ended 30-Apr 2024 £m
Short-term employee benefits	0.6	0.6
	0.6	**0.6**

The Directors are considered to be the key management personnel of the Company (see Note 44).

The highest paid Director received short-term employee benefits of £348k (2024: £280k) and Company contribution to defined contributions pension schemes of £17k (2024: £15k).

There are six Directors who are employed by the Company's shareholders and do not specifically receive any remuneration in respect of their services to the Company.

34. Property, plant and equipment

The Company had £0.6m tangible assets at 30 April 2025 (2024: £0.4m), no further information has been disclosed on the grounds of materiality.

35. Investments

Cost	As at April 2025 £m	As at April 2024 £m
At 1 May	151.4	102.2
Investment during the period	1,045.4	49.2
At 30 April	1,196.8	151.4

Investment during the period includes £500.0m in Octopus Energy Limited and £382.7m in Octopus Energy EU TradeCo Ltd.

Refer to Note 12 to the consolidated financial statements for a list of all subsidiary undertakings.

36. Investments in joint ventures and associates

Refer to Note 14 to the consolidated financial statements for the detail of the Company's investments accounted for under the equity method.

37. Deferred tax

	As at 30-Apr 2025 £m	As at 30-Apr 2024 £m
Movement in provision		
Opening asset	2.7	–
P&L movement	(2.1)	2.7
Deferred tax balance sheet movement	1.6	–
Closing asset	**2.2**	**2.7**

	As at 30-Apr 2025 £m	As at 30-Apr 2024 £m
Provision for deferred tax		
Short term timing differences	2.2	2.7
Total deferred tax asset	**2.2**	**2.7**

Refer to Note 8 to the consolidated financial statements for the expected impact to the Company of the Pillar Two income taxes legislation.

38. Trade and other receivables

The following balances are all due to be realised within one year of the reporting date:

	As at 30-Apr 2025 £m	As at 30-Apr 2024 £m
Other receivables	10.9	–
Current tax asset	87.5	–
Amounts owed from related parties	–	24.4
Amounts owed by Group undertakings	365.1	951.4
Prepayments and industry securities	13.6	34.1
Total	**477.1**	**1,009.9**

At 30 April 2024 amounts owed from related parties included £24.4m cash amounts owed from our investors Origin Energy and Tokyo Gas in respect of shares issued in March 2021. This balance was repaid during the year.

39. Cash and cash equivalents

	As at 30-Apr 2025 £m	**As at 30-Apr 2024 £m**
Cash at bank	348.0	723.3

40. Trade and other payables

Amounts falling due within one year

	As at 30-Apr 2025 £m	**As at 30-Apr 2024 £m**
Liabilities held at amortised cost		
Other payables	15.6	17.5
Accruals	28.6	81.0
Liabilities held at fair value through the profit and loss		
Other payables	–	2.7
Total	**44.2**	**101.2**

Current liabilities held at fair value through the profit or loss include nil (2024: £2.7m) deferred consideration for business combinations.

Non-current trade and other payables

	As at 30-Apr 2025 £m	As at 30-Apr 2024 £m
Liabilities held at fair value through the profit or loss		
Other payables	2.6	2.7
	2.6	**2.7**

Non-current liabilities held at fair value through the profit or loss include £2.6m (2024: £2.7m) of deferred consideration for business combinations. There are no amounts that fall due in more than five years.

41. Share capital

Refer to Note 23 to the consolidated financial statements. The Group’s share capital all belongs to the Company.

42. Capital and reserves

Share premium account

Includes any premiums received on issue of share capital. Nil (2024: £616.5m) share premium has been issued in the year.

Other reserves

Refer to Note 24 to the consolidated financial statements. The Group's other reserves all belong to the Company.

The movement in other reserves is comprised of the £1.1m (2024: £0.2m) charge for share scheme options to employees of the Company, £30.0m (2024: £21.3m) charge for share scheme options to employees of subsidiaries and £1.7m (2024: nil) deferred tax in equity.

Accumulated profits

Includes all current and prior periods retained accumulated profits.

43. Share-based payments

Refer to Note 25 to the consolidated financial statements. All share options issued are for shares in the Company.

The share-based payment charge included in the Company's profit or loss for the year ended 30 April 2025 was £1.1m (2024: £0.2m).

44. Related party transactions

Refer to Note 27 to the consolidated financial statements.

45. Events after the reporting date

On 15 August 2025, OEGL extended the existing LCF from £800m to £925m.

Since the year end, the Group has announced its intention to demerge Kraken Technologies Limited and its subsidiaries. This does not impact the Group's impairment analysis or values disclosed in the accounts.

Statutory Company information

Directors
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C Hulatt
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M C Lawrence
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