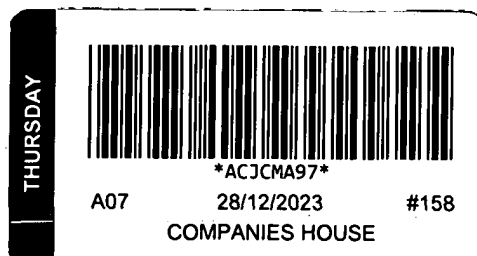

EQUANS DE HOLDING COMPANY LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022



EQUANS DE HOLDING COMPANY LIMITED

COMPANY INFORMATION

DIRECTORS	J-P Loiseau J Graham
COMPANY SECRETARY	P Moens
REGISTERED NUMBER	02240219
REGISTERED OFFICE	Equans Q10 Office Quorum Business Park Benton Lane Newcastle-upon-Tyne Tyne and Wear NE12 8BU
INDEPENDENT AUDITOR	Ernst & Young LLP Citygate St James' Boulevard Newcastle-upon-Tyne NE1 4JD

EQUANS DE HOLDING COMPANY LIMITED

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EQUANS DE HOLDING COMPANY LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

INTRODUCTION

The Directors present their strategic report for the year ended 31 December 2022.

The Company changed its name from ENGIE DE Holding Company Limited to Equans DE Holding Company Limited on 4 April 2022.

PRINCIPAL ACTIVITIES

The principal activity of Equans DE Holding Company Limited ("the Company") is that of a holding company.

BUSINESS REVIEW

The Company has not traded during the year and the only movements relate to the settlement of group relief balances with other Equans group companies.

PRINCIPAL RISKS AND UNCERTAINTIES

The identification, assessment, pursuit and management of opportunities and the associated risks is an integral part of the management and processes of the Company. The Company has rigorous processes in place for managing the exposure within a specified opportunities and risk management framework that applies to all activities of the Company, including:

Investment risk

The Company acts as a holding company of investments. The main risk facing the Company is a deterioration in the recoverable amount of its investments in subsidiary undertakings, which reflects their underlying performance and future prospects. The Directors assess the recoverable amounts of investments annually or when indicators of impairment exist, by performing an impairment test, comparing for each investment the recoverable amount with its carrying value. Only if there is an impairment loss is the carrying value reduced to the recoverable amount.

FINANCIAL KEY PERFORMANCE INDICATORS

Owing to the Company's activities, being that of a holding company, financial and other key performance indicators are not considered necessary for an understanding of the development, performance or position of the Company. The Equans group manages its business and measures the delivery of its strategic objectives through the application of KPIs at operating business, business unit and group level.

EQUANS DE HOLDING COMPANY LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

DIRECTORS' STATEMENT OF COMPLIANCE WITH DUTY TO PROMOTE THE SUCCESS OF THE COMPANY (UNDER SECTION 172 (1) OF THE COMPANIES ACT 2006)

Long-term consequences of decisions made in year

The Company is a holding company and therefore the key stakeholders have been determined to be the Company's parent undertaking and other companies within the Equans group.

The decisions made in the year have been outlined within the business review and have been made with a view to strengthening the position of the Company and its subsidiary undertakings going forward.

Fostering business relationships with suppliers, customers and other stakeholders

The Company's commitments are governed by the IMPACT Charter. The Charter is in itself underpinned by standards such as the ISO 20400 Sustainable Procurement Standard for responsible procurement which guides engagement with key stakeholders.

The Company's relationship with its parent and subsidiary undertakings is managed at an Equans UK level to ensure the success of Equans UK and the Bouygues group overall.

Impact of the Company's operations on the community and environment

As a holding company, the Company's impact on the community and environment is minimal, however the Equans group strategy overall is heavily focused on leading in the zero-carbon transition. More information on this can be found at <https://www.equans.co.uk/our-mission-purpose>.

The maintenance of high standards of conduct

The UK Directors maintain high standards of business conduct by ensuring that activities of the UK BU companies of Equans are in line with the Equans Ethics Charter, policies and codes of conduct. The overarching Ethics Charter includes a zero tolerance for all forms of corruption and is supplemented with a range of more specific policies and practical guidelines, which deal with areas such as supplier relationships, conflicts of interest and gifts and hospitality. All Board members have received training in this respect. The Directors' actions are also guided by the Equans core values: Accountability, Respect, Team Spirit, Service Focused and Everyday Leadership, which help define the UK BU companies' strategies and targets. Additionally the UK BU has issued an Impact Charter, which aims to ensure that Equans operates to the highest economic, social and environmental standards while building and maintaining public trust.

Summary of methods used by the Directors to engage with stakeholders and understanding issues relevant to key decisions

The Directors utilise a full range of communication channels managed at the UK BU level to engage with stakeholders. These include face to face meetings (virtual and in person), forums and events, reports and other written materials, as well as through public relations activity, targeted digital content and social media.

EQUANS DE HOLDING COMPANY LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

GOING CONCERN

The budgeted cash flows for the Company (which show sufficient headroom even after considering a reasonably plausible downside), positive post-year end results and available liquidity through positive cash balances, all allow the Directors to have a reasonable expectation that the Company has adequate resources to continue in operational existence for the period to 31 December 2024 and therefore apply the going concern basis of preparation for the statutory accounts for the year ended 31 December 2022.

During 2022, the Equans group commenced a strategic review of the district heating business in the United Kingdom. Following completion of that review, the Equans group made a decision to sell a portfolio of companies involved in that business. The Company is part of the UK portfolio which is to be sold. On 15 September 2023, a share purchase agreement was signed between Equans Holding UK Limited, a parent company, and the proposed acquirer, Burnie Bidco Limited ("Burnie Bidco"). Completion is subject to certain conditions being fulfilled, with the anticipated date of sale expected on 31 December 2023.

In the Directors' view, the proposed acquirer will ensure that suitable liquidity is made available to the Company to meet its obligations and to fund its growth. This view is predicated on the acquirer being required to fund the repayment of any debts due to Equans group companies, for all companies within the scope of the disposal perimeter, as well as the acquirer's aim to recover its purchase price through profits and cash flow.

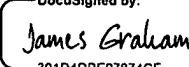
The Directors are confident that suitable liquidity is available to ensure that the business can fund its growth and operations whilst remaining as part of the Equans group. The acquirer has also provided its budgets, liquidity and financial arrangements that will be available to the Company after sale, so that the current Directors confirm that there is a reasonable expectation that the Company has adequate resources to pay its liabilities as they fall due during the period to 31 December 2024.

The Company has also received a letter of support from Burnie Bidco, which will provide support to the Company in order that the Company can maintain adequate financial resources to meet its liabilities as they fall due, and so that it is in a position to meet its obligations and continue to trade, but only to the extent that funding for this is not otherwise available to meet such obligations. This support shall be applicable for a period to 31 December 2024 and will be subject at all times to the finalisation of the sale of the Company, as contemplated under the Share Purchase Agreement, to Burnie Bidco, and only if and so long as the Company is a wholly owned subsidiary of Burnie Bidco. The letter of support also confirms that for the period to 31 December 2024, it is intended for the Company to continue to operate in its current form and that Burnie Bidco has no plans to sell, dissolve or halt trading of the Company. The Directors confirm that Burnie Bidco has the capacity to provide such support in a manner it deems appropriate.

In the event that the sale does not occur as expected, because the Company is part of the Equans SAS cash pool arrangement, an uncapped letter of support has been received from Equans Holding UK Limited for a period to 31 December 2024, so long as the Company remains a subsidiary within the Equans group.

Therefore, the financial statements are prepared on a going concern basis and do not include any adjustments to the carrying amount or classification of assets and liabilities that would be required if the Company was unable to continue as a going concern.

This report was approved by the Board on 21 December 2023 and signed on its behalf.

DocuSigned by:

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J Graham
Director

EQUANS DE HOLDING COMPANY LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

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

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £nil (2021: loss of £18,000).

The Directors do not recommend the payment of a dividend for the year ended 31 December 2022 (2021: £nil).

DIRECTORS

The Directors who served during the year and up to the date of signing the financial statements were:

S Hockman (resigned 28 February 2022)
B Lala (resigned 30 June 2023)
J-P Loiseau (appointed 1 March 2022)
J Graham (appointed 24 May 2022)

FUTURE DEVELOPMENTS

The Directors expect there to be no changes in the future activities or prospects of the Company. The Company will continue to act as a holding company for Equans Urban Energy Group Limited.

FINANCIAL INSTRUMENTS

The Company monitors its exposure to risk on an ongoing basis. The Company's activities do not expose it to any material price risk, cash flow risk or foreign exchange risk. Owing to the nature of the Company's business and the assets and liabilities contained within the statement of financial position, the financial risks the Directors consider relevant to the Company are credit risk and liquidity risk. The Company has not used financial instruments to manage its exposure to these risks.

Credit risk

Credit risk arises on the Company's principal financial assets, which are cash and cash equivalents and amounts owed by group undertakings. The credit risk associated with cash is limited, given the Company's cash balances relate to amounts held in the Equans group cash pool arrangement with Equans S.A.S., which has a strong statement of financial position and liquidity position. The credit risk on amounts owed by group undertakings is not considered to be significant, given that all companies within the Equans group also have access to the cash pooling arrangements with Equans S.A.S. and therefore the benefit of access to both short-term liquidity and longer-term financing support from the Equans group.

Liquidity risk

The Company has no significant exposure to liquidity risk, as the financial liabilities of the Company are amounts owed to group undertakings. In order to maintain liquidity to ensure sufficient funds are available for ongoing operations and future developments, the Company benefits from access to both short-term liquidity and longer-term financing support from the Equans group.

During 2022, the centralised cash pooling activities of the Equans group were transferred to Equans S.A.S., replacing the activities previously performed by ENGIE Treasury Management ("ETM"). This cash pooling enables efficient use of available liquidity and under this arrangement, the Company has an agreed overdraft facility "negative balance limit" ("NBL") of £20m to manage its working capital requirements. The previous current account agreements and agreed credit limits, as well as associated cash or negative balances, for all Equans UK entities were transferred from ETM to Equans S.A.S. on 25 April 2022. The credit limits provided under the current account agreements have not changed. There are no covenants associated with the provision of negative balances under the current account agreements.

EQUANS DE HOLDING COMPANY LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

There are no covenants or cross default clauses related to the intercompany funding arrangements. The Company does not have any external non-trade debt financing. Although the UK business has been offered or could obtain several financial support arrangements from the banking industry, these have been deemed unnecessary.

ENGAGEMENT WITH SUPPLIERS, CUSTOMERS AND OTHERS

The information in respect of business relationships has been disclosed in the strategic report.

DISCLOSURE OF INFORMATION TO AUDITOR

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

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

POST BALANCE SHEET EVENTS

On 15 September 2023, as outlined in the going concern disclosure, a share purchase agreement was signed between Equans Holding UK Limited, a parent company, and the proposed acquirer of the district heating business, of which this Company is a part. Completion is subject to certain conditions being fulfilled.

This report was approved by the Board on 21 December 2023 and signed on its behalf.

DocuSigned by:

James Graham

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J Graham
Director

EQUANS DE HOLDING COMPANY LIMITED

**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2022**

The Directors are responsible for preparing the strategic report, the Directors' 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 prepared the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 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 these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EQUANS DE HOLDING COMPANY LIMITED

Opinion

We have audited the financial statements of Equans DE Holding Company Limited (the 'company') for the year ended 31 December 2022 which comprise the Income Statement, the Statement of Financial Position, the Statement of Changes in Equity and the related notes 1 to 14, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 101 "Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 December 2022 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period to 31 December 2024.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

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 this 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 the other information, we are required to report that fact.

We have nothing to report in this regard.

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 directors' report have been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EQUANS DE HOLDING COMPANY LIMITED (CONTINUED)

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 6, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Explanation as to what extent 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 irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are:
 - Companies Act 2006 and FRS101
 - Tax legislation (governed by HM Revenue & Customs) and including furlough legislation
 - Health and Safety legislation
- We understood how the company is complying with those frameworks by reading internal policies and codes of conduct and assessing the entity level control environment. We made enquiries of the company's legal counsel and senior management of known instances of non-compliance or suspected non-compliance with laws and regulations, including any matters raised in whistleblowing. We also considered the oversight procedures of the company's parent entity at a UK level through the "Executive Board".
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by making enquiries of senior management, including the UK Chief Financial Officer, the UK Deputy Chief Financial Officer, the UK Group Financial Controller. We obtained details of incidents and allegations of fraud raised internally and investigated by the company's ethics and compliance team. We planned our audit to identify risks of management override or bias by agreeing journal entries in the areas involving significant estimation and judgement, recognition of revenue and profits on contracts, to supporting documentation.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EQUANS DE HOLDING COMPANY LIMITED
(CONTINUED)**

- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved a review of board meetings and other committee minutes, including the Risk Management Committee, and incident registers to identify any non-compliance with laws and regulations. Our procedures also involved journal entry testing and data analytics, as set out above. Our testing also included consideration of compliance of employees with policies and codes of conduct at a contract level, for a sample of contracts, based on their size and complexity.

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

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.

Handwritten signature in black ink, appearing to read "Ernst + Young W".

Caroline Mulley (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Newcastle upon Tyne
21 December 2023

EQUANS DE HOLDING COMPANY LIMITED

**INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Note	2022 £000	2021 £000
Administrative expenses		-	-
Profit before tax		-	-
Tax on profit	5	-	(18)
Profit/(loss) for the financial year		-	(18)

There are no items of other comprehensive income for 2022 or 2021 other than the profit/(loss) for the year included in the income statement and therefore no statement of comprehensive income has been presented.

The notes on pages 13 to 23 form part of these financial statements.

EQUANS DE HOLDING COMPANY LIMITED
REGISTERED NUMBER: 02240219

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022

	Note	2022 £000	2021 £000
Fixed assets			
Investments	6	550	550
		<u>550</u>	<u>550</u>
Current assets			
Debtors: amounts falling due within one year	7	3,530	3,712
Cash at bank and in hand	8	182	-
		<u>3,712</u>	<u>3,712</u>
Creditors: amounts falling due within one year	9	(10,437)	(10,437)
Net current liabilities		<u>(6,725)</u>	<u>(6,725)</u>
Total assets less current liabilities		<u>(6,175)</u>	<u>(6,175)</u>
Net liabilities		<u>(6,175)</u>	<u>(6,175)</u>
Capital and reserves			
Called up share capital	11	1,782	1,782
Profit and loss account	12	(7,957)	(7,957)
Total deficit		<u>(6,175)</u>	<u>(6,175)</u>

The financial statements were approved and authorised for issue by the Board and were signed on its behalf on 21 December 2023.

DocuSigned by:

James Graham

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J Graham
 Director

The notes on pages 13 to 23 form part of these financial statements.

EQUANS DE HOLDING COMPANY LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Called up share capital £000	Profit and loss account £000	Total deficit £000
At 1 January 2021	1,782	(7,939)	(6,157)
Comprehensive loss for the year			
Loss for the financial year	-	(18)	(18)
Total comprehensive loss for the year	-	(18)	(18)
At 1 January 2022	1,782	(7,957)	(6,175)
Comprehensive income for the year			
Profit for the financial year	-	-	-
Total comprehensive income for the year	-	-	-
At 31 December 2022	1,782	(7,957)	(6,175)

The notes on pages 13 to 23 form part of these financial statements.

EQUANS DE HOLDING COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

1. GENERAL INFORMATION

The financial statements of Equans DE Holding Company Limited for the year ended 31 December 2022 were authorised for issue by the Board of Directors on 21 December 2023 and the statement of financial position was signed on the Board's behalf by J Graham.

The Company changed its name from ENGIE DE Holding Company Limited to Equans DE Holding Company Limited on 4 April 2022.

The Company is a private limited liability company, incorporated and domiciled in the United Kingdom. The address of its registered office is Equans Q10 Office, Quorum Business Park, Benton Lane, Newcastle-upon-Tyne, Tyne and Wear, NE12 8BU.

The results and net liabilities of the Company, which are not eliminated on consolidation, have been included in the consolidated financial statements of Bouygues S.A. prepared since 4 October 2022 and as at 31 December 2022 (and the consolidated financial statements of ENGIE S.A. prepared between 1 January 2022 and 3 October 2022).

The consolidated financial statements of Bouygues S.A. are available from Bouygues, 32 Avenue Hoche, 75008, Paris, France.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006.

The functional and presentation currency of the Company is Pounds Sterling ("£") and all values in these financial statements are rounded to the nearest thousand pounds ("£000") except when otherwise indicated.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The Company is itself a subsidiary company and is exempt from the requirement to prepare consolidated financial statements by virtue of section 401 of the Companies Act 2006. These financial statements therefore present information about the Company as an individual undertaking and not about its group.

The following principal accounting policies have been applied:

EQUANS DE HOLDING COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. ACCOUNTING POLICIES (CONTINUED)

2.2 FINANCIAL REPORTING STANDARD 101 - REDUCED DISCLOSURE EXEMPTIONS

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- 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;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- 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

This information is included in the consolidated financial statements of Bouygues S.A. as at 31 December 2022 and these financial statements may be obtained from Bouygues, 32 Avenue Hoche, 75008, Paris, France.

EQUANS DE HOLDING COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. ACCOUNTING POLICIES (CONTINUED)**2.3 GOING CONCERN**

The budgeted cash flows for the Company (which show sufficient headroom even after considering a reasonably plausible downside), positive post-year end results and available liquidity through positive cash balances, all allow the Directors to have a reasonable expectation that the Company has adequate resources to continue in operational existence for the period to 31 December 2024 and therefore apply the going concern basis of preparation for the statutory accounts for the year ended 31 December 2022.

During 2022, the Equans group commenced a strategic review of the district heating business in the United Kingdom. Following completion of that review, the Equans group made a decision to sell a portfolio of companies involved in that business. The Company is part of the UK portfolio which is to be sold. On 15 September 2023, a share purchase agreement was signed between Equans Holding UK Limited, a parent company, and the proposed acquirer, Burnie Bidco Limited ("Burnie Bidco"). Completion is subject to certain conditions being fulfilled, with the anticipated date of sale expected on 31 December 2023.

In the Directors' view, the proposed acquirer will ensure that suitable liquidity is made available to the Company to meet its obligations and to fund its growth. This view is predicated on the acquirer being required to fund the repayment of any debts due to Equans group companies, for all companies within the scope of the disposal perimeter, as well as the acquirer's aim to recover its purchase price through profits and cash flow.

The Directors are confident that suitable liquidity is available to ensure that the business can fund its growth and operations whilst remaining as part of the Equans group. The acquirer has also provided its budgets, liquidity and financial arrangements that will be available to the Company after sale, so that the current Directors confirm that there is a reasonable expectation that the Company has adequate resources to pay its liabilities as they fall due during the period to 31 December 2024.

The Company has also received a letter of support from Burnie Bidco, which will provide support to the Company in order that the Company can maintain adequate financial resources to meet its liabilities as they fall due, and so that it is in a position to meet its obligations and continue to trade, but only to the extent that funding for this is not otherwise available to meet such obligations. This support shall be applicable for a period to 31 December 2024 and will be subject at all times to the finalisation of the sale of the Company, as contemplated under the Share Purchase Agreement, to Burnie Bidco, and only if and so long as the Company is a wholly owned subsidiary of Burnie Bidco. The letter of support also confirms that for the period to 31 December 2024, it is intended for the Company to continue to operate in its current form and that Burnie Bidco has no plans to sell, dissolve or halt trading of the Company. The Directors confirm that Burnie Bidco has the capacity to provide such support in a manner it deems appropriate.

In the event that the sale does not occur as expected, because the Company is part of the Equans SAS cash pool arrangement, an uncapped letter of support has been received from Equans Holding UK Limited for a period to 31 December 2024, so long as the Company remains a subsidiary within the Equans group.

Therefore, the financial statements are prepared on a going concern basis and do not include any adjustments to the carrying amount or classification of assets and liabilities that would be required if the Company was unable to continue as a going concern.

EQUANS DE HOLDING COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. ACCOUNTING POLICIES (CONTINUED)

2.4 TAXATION

Tax is recognised in profit or loss except that an expense 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 is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.5 VALUATION OF INVESTMENTS

Investments in subsidiaries are measured at cost less any accumulated impairment. The carrying value of investments are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

2.6 DEBTORS

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, plus transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.7 CASH AND CASH EQUIVALENTS

Cash is represented by cash in hand and deposits 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 and cash equivalents are placed with either financial institutions or Equans S.A.S. as the centralising entity for the Equans group cash pool.

2.8 CREDITORS

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

EQUANS DE HOLDING COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. ACCOUNTING POLICIES (CONTINUED)

2.9 FINANCIAL INSTRUMENTS

The Company recognises financial instruments when it becomes a party to the contractual arrangements of the instrument. Financial instruments are de-recognised when they are discharged or when the contractual terms expire. The Company's accounting policies in respect of financial instruments transactions are explained below:

Financial assets and financial liabilities are initially measured at fair value in accordance with IFRS 9.

Financial assets

All recognised financial assets are subsequently measured in their entirety at amortised cost.

Debt instruments at amortised cost

Debt instruments are subsequently measured at amortised cost where they are financial assets held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and selling the financial assets, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Amortised cost is calculated using the effective interest method and represents the amount measured at initial recognition less repayments of principal plus the cumulative amortisation using the effective interest method of any difference between the initial amount and the maturity amount, adjusted for any loss allowance.

Impairment of financial assets

The Company assesses on a forward-looking basis the expected credit losses (ECL) associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For receivables, the Company requires expected lifetime losses to be recognised from initial recognition of the receivables. Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument.

Financial liabilities

At amortised cost

Financial liabilities which are neither contingent consideration of an acquirer in a business combination, held for trading, nor designated as at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. This is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or where appropriate a shorter period, to the amortised cost of a financial liability.

EQUANS DE HOLDING COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

3. JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the amounts reported for assets and liabilities as at the statement of financial position date and the amounts reported for income and expenses during the year. However, the nature of estimation means the actual outcomes could differ from those estimates.

The following judgments, estimates and assumptions have had the most significant effect on amounts recognised in the financial statements:

Carrying value of investments

The carrying values of investments is dependent on the future profits and cash flows of the relevant group companies. The Directors have performed an assessment of the recoverability of both investments and intercompany balances in line with the Company's accounting policy, in light of future projected profitability and cash flows, which requires the use of estimates. The Directors have concluded that the carrying value of investments is supported and that all amounts are fully recoverable.

4. OPERATING PROFIT

The Company has no employees (2021: none). All Directors' remuneration is paid by fellow group undertakings in respect of their services to group companies. The Directors' services to the Company do not occupy a significant amount of time and consequently no allocation can be made to the Company, nor its subsidiaries, for qualifying services for the year (2021: *£nil*).

The fees payable to the Company's auditor for the audit of the annual financial statements of the Company, amounting to £3,000 (2021: £2,000), have been borne by the subsidiary undertaking, Equans Urban Energy Limited.

5. TAXATION

	2022 £000	2021 £000
Corporation tax		
Adjustments in respect of previous periods	-	18
Total current tax	-	18
Tax on profit	-	18

EQUANS DE HOLDING COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

5. TAXATION (CONTINUED)

FACTORS AFFECTING TAX EXPENSE FOR THE YEAR

The tax assessed for the year is the same as (2021: *higher than*) the standard rate of corporation tax in the UK of 19% (2021: 19%). The differences are explained below:

	2022	2021
	£000	£000
Profit before tax	-	-
Profit multiplied by standard rate of corporation tax in the UK of 19% (2021: 19%)	-	-
Effects of:		
Adjustments in respect of previous periods	-	18
Total tax expense for the year	-	18

FACTORS THAT MAY AFFECT FUTURE TAX EXPENSES

Legislation introduced in the Finance Act 2020 (enacted on 22 July 2020) repealed a planned reduction of the main rate of UK corporation tax, thereby maintaining the current rate of 19%. The Finance (No.2) Bill 2019-2021 (enacted 10 June 2021) included measures to support economic recovery as a result of the ongoing COVID-19 pandemic. These included an increase to the UK's main corporation tax rate to 25%, which came into effect on 1 April 2023. Deferred taxes on the statement of financial position have been measured at the substantively enacted corporation tax rate that will be effective when they are expected to be realised.

EQUANS DE HOLDING COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

6. FIXED ASSET INVESTMENTS

	Investments in subsidiary companies £000
Cost	
At 1 January 2022	550
At 31 December 2022	<u>550</u>
Net book value	
At 31 December 2022	<u>550</u>
<i>At 31 December 2021</i>	<u>550</u>

The Directors believe that the carrying value of the investments is supported by their forecast cash flows.

EQUANS DE HOLDING COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

6. FIXED ASSET INVESTMENTS (CONTINUED)**SUBSIDIARY UNDERTAKINGS**

The following were subsidiary undertakings of the Company:

Name	Class of shares	Holding
Equans Urban Energy Group Limited	Ordinary	100%
Equans Urban Energy Limited*	Ordinary	100%
Birmingham District Energy Company Limited *	Ordinary	100%
Coventry District Energy Company Limited *	Ordinary	100%
Excel District Energy Company Limited *	Ordinary	100%
Leicester District Energy Company Limited *	Ordinary	100%
Bloomsbury Heat & Power Limited *	Ordinary	100%
The Southampton Geothermal Heating Company Limited *	Ordinary	100%
Gower Street Heat & Power Limited * ^	Ordinary	100%
Industrielle de Chauffage Enterprise United Kingdom Limited * ^	Ordinary	100%
Regenerate Newcastle Supply Co Limited *	Ordinary	90%

* These shares are indirectly held by the Company.

^ These companies were dissolved on 10 February 2023.

The subsidiary undertakings are all incorporated in England and Wales and the registered office is Equans Q10 Office, Quorum Business Park, Benton Lane, Newcastle-upon-Tyne, Tyne and Wear, NE12 8BU.

OTHER INVESTMENTS

The Company also indirectly holds 40% of the ordinary share capital of Regenerate Newcastle Asset Co Limited, which is incorporated in England and Wales and the registered office is Democratic Services, Barras Bridge, Newcastle-upon-Tyne, NE99 1RD.

7. DEBTORS

	2022	2021
	£000	£000
Amounts owed by group undertakings	3,530	3,530
Group relief receivable from group undertakings	-	182
	3,530	3,712

EQUANS DE HOLDING COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

8. CASH AND CASH EQUIVALENTS

	2022	2021
	£000	£000
Cash held in the group cash pool	182	-

The Company is a participant in the Equans group cash pool arrangements in which Equans S.A.S., a parent of the Company, acts as the centralising entity. Cash of the Company, as well as other subsidiaries of Equans Holding UK Limited in the UK, is pooled daily. Negative bank balances are also extinguished. This is achieved through a zero balance end of day automated cash pooling process operated by Barclays Bank plc and centralised at the Equans S.A.S. header account level.

The cash pool arrangements between Equans S.A.S. as the centralising entity and each member as a participating company are set out in a legally binding Current Account Agreement. Any cash required by a participating company can be withdrawn without notice and without penalty, subject to intra-day and negative balance limits.

9. CREDITORS: Amounts falling due within one year

	2022	2021
	£000	£000
Amounts owed to group undertakings	10,437	10,437

Amounts owed to group undertakings are unsecured and interest free.

10. FINANCIAL INSTRUMENTS

	2022	2021
	£000	£000
Financial assets		
Financial assets measured at amortised cost	3,712	3,712
Financial liabilities		
Financial liabilities measured at amortised cost	(10,437)	(10,437)

Financial assets measured at fair value through profit or loss comprise...

Financial assets measured at amortised cost comprise cash and cash equivalents, amounts owed by group undertakings and group relief receivable from group undertakings.

Financial liabilities measured at amortised cost comprise amounts owed to group undertakings.

EQUANS DE HOLDING COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

11. CALLED UP SHARE CAPITAL

	2022	2021
	£000	£000
Allotted, called up and fully paid		
1,782,000 (2021: 1,782,000) Ordinary shares of £1.00 each	1,782	1,782

12. RESERVES

Profit and loss account

The profit and loss account records the cumulative amount of profits and losses less any cumulative distribution of dividends.

13. POST BALANCE SHEET EVENTS

On 15 September 2023, as outlined in the going concern disclosure, a share purchase agreement was signed between Equans Holding UK Limited, a parent company, and the proposed acquirer of the district heating business, of which this Company is a part. Completion is subject to certain conditions being fulfilled.

14. CONTROLLING PARTY

The immediate parent company of Equans DE Holding Company Limited is Equans Holding UK Limited, a company registered in England and Wales. The Directors regard Bouygues S.A. as the ultimate parent company and controlling party of Equans DE Holding Company Limited. Bouygues S.A. is registered in France.

The parent undertaking of the smallest and largest group which includes the Company for which consolidated financial statements are prepared is Bouygues S.A.

Copies of the group's consolidated financial statements may be obtained from Bouygues, 32 Avenue Hoche, 75008, Paris, France.