Company registration number: 12886458 (England & Wales)

QUANTUM DATA ENERGY PLC
(FORMERLY MAST ENERGY DEVELOPMENTS PLC)

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

Parker Russell

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CORPORATE DIRECTORY

BOARD OF DIRECTORS:	Paul Venter (Non-Executive Chairman) Pieter Krügel (Chief Executive Officer) Celia Li (Independent Non-Executive Director)
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STOCK EXCHANGE LISTING:	London Stock Exchange: Main Market (Share code: QDE)
WEBSITE:	www.quantumdata.energy
DATE OF INCORPORATION:	17 September 2020
REGISTERED NUMBER:	12886458

CHAIRMAN'S REPORT

I am pleased to present the Chairman's Report of Quantum Data Energy PLC (the "Company") and its subsidiaries (together, the "Group") for the year ended 31 December 2025.

Overview

The year under review marked a period of significant progress for the Group, during which the Company consolidated the operational recovery achieved in 2024 and made material advances in executing its stated strategy on its path to building a scalable portfolio of flexible power generation assets in the United Kingdom.

During the year, the Company completed a number of transformational transactions, strengthened its balance sheet, expanded its project pipeline and delivered strong operational performance from its existing generating asset. These developments have positioned the Group on a more sustainable financial footing and provide a platform for further growth.

Change of Name

During the year, the Company changed its name to **Quantum Data Energy PLC**. The Board believes the new name more accurately reflects the Company's evolving strategy and long-term ambition within the UK flexible power generation sector.

Operational Performance

The Group's wholly owned Pyebridge flexible power generation asset continued to perform strongly throughout 2025 and remains the Group's sole operational asset.

Following the completion of the refurbishment programme in 2024, Pyebridge delivered increased generation volumes and materially improved revenue performance. Electricity sales prices consistently exceeded wholesale market averages, reflecting both the operational flexibility of the asset and prevailing market conditions during periods of heightened volatility.

Pyebridge generated revenues of approximately £1.6 million, representing an increase of approximately 121 percent compared with the 2024 financial year. Electricity generation volumes increased by 71 percent. Cash flows generated by the asset enabled continued repayment of project-level financing, with approximately 20 percent of historic project finance having been repaid over the past twelve months.

In addition, Pyebridge successfully secured further Capacity Market contracts during the year, extending contracted revenue coverage with an additional year through to 2030. The cumulative gross profit value of these contracts is estimated at approximately £1.92 million, subject to performance and indexation, and is incremental to merchant trading income and embedded benefits.

Growth Capital Partnership – Hindlip

A key strategic development during the year was the completion of a £5 million investment agreement with Powertree (Holdings) Ltd, formalising the Growth Capital Partnership initially announced in late 2024.

The transaction resulted in the Hindlip 7.5 MW flexible generation project being fully funded, with no further capital contribution required from the Company. Quantum Data Energy retains a 25 per cent fully diluted equity interest in the project special purpose vehicle.

During the year, Hindlip also secured a 15-year Capacity Market T-4 contract, providing long-term revenue visibility. The cumulative gross profit value of the Capacity Market contract is estimated at approximately £6.3 million, subject to construction, performance and indexation. Construction commenced during the year, with site works expected to progress toward commissioning in the third quarter of 2026.

Portfolio Expansion and Development Pipeline

In July 2025, the Company acquired exclusive rights to an initial portfolio of flexible generation development projects with a combined capacity of approximately 25 MW, together with a project development framework agreement that provides a pathway to scale the portfolio to approximately 100 MW in the near term.

The acquired projects benefit from confirmed grid access and are located in areas of attractive power demand. The acquisition materially increased the Group's operational and development portfolio to approximately 48 MW and reflects a revised approach to early-stage project origination, aimed at reducing development risk and capital intensity.

The Board considers this framework to be an important component in progressing toward the Company's medium-term objective of developing or acquiring a portfolio of over 300 MW of flexible generation capacity.

CHAIRMAN'S REPORT

AI Data Center Power Supply and Holiday Park Strategy

During the year, the Company made strong strategic progress in positioning itself to address areas of accelerating demand for resilient and flexible power infrastructure. The Board focused on advancing two priority growth initiatives—AI datacentre power supply and decentralised energy solutions for the UK holiday-park sector- both of which align closely with national infrastructure priorities and long-term energy market trends.

In AI datacentre power, the Company established a dedicated strategy aimed at delivering reliable, co-located power solutions to support the rapid expansion of AI and high-performance computing capacity. Strategic partnerships with Carbon Zero Markets and Navon World were secured to combine power development capability with datacentre expertise. The Board approved an initial ambition to develop up to 1 GW of AI-focused power campuses over the medium term, with early engagement underway on initial sites, customers and funding partners.

In parallel, the holiday-park power strategy progressed through the Company's joint venture with Avanti-E, including the submission of the first combined heat and power proposal to a major operator. Together, these initiatives enhance the Company's growth optionality and provide a clear pathway toward building a diversified, contracted and scalable power asset platform for shareholders.

Financing, Balance Sheet and Corporate Matters

During the year, the Company completed a PLC-level equity fundraise which delivered gross proceeds of £5 million. The fundraise enabled the settlement of a number of historic liabilities and resulted in the Group emerging essentially debt free at the corporate level.

The Board was encouraged by strong shareholder support for the associated capital reorganisation and prospectus process. The Company also strengthened its Board with the appointment of Celia Li as an Independent Non-Executive Director, enhancing governance, investor relations capability and strategic oversight.

Market Environment and Outlook

The UK energy market continues to undergo significant structural change, driven by increased penetration of intermittent renewable generation, grid constraints, regulatory reform and geopolitical uncertainty. These factors continue to underscore the importance of dispatchable, flexible power generation in maintaining grid stability and energy security.

Against this backdrop, the Board believes the Group's strategy of combining operational assets, long-term contracted revenues, a growing development pipeline and partnership-led project financing is well aligned with market fundamentals. The Company remains focused on disciplined growth while maintaining appropriate oversight of capital allocation and risk management.

Board and Acknowledgements

On behalf of the Board, I would like to thank our shareholders for their continued support, and to acknowledge the efforts of the executive management team for their execution of the Group's strategy during the year.

The Board also recognises the contribution of the Company's financing and development partners, whose continued support has been instrumental in the progress achieved during 2025.

Conclusion

The year ended 31 December 2025 represented a period of consolidation and advancement for Quantum Data Energy PLC. With improved operational performance, an expanded project portfolio and a strengthened balance sheet, the Company enters the next financial year with increased resilience and a clear strategic direction.

This report was approved on 4 August 2026 and signed by:

Paul Venter
Non-Executive Chairman

REVIEW OF OPERATIONS

Introduction

The year ending 31 December 2025 represented a period of mixed but improving operational performance for Quantum Data Energy PLC (the "Company") and its subsidiaries (together, the "Group"), set against a UK electricity market characterised by continued structural change and elevated volatility.

During the year, Great Britain's electricity system remained heavily influenced by the increasing penetration of intermittent renewable generation, particularly wind and solar, alongside ongoing grid constraints and reform of system operation arrangements. While average wholesale electricity prices softened from the exceptional levels seen during the 2022–2023 energy crisis, prices remained structurally elevated relative to pre-2021 norms and were marked by pronounced intraday and seasonal volatility. This volatility was driven by renewable intermittency, constrained network capacity, and shifting demand patterns linked to electrification of transport and heating.

Against this backdrop, flexible gas-fired generation continued to play a critical role in maintaining system balance and security of supply, particularly during periods of low renewable output or rapid changes in system conditions. Dispatchable assets capable of responding quickly to market signals remained strategically valuable, notwithstanding increasing regulatory scrutiny and longer-term decarbonisation objectives.

Within this market environment, the Group's operational focus during FY2025 remained centred on the optimisation of its operating asset, the Pyebridge flexible power generation facility, alongside continued progression of its development portfolio. The strong performance from Pyebridge during 2025 shows the high demand for flexible generation power and underscores the Company's core business model. Presented below are further details on our current projects and future plans.

Project Details

Projects in Operation

Pyebridge is an 8.1 MW gas-powered flexible generation facility located in Derbyshire. The site played an active role in supporting grid stability during periods of heightened system volatility, reflecting the continued strategic importance of flexible thermal generation within the UK electricity system.

Following the successful completion of the 2nd 2.7MW genset refurbishment in December 2024, Pyebridge has 2x 2.7MW (i.e. 5.4MW) in optimal commercial production and generating income, effectively doubling the site's trading revenue generation capacity compared to 2024.

Pyebridge achieved total electricity generation of approximately 10,810 MWh during the year, generating electricity sales revenue of approximately £1.6 million, representing an increase of c. 121% compared to the prior year. The asset achieved an average realised day-ahead electricity price of £135/MWh, materially outperforming the UK market average of £80/MWh (Nord Pool | N2EX Day-ahead prices) for the same period. This outperformance was driven by disciplined dispatch decisions, a focus on higher-value market windows, and the inherent flexibility of the asset. During 2025 Pyebridge generated and sold electricity for an average of 11 hours per day, demonstrating the ongoing strong demand for flexible generation power and validating QDE's core business model.

Capacity Market Position:

Capacity Market ("CM") revenues continued to form a core component of Pyebridge's contracted income profile. During the year, the asset was active under a T-1 Capacity Market contract for the 2025/2026 delivery year and secured additional T-4 contracts extending contracted revenue coverage through to the 2029/2030 delivery year.

At the reporting date, Pyebridge held a combination of active and future CM contracts with an aggregate gross value of approximately £1.92 million, subject to performance and indexation. These contracts provide a degree of revenue visibility and underpin the economic case for continued investment in asset reliability and lifecycle management.

Projects in Construction

At Hindlip, the Group achieved a major strategic milestone through the completion of a £5 million investment agreement with Powertree (Holdings) Ltd, resulting in the project being fully funded with no further capital contribution required from the Group. The 7.5 MW Hindlip project also secured a 15-year Capacity Market contract, providing long-term contracted revenue visibility. Construction commenced during the year, with commissioning targeted for Q3 2026. The Group retains a 25% fully diluted equity interest in the project.

REVIEW OF OPERATIONS

Development activity at Bordesley continued during FY2025. During March 2026 the Board has entered into an Investment Agreement with Power Balancing Services to co-fund the CAPEX for the Bordesley site, which is structured at project SPV level. Full preparations are underway for the construction of the site. Comprehensive engineering, procurement, and construction ("EPC") proposals have been received from leading EPC contractors, and availability of key equipment confirmed. The site's grid- and gas connection construction are also underway. It is expected that the construction of the site will be completed and the site in full commercial production and income generating in Q4 2026.

Projects under Development

Alongside the operation of Pyebridge, the Group made material progress during FY2025 in expanding and repositioning its development portfolio, consistent with its stated strategy of building a scalable portfolio of flexible power generation assets while managing development and balance-sheet risk.

In July 2025, the Group entered into a binding definitive agreement to acquire the exclusive rights to an initial portfolio of approximately 25 MW of flexible generation development projects, together with a wider project development framework agreement. The initial portfolio comprises five sites of approximately 5 MW each, all located in areas of attractive power demand in England and benefiting from confirmed access to grid connections. The acquisition materially increased the Group's combined operational and development portfolio to approximately 48 MW and provided a scalable pathway to expand the portfolio to approximately 100 MW in the near term. The Board considers this acquisition to be strategically significant given the wider constraints on new grid connections arising from the national grid connections reform process.

At Stather Road, development progress remained constrained by grid connection uncertainty linked to wider network reinforcement works and the ongoing grid connections reform process. During the year, the project was strategically repositioned to pursue a higher-capacity grid connection, with near-term cost exposure mitigated through lease renegotiation.

In addition to its core development activities, the Group announced a number of strategic initiatives during FY2025 aimed at broadening its addressable market for flexible power solutions. These included the establishment of an exclusive joint venture framework to develop power supply solutions for AI datacentres, followed by the execution of a definitive joint venture agreement with Carbon Zero Markets Ltd, under which the Group intends to pursue the development of co-located power assets to support AI infrastructure. The Group also announced an exclusive joint venture framework targeting the provision of power and heat supply solutions to UK holiday parks via private-wire arrangements. These initiatives remain at an early stage and are intended to complement, rather than displace, the Group's core flexible generation strategy.

Outlook

The Group enters FY2026 with a strengthened strategic platform, underpinned by an operational asset that has returned to full capacity, a fully funded construction-stage project at Hindlip and Bordesley, and an expanded pipeline of development projects.

From a development perspective, the Board's near-term focus is on the disciplined execution of funded and advanced projects, particularly the delivery of Hindlip and Bordesley into commercial operation, while continuing to progress the newly acquired development portfolio toward shovel-ready status and beyond. Strategic initiatives announced during FY2025, including AI datacentre and holiday park power supply solutions, are expected to be progressed selectively and in a manner consistent with the Group's risk appetite and capital allocation framework.

The Board remains mindful of ongoing regulatory, market and delivery risks but considers the Group to be well positioned to navigate the evolving UK electricity market, supported by the continued need for flexible, dispatchable generation to maintain system stability.

This report was approved by the Board on 4 August 2026 and signed on its behalf by:

Pieter Krügel
Chief Executive Officer

STRATEGIC REPORT

Introduction

The Board of Directors (the 'Board') present their strategic report together with the audited financial statements for the year ended 31 December 2025 of Quantum Data Energy PLC (the 'Company' or 'QDE') and its subsidiaries (collectively, the 'Group'). The Company was incorporated and registered in England and Wales on 17 September 2020 with company number 12886458 as a private limited company under the Companies Act 2006 with the name MAST Energy Developments Limited. The Company re-registered as a public limited company on 18 November 2020 and changed its name to MAST Energy Developments PLC. On 3 November 2025 the Company further changed its name to Quantum Data Energy PLC to better align with its corporate strategy.

During July 2025, an independent non-executive director (NED) was appointed to the Board which currently comprises the CEO, a non-executive Chairman and a NED. The Board believes that with the appointment of a NED there is an appropriate balance between the executives and non-executive directors and that no individual or small group dominates the Board's decision-making. While the Board's current three members have a wide range of expertise and experience that the Board considers to be currently conducive to the effective leadership of the Group and to the optimisation of shareholder value, the Company recognises that appointing additional directors may be beneficial to the Company as it grows and will continue to review its board composition.

The Board members' diverse range of skills and experience span technical, financial, marketing and operational, areas relevant to the management of the Company. Summary biographies of each Board member are shown on the Company's website at www.quantumdata.energy.

The Board is committed to fair and equal gender opportunity and fostering diversity, subject to ensuring appointees are appropriately qualified and experienced for their roles. The Group acknowledges that as it expands its operations, it will be to its benefit to align the composition of its Board and profile of its management and staff to reflect balance in the ethnicity and gender of its personnel.

Analyses of gender of Group personnel during reporting period:

	No. Identify as Male	No. Identify as Female	No. Identify as Other
Board	2	1	-
Management	3	1	-
Employees	No direct employees	No direct employees	No direct employees

Strategy Objectives and Business Model

The Group maintains a focused strategy to acquire advanced power generation assets of varying capacity and to develop its targeted sites to fully commercially operating units, exploiting a growing niche market in the UK for flexible power generation to balance out the UK National Grid (the 'Grid') at critical times. The power generation assets being acquired and developed are peaker power plants fuelled by gas-fuelled reciprocating engines with typical outputs of 5 to 20 MW. The Group's 8.1 MW Pyebridge flexible power generating facility is an example. The company may also acquire and/or develop battery-storage sites (either stand-alone or co-located with its peaker plants) where grid power is stored in periods of low demand to be fed back into the Grid at periods of peak demand. The company does not have any battery-storage sites in development or operation presently.

During 2025, the Company further refined its strategy based around its core peaker plant development business. It has identified emerging niche power supply markets in the UK where it believes it can leverage its expertise in modular power plant development. These markets include the AI data centre power supply market which recently has come sharply into focus with announcements by some of the major AI developers of major investments in UK AI datacentres over the next few years e.g. Microsoft's pledge to invest £30 billion to expand its cloud and AI footprint in the UK from 2025 to 2028 (refer: https://www.bbc.com/news/articles/c7016ljre03o)

With the increasing dependence of the UK power grid on wind and solar, security of reliable power supply to AI datacentres is critical to their operations and the Company believes that it is ideally positioned to exploit this market by providing on-site or proximal back-up power with the potential for associated heat generation. Similarly, the Company has embarked on a Holiday Parks Power Strategy, to provide non-grid dependent on-site power and heat to Holiday Parks located across the UK.

STRATEGIC REPORT

The Group structure is maintained through a group of subsidiary companies (Special Purpose Vehicles or 'SPV'), each SPV holding one site. QDE's four current sites are held within Pyebridge Power Ltd (Pyebridge Project – production site), Bordersley Power Ltd (Bordesley Project – in construction), ADV 001 Limited (Hindlip– in construction) and ARL 018 Limited (Stather– development site), respectively. All SPVs are wholly owned by Quantum save for ADV001 where it has 25% holding further to an investment agreement signed with Powertree (Holdings) Ltd where Powertree are unilaterally funding plant construction at Hindlip which is on-target for completion during Q3 2026. Quantum's strategy is to provide flexible power solutions that are adaptable, respond immediately to demand and create multi-stream revenues. Targeting this market, QDE is structured to acquire, own, develop and operate a portfolio of projects of flexible, small-scale power generation plants throughout the UK totalling c. 30 – 50 MW in the short term and a target of expanding to 300+ MW.

Trends and Factors Affecting the Operation of the Group

Over the last 20 years, the development of the UK electricity market has been driven by the policy trilemma of affordability, security of supply and low-carbon generation. While the relative importance of these three pillars has changed through successive governments, it has created a UK generation mix that has now moved away from baseload, fossil-fuel generation driven by coal and gas to an electricity generation landscape dominated by intermittent, low-carbon generation by wind and solar supported by flexible distributed gas peaker plants. This has created an exciting and immediate opportunity of scale in the UK electricity market to provide flexible, or reserve, power to compensate for the increased intermittency of electricity generation from wind and solar energy technologies. In addition, the phasing out of base-load technologies such as coal and large gas generation, and large legacy nuclear plants, has reduced the amount of existing generation that can respond flexibly creating substantial requirements for new capacity. Renewables are also undermining the economics of existing and new large gas-fired plants. For example, the UK electricity generation (excluding imports) was around 290 TWh for 2025, which includes c. 90 TWh from gas, c. 36 TWh from nuclear, c. 152 TWh from renewables, dominated by wind at 87 TWh[1]. Wind generation, therefore, comprises c. 30% UK electricity generation and wind intermittency creates significant potential for growth of both gas peakers and batteries as stand-by flexible back-up. Therefore, the overall structure of the UK's power generation requirements is fundamentally changing, with a greater requirement for smaller, flexible plants that are distributed on the electricity network. The UK Government policy has steadily moved in the direction of encouraging the development of small-scale distributed generation that can serve as quick-start back-up in times of a shortage in production from the increasing dependence on renewables. Various revenue mechanisms exist to monetise these plants, including capacity market auctions, short-term reserve and merchant operation, all of which can be optimised by an experienced team.

The Group has positioned itself to partake in, and adapt, to this dynamic UK electricity market by structuring its power generation projects to participate in all revenue-generating opportunities available to it to ensure maximum return on its investment.

The Board believes that in the future, there will continue to be significant expansion of renewable generating capacity in the UK. The UK Government's target of net-zero greenhouse emissions by 2050 (COP26 Climate Conference 2021) presents unique and solid opportunities for electricity production through the use of low-carbon technologies other than wind and solar.

Based on the above projections, the Board believes there are attractive opportunities for the Group to rapidly increase its project portfolio over the coming years to meet the increasing demand for small, flexible electricity generation to support the stability of the grid as renewables dominate the energy generation mix.

Review of Operational Activities

A detailed review of the Group's operational performance during the year ended 31 December 2025 is set out in the Review of Operations section of this Annual Report.

In summary, the Group's operational activities during FY2025 were focused on maximising the value of its sole operational asset, the Pyebridge flexible power generation facility, while continuing to progress its development portfolio in a disciplined manner. Despite mechanical challenges affecting individual generating units, Pyebridge delivered strong commercial performance and materially outperformed UK wholesale electricity market averages on a realised pricing basis.

Alongside operational activities, the Group made progress in expanding and repositioning its development pipeline, including the acquisition of additional development-stage projects and the advancement of funded construction-stage

[1] https://assets.publishing.service.gov.uk/media/6a6cb5f00c36759b5ccaa2f5/UK_Energy_in_Brief_2026.pdf

STRATEGIC REPORT

assets. The Board considers that the operational experience gained during FY2025 has informed a more robust approach to asset management, risk mitigation and capital allocation going forward.

Review of financial performance during the period

The following information is included to highlight the financial performance of the Group:

Description	Year ended 31 December 2025(£)	Year ended 31 December 2024(£)
Revenue	1,629,410	737,158
Cost of sales	(1,133,065)	(441,541)
Gross profit	**496,345**	**295,617**
Other income	151,727	-
Disposal/de-recognition of non-current asset	-	87,005
Finance income	-	18
Total income	**648,072**	**382,640**
Non-recurring, non-cash expenses		
Warrants issued (Refer to note 18)	-	-
Employee share options scheme	(157,181)	-
Derecognition of subsidiary	(110,968)	-
Subtotal	**(268,149)**	**-**
Other expenses		
Administrative expenses	(858,494)	(764,441)
Finance costs	(369,946)	(244,629)
Listing and other corporate fees	(134,912)	(130,421)
Project expenditure	(257,187)	(340,582)
Share in loss of associate	(28,066)	-
Public Relations costs – non-recurring	(250,000)	-
Subtotal	**(1,898,605)**	**(1,480,073)**
Total Expenses	**(2,166,754)**	**(1,480,073)**
Loss for the period per the Statement of Comprehensive income	**(1,518,682)**	**(1,097,433)**

Income

Revenue increased 121% year-on-year due to the following reasons:

- The successful completion of the comprehensive refurbishment programme toward the end of 2024, as announced previously.
- Pyebridge generated and sold c. 10.8 GWh of electricity during the full 12-month period of 2025, representing an increase of c. 71% compared to the 12-month period of the prior year
- Pyebridge achieved an average electricity sales price during 2025 of c. £135/MWh representing an outperformance of c. 67% compared to the average wholesale market electricity price over the year.
- Pyebridge generated and sold electricity for an average of 11 hours per day over the 12-month reporting period highlighting the ongoing strong demand for flexible generation power.

Expenses

- The increase in the loss year-on-year, as disclosed in the table above, in the statement of comprehensive income, and note 4 in the financial statements is mainly owing to certain once-off non-recurring cash and non-cash expenses related to the Equity Fundraise. When excluding the aforementioned expenses, the Group's normal annual administrative expenses were £858,495 in 2025 which is in line with the prior year.
- There were no impairments recognised in 2025 largely due to the current improved market conditions, more stable inflation and interest rate environment. Development projects moved forward in 2025 creating confidence in the value of the investments. Possible impairment reversals were identified during the impairment assessment performed as at year-end but are not recognised in the accounts until it is confirmed to be of more permanent nature. Refer to note 11 for further details.

STRATEGIC REPORT

Key Performance Indicators

Management does not consider there to be any key financial key performance indicators ('KPIs') at this stage of its development, other than the loss per share for the period, which is included in the statement of comprehensive income.

As and when operational activities increase, management will reconsider the key financial KPIs and update the necessary disclosures accordingly.

Non-financial KPIs comprise the measure of advancement with respect to the various key projects over the medium to long term. The Group's target, as set out in its Prospectus in July 2025, is to build on its existing c. 22 MW portfolio and to continue constructing or otherwise acquiring a series of natural gas fuelled power plants in multiple sites throughout the UK with a target of 300 MW in production within three to five years. The Group has one project in production, Pyebridge, at year-end and at the date of this report. It currently has an additional c.12.5 MW in construction, the most advanced of which, Hindlip, in joint venture with Powertree (Holdings) Ltd is at the construction phase and is expected to commence production during the third quarter of 2026. After period end (March 2026), the Company also concluded a joint venture agreement with Power Balancing Services Ltd for the construction at Bordesley with completion and commissioning anticipated during Q4 2026.

During 2025, the Company made significant progress towards its original short-term target of having 50 MW capacity in development. With Hindlip and Bordesley moving out of Development, and into construction, the Company's development pipeline is as follows:

Project Name	Generation Capacity	Location	Development Stage
Stather	2.4MW	Scunthorpe	Shovel-Ready
5 X Development Sites	25 MW	South-East England	Permitting
Total	**27.4 MW**		

Risks and Uncertainties

The realisation of the various projects is dependent on the successful completion of technical assessments, project development and project implementation and is subject to several significant potential risks summarised as follows, and described further below:

- Funding risk
- Regulatory risk
- Climate risk
- Commodity risk
- Competition risk
- Development and construction risk
- Staffing and key personnel risk
- Information technology risk

Funding Procurement risk

During July 2025, the Company concluded a significant equity fundraise for gross proceeds of £5m via the issue of 125 million prepaid warrants at an exercise price of £0.04. As part of the equity fundraise, the Company also issued 250 million cash warrants, also at an exercise price of £0.04, for a potential additional funding gross proceeds of £10m. At the date of this report, 123,849,666 of the pre-paid warrants and 34,675,000 of the cash warrants have been exercised for gross proceeds of £6,340,987. A total 758,836 pre-paid warrants and 117,200,000 cash warrants remain unexercised following expiry of fifty percent of issued unexercised warrants on 11 January 2026 and the exercise of an additional 5 million cash warrants between 11 January 2026 and the date of this report. These remaining warrants will expire on 11 July 2026 unless exercised before that date. The fundraise in 2025 follows the successful IPO in April 2021 (raising £5.54 million), and successful raising of funding either through equity or debt during 2022 – 2024, indicating a strong track record of being able to raise debt and equity funding when required.

While the Company remains well capitalised to pursue its project development strategy following the 2025 equity fundraise, there can be no assurance that such funds will continue to be available on reasonable terms, or at all in the future, and that projects will be completed within the anticipated timeframes to supplement cashflows through operational activities.

Due to the fundraise the Group repaid the CLN loan facility, and repaid portions of the Pyebridge loan facility which materially improved the net asset value (NAV) of the Group. The increased NAV results in the several funding options becoming available to the Group.

STRATEGIC REPORT

The Group generated revenue of £1,629,410 (2024: £737,158) for the year ended 31 December 2025 and had a net asset position of £1,149,154 (2024: net liability position of £1,238,271). As at year end, the Group had liquid assets in the form of cash and cash equivalent and other receivables of £1,436,943 and £110,647 (year to 31 December 2024: £146,446 and £364,469), respectively. The Group has a net current liability position of £1,786,672 (2024: £2,154,323). The current liability causing the net current liability position is the Pyebridge specific term loan of £2,203,715, the debt is not at Company level. The Group has options available to repay the current liabilities as described in note 27.

The Directors have reviewed budgets, projected cash flows and other relevant information, and based on this review and the rationale set out below, they are confident that the Group will have adequate financial resources to continue in operational existence for the foreseeable future.

The budgets and projected cash flows are reliant on the current available cash balance, as stated above, for general working capital costs. The budgets are further reliant on the continued operation of Pyebridge and its anticipated revenue generation from electricity production, as well the availability of the Pyebridge specific term loan. Unforeseen challenges with either of the aforementioned cause a risk that the Group may not be able to meet its current liabilities without another cash injection. The directors have concluded that the combination of these circumstances represents a material uncertainty that casts significant doubt upon the Group's ability to continue as a going concern and that, therefore, the Group may be unable to realise its assets and discharge its liabilities in the normal course of business.

The Directors continue to review the Group's options to secure additional funding for its general working capital requirements as well as project financing for commercial production-ready sites, alongside its ongoing review of anticipated revenue generation from existing sites, potential acquisition targets and corporate development needs. The Directors are confident that such funding will be available, although there is no guarantee of such funding. In addition, any equity funding may be subject to shareholder approvals and in line with legal and regulatory requirements as appropriate.

As a result, the Directors continue to monitor and manage the Group's cash and overheads carefully in the best interests of its shareholders and believe that the Company and the Group, by successfully implementing the above responses, will remain a going concern for the foreseeable future.

Regulatory risk
The United Kingdom power sector has undergone several considerable regulatory changes over the last few years and is now at a state of transition from large fossil-fuel plants to a more diverse range of power-generation sources, including renewables, small, distributed plants and new nuclear. As a result, there is greater regulatory involvement in the structure of the UK power market than has been the case over the last 20 years. Therefore, there remains a risk that future interventions by Ofgem or Government could have an adverse impact on the underlying assets that the Group manages and/or owns. The Company continually monitors this risk and, where possible, acts proactively to anticipate and mitigate any regulatory changes that may have an adverse impact on the ongoing financial viability of its projects. To monitor compliance with evolving UK government energy regulations, the Company subscribes to relevant environmental and energy regulation bodies' updates which management reviews on a regular basis. It makes recommendations to the Board in terms of mitigation that may be required should it become aware of any pending regulatory changes that may threaten the economic viability of its projects.

Climate Risk
The Board considers Climate Risk to be a principal risk that may threaten the business viability of the Company insofar as it informs greater regulatory involvement by the UK Government in the structure of the UK power market as discussed under Regulatory Risk above. As the Company currently relies on the availability and permitted use of natural gas to fuel its current and planned reserve power sites, accelerated climate change, and associated adverse weather events may prompt further restrictions on the use of natural gas by UK regulators including its phasing out within a shorter period than the Company currently anticipates. In order to mitigate this risk, in addition to keeping itself informed of any pending regulatory risk that may threaten the economic viability of its projects, the Company will ensure that the engineering design and location of its projects are amenable to the use of alternative electricity generating fuels to natural gas e.g. green Hydrogen or biofuel and at minimum conversion costs should it be required. The Company will also plan to incorporate alternative renewable energy projects in its project pipeline such as solar, wind, waste-to-energy or long-duration storage (battery) to diversify its project portfolio in response to any accelerated phasing out of natural gas as an electricity generating fuel. As well as Climate Risk, the Company also recognises Climate Opportunity and more details on both are discussed under the Strategy heading in the Task Force

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on Climate-related Financial Disclosures (TCFD) section of this report. The TCFD section, in addition to providing the information required under the TCFD Framework in compliance with the Listing Rules also includes the Group's Climate Related Financial Disclosures (CFD)as required under s414C, s414CA and s414CB of the Companies Act 2006 (the Act).

Commodity Risk
The assets that the Group manages and owns will receive revenue from the sale of energy onto the wholesale market or to end users at a price linked to the wholesale power market price. Volatility in power prices going forward will affect the profitability of the underlying reserve power assets. For example, the significant reduction in wholesale electricity prices from 2022 to 2023 resulted in lower electricity prices received from sales at Pyebridge during the period that it was in operation during 2023 while the wholesale electricity prices significantly increased in the second half of 2024 (following engine overhauls) and remained buoyant throughout 2025 which coincided with improved operating performance at Pyebridge. The Group will also use its skills, capabilities and knowledge of the UK power market to optimise these wholesale revenues. The Group's ability to effectively manage price risk and maximise profitability through trading and risk management techniques with the assistance of its electricity off-taker and trading platform provider, Statkraft, will have a considerable impact on the revenues and returns.

Competition Risk
The UK energy market is a competitive environment and while the Group has identified that a clear opportunity exists in respect of reserve power competitors are also developing projects. The expansion of flexible capacity supplying the market may have an adverse impact on the pricing and contracts that the assets the Group manages can achieve and may have an adverse effect on the Group's revenue stream from the projects under management and this may reduce or delay any net return derived by the Shareholders from an investment in the Company. The Group maintains active intelligence on other energy projects and company activities in UK energy sector and has first mover advantage on arising opportunities. The Group leverages strategic partnerships to identify new projects.

Development and Construction Risk
The Group will continue to develop new greenfield project sites that includes obtaining planning permission, securing land (under option to lease or freehold), and obtaining gas and grid connections. The Group will also oversee the construction of these projects where needed. During 2025, the Company refocussed its strategy to also include brownfield sites either as former energy producing assets in need of refurbishment to complement its existing shovel-ready sites with planning permission, lease/freehold agreements and grid connections already in place.

Risks to project delivery include damage or disruption to suppliers or to relevant manufacturing or distribution capabilities due to weather, natural disaster, fire, terrorism, pandemic, strikes or other reasons that could impair the Company's ability to deliver projects on time.

Failure to take adequate steps to mitigate the likelihood or potential impact of development and construction setbacks, or to effectively manage such events if they occur, could adversely affect the business or financial results. There are inherent risks that the Group may not ultimately be successful in achieving the full development and construction of every site and sunk costs could be lost. However, the risk is mitigated as the Group ensures that shovel-ready sites that adhere to specific requirements form most of its project development pipeline, coupled with an experienced senior management team.

Staffing and Key Personnel Risks
Personnel are our only truly sustainable source of competitive advantage and competition for key skills is intense, especially around science, technology, engineering and mathematics ('STEM') disciplines. While the Group has good relations with its employees, these relations may be impacted by various factors. The Group may not be successful in attracting, retaining, developing, engaging and inspiring the right people with the right skills to achieve our growth ambitions, which is why staff are encouraged to discuss with management matters of interest and subjects affecting day-to-day operations of the Group.

Information Technology Risks
The Group relies on information technology ('IT') in all aspects of its business. Any significant disruption or failure, caused by external factors, denial of service, computer viruses or human error could result in a service interruption, accident or misappropriation of confidential information. Process failure, security breach or other operational difficulties may also lead to revenue loss or increased costs, fines, penalties or additional insurance requirements. The Group continues to implement more cloud-based systems and processes and improve cyber security protocols and facilities in order to mitigate the risk of data loss or business interruption.

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Section 172(1)(a) to (f) of the Companies Act 2006

Section 172(1)(a) to (f) of the Companies Act 2006 requires each Director to act in the way he or she considers would be most likely to promote the success of the Group for the benefit of its members as a whole regarding the following matters:

a. **The likely consequences of any decision in the long-term**
Quantum is a flexible power generation Group. By their natures, energy projects are complex, capital intensive, last several years and involve a varied group of stakeholders. As such, it is extremely important that the Board considers all decisions made by the Group in the context of their long-term impact on the Group. Consequences of such decisions include (but are not limited to) the impact on all stakeholders, impact on environmental issues in and around project areas and the financial impact on the Group and its ability to function effectively. QDE is careful and considered in its planning, as is required for energy projects. As such, the Group prepares detailed planning documents before initiating any major work programme.

   Such planning documents assess a variety of factors, from technical and project funding matters to environmental matters. Where appropriate, the Group provides copies of these reports on its website or releases excerpts via the London Stock Exchange's Regulatory News Service.

b. **The interests of the Group's employees and contractors**
The health and safety of QDE's employees and contractors is of paramount concern to the Board. It is imperative that QDE provides a safe and secure working environment for all staff and contractors. The Group conducts regular Health & Safety reviews and ensures that any operational plans are subject to rigorous scrutiny in their creation and constant monitoring during their implementation. As a small Group at an early business development stage, there are no direct employees in any of the Group companies and all business functions to the Group are provided under service contracts with third parties. As the Group grows, it is expected that the Group's workforce will expand and personnel will be engaged on various arrangements, including, for example, direct employee contracts and temporary and long-term service contracts commensurate with the requirements of each Group company as it develops.

   The Group is and will continue to be a responsible employer in respect to the approach it takes towards employee and contractor pay and other terms of the engagement as it develops. These are constantly reviewed.

c. **The need to foster the Group's business relationships with suppliers, customers and others**
Power generation projects involve a diverse and varied group of stakeholders. These include (but is not limited to) the Group's employees, government officials, local communities, financial backers, shareholders and other suppliers. The Group adopts a transparent and open stance in its dealings with all stakeholders to help build trust. Energy and power development projects can only succeed with the full support of all involved.

   The Board has oversight of the procurement and contract management processes in place and receives regular updates on any matters of significance, as well as approving the awarding of large contracts. The Board ensures the Group fully adheres to the Bribery Act 2010 by means of Anti-Corruption & Bribery and Whistle-Blowing policies that it has implemented.

d. **The impact of the Group's operations on the community and environment**
Energy and power development projects can have a significant impact on local communities and the environment. The Board constantly reviews the impact of its operations on local communities and its projects' surrounding environments. Where required, the Group completes detailed surveying work, such as Environmental Impact Assessments, and, where necessary, applies for relevant permits. Such processes require diligence and concentrated effort. The Group's legacy projects, namely Bordesley, Hindlip, and Stather, are at construction or development stage and have gone through the strict UK planning and permitting regulatory processes to enable them to reach their current level of development while Pyebridge, the Group's operating site, abides with all regulations required during operations. Five Greenfield sites identified during 2025 will be subject to the same strict permitting process as the legacy sites. The footprint of the Group's existing and planned power-generation sites is small, compared with large base-power generating sites, and do not have a significant impact on the community or environment in which they are located.

e. **The desirability of the Group maintaining a reputation for high standards of business conduct**
As a listed PLC, QDE's reputation for the high standards of its business conduct is paramount. The Board makes every effort to ensure it maintains these.

   The Group is subject to the disclosure requirements of the LSE's Listing Rules for Companies and Financial Conduct Authority's Disclosure Guidance and Transparency Rules. These comprehensive set of rules enforce a

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strict discipline upon the Group in terms of the manner, timeliness, subjectivity and content of its public disclosures.

Quantum is also required to complete an annual audit with the objective being a thorough examination and evaluation of the financial statements of the Group to make sure that the financial records are a fair and accurate representation of the transactions they claim to represent. The results of this are published each year in the Group's Annual Report.

Quantum is committed to a high level of corporate governance and has selected the Quoted Companies Alliance Corporate Governance Code (the 'QCA Code') as the appropriate corporate governance code for a company at its level of development and to meet its mandatory requirements as an LSE Equity Share (Transition) listed company. Full details on how QDE meets the requirements of the QCA Code are outlined under the Corporate Governance Report on page 26.

f. **The need to act fairly between members of the Group**
As a listed Group, QDE is committed to treating its shareholders fairly and delivering shareholder value.

QDE is registered in England and Wales and is subject to the Companies Act. The Group is also subject to the UK City Code on Takeovers and Mergers. The Company's articles of association, which help define some of the actions between the Company and its shareholders, can be found on the Company's website.

Task Force on Climate-related Financial Disclosures (TCFD)
The Task Force on Climate-related Financial Disclosures ("TCFD") completed its work and was formally disbanded by the Financial Stability Board ("FSB") in 2023, following the incorporation of its recommendations into the International Sustainability Standards Board ("ISSB") standards. Notwithstanding this development, the Group remains subject to UK statutory and regulatory requirements for TCFD-aligned disclosures for the year ended 31 December 2025, including the Companies Act 2006 (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022 and applicable FCA Listing Rules.

Accordingly, the Group has continued to report against the TCFD recommended disclosure framework on a comply-or-explain basis. The tables below summarise the extent to which the Group has addressed each of the TCFD recommended disclosures during FY2025. Where a recommended disclosure has not been fully addressed, the Group provides an explanation and outlines its approach to future disclosure, consistent with prior-year practice.

Governance

TCFD Recommended Disclosure	Status	Commentary
a) Describe the Board's oversight of climate-related risks and opportunities	Disclosed	The Board retains overall responsibility for oversight of climate-related risks and opportunities. Climate considerations are incorporated into Board discussions on strategy, capital allocation, risk management and long-term asset planning.
b) Describe management's role in assessing and managing climate-related risks and opportunities	Disclosed	Senior management is responsible for identifying, assessing and managing climate-related risks within the Group's broader risk management framework, with escalation to the Board where material.

The Board of Quantum Data Energy PLC (the "Board") has overall responsibility for the oversight of climate-related risks and opportunities and for ensuring that such matters are appropriately considered as part of the Group's strategic decision-making and risk management processes.

Climate-related considerations are integrated into the Board's review of strategy, capital allocation, investment decisions and long-term planning. The Board receives updates from management on material regulatory developments, physical climate risks and transition-related factors that may affect the Group's operations, development portfolio or financial performance. Where relevant, climate-related risks and opportunities are discussed in the context of broader market conditions and the evolving UK electricity system.

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During FY2025 the Board kept climate change as a standing agenda item with quarterly reviews. Specific Board actions during the year included: (i) review and approval of the interim and full-year Scope 1, 2 and 3 SECR data; (ii) approval of a revised investment appraisal framework incorporating an internal carbon price for capital allocation decisions; (iii) review of physical risk monitoring at the Pyebridge operating site, including cooling and ventilation performance during periods of elevated ambient temperature; and (iv) consideration of alternative-fuel readiness (hydrogen / biofuel) and portfolio diversification options as part of long-term strategy discussions.

Responsibility for the day-to-day identification, assessment and management of climate-related risks sits with senior management. Management monitors developments in climate policy, regulation and market design, and assesses their potential impact on the Group's assets and development activities. Management is also responsible for implementing operational and strategic measures to mitigate identified risks, with material matters escalated to the Board through regular reporting and Board papers.

The Audit Committee supports the Board by overseeing the effectiveness of the Group's risk management and internal control framework, including processes relating to climate-related risks. Given the current scale and complexity of the Group, the Board does not consider it proportionate to establish a dedicated climate or sustainability committee. Instead, climate-related matters are embedded within the Group's existing governance and oversight structures.

The flow of information, responsibility and oversight in relation to climate-related risks and opportunities is illustrated in the governance diagram below, which shows the interaction between the Board, senior management and operational teams. This governance structure remained unchanged during the year ended 31 December 2025.

Strategy

TCFD Recommended Disclosure	Status	Commentary
a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.	Disclosed	The Group has identified transition, physical and market-related climate risks across short-, medium- and long-term horizons, together with opportunities arising from the continued need for flexible, dispatchable generation to support UK electricity generation system balance.
b) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.	Disclosed	Climate-related risks and opportunities are considered qualitatively in strategic planning, asset design, development prioritisation and capital allocation decisions.
c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	Disclosed	The Group has undertaken qualitative consideration of different transition pathways, including more rapid decarbonisation scenarios. Quantitative scenario modelling has not been undertaken due to the current scale and stage of the business.

For the purposes of these disclosures the Group defines time horizons as: short term — 0 to 3 years, aligned to the current Capacity Market delivery year and near-term construction milestones; medium term — 3 to 10 years, aligned to the Group's pipeline build-out and prevailing Capacity Market obligation periods; and long term — beyond 10 years, aligned to expected operational asset life and the UK's 2035 power-system decarbonisation pathway.

The Group's strategy is focused on the development and operation of flexible power generation assets that support the stability and reliability of the UK electricity system during the transition to a lower-carbon economy. The Board recognises that the UK energy system is undergoing significant structural change driven by decarbonisation policy, increasing penetration of intermittent renewable generation and evolving demand patterns.

Flexible gas-fired generation is expected to continue to play an important role in balancing the electricity system over the short to medium term, particularly during periods of low renewable output or heightened system stress. At the same time, the Group acknowledges the longer-term transition risks associated with climate policy, emissions regulation and potential changes in market design.

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Climate-related risks and opportunities are therefore considered across short-, medium- and long-term horizons, and are taken into account in strategic planning, asset design, investment decisions and capital allocation. The Group's approach seeks to balance near-term operational and commercial performance with longer-term resilience and optionality.

The principal climate-related risks identified by the Group, together with their potential financial impacts and strategic effects, are summarised below. These risks are consistent with those disclosed in prior periods and have been reviewed and updated to reflect the Group's operational and development activities during FY2025.

Risk Category	Risk Description	Time Horizon	Potential Financial Impact	Strategic / Operational Effects
Transition Risk – Policy & Regulation	Changes in UK or international climate policy, emissions regulation, carbon pricing or market design could adversely affect the economics or permitted operating life of gas-fired generation assets.	Medium to Long term	Increased compliance costs, reduced asset value, potential curtailment of operating hours or accelerated asset retirement.	May influence asset selection, development prioritisation and long-term capital deployment decisions.
Transition Risk – Technology	Accelerated deployment of alternative technologies such as battery storage, hydrogen or other low-carbon flexibility solutions could reduce demand for gas-fired peaking capacity over time.	Medium to Long term	Reduced utilisation or merchant revenues in later asset life; potential stranded asset risk.	Reinforces the need for disciplined capital investment and consideration of future optionality in asset design.
Physical Risk – Acute	Increased frequency and severity of extreme weather events, including heatwaves, may affect asset performance, particularly through cooling and ventilation constraints.	Short to Medium term	Reduced availability or efficiency during extreme conditions; increased maintenance or capital expenditure.	Drives focus on infrastructure resilience, cooling upgrades and preventative maintenance.
Physical Risk – Chronic	Longer-term changes in average temperatures may reduce operating efficiency or increase wear on equipment.	Medium to Long term	Gradual efficiency degradation; increased operating and maintenance costs.	Considered in lifecycle planning and asset management strategies.
Market Risk	Increased volatility in power prices and dispatch patterns driven by renewable intermittency, climate-driven policy interventions or changes in system operation.	Short to Medium term	Revenue volatility; potential mismatches between availability and pricing opportunities.	Reinforces the strategic value of flexibility and disciplined dispatch strategies.

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The Group also recognises climate-related opportunities arising from the transition to a lower-carbon energy system. Increasing penetration of renewable generation is expected to continue to drive demand for flexible, dispatchable capacity capable of responding rapidly to system imbalances.

The Group considers that its focus on flexible generation positions it to benefit from these dynamics over the short to medium term. Where appropriate, the Group continues to assess opportunities to enhance asset resilience, improve efficiency and maintain strategic optionality as part of its long-term planning.

The Board has considered the resilience of the Group's strategy under a range of plausible transition pathways, including scenarios involving accelerated decarbonisation and increased regulatory intervention consistent with a lower-temperature outcome.

The Board's view of resilience is supported by four features of the business model already in place: (i) a flexible-dispatch operating model that responds to market signals rather than committing baseload generation, limiting exposure to falling load factors; (ii) Capacity Market revenues that provide a contracted income floor independent of merchant volatility; (iii) modular, small-scale asset design with relatively low capex per MW, reducing stranded-asset exposure under accelerated transition scenarios; and (iv) engineering design and site selection that allow for conversion to alternative fuels (e.g., hydrogen or biofuel) at minimal incremental cost should regulatory restrictions on natural gas accelerate.

Opportunity	**Time Horizon**	**Potential Financial Impact**	**Strategic Effect**
Sustained demand for flexible dispatchable capacity as renewable penetration grows	Short to Long term	Higher utilisation and merchant revenues	Reinforces core strategy
New ancillary-service products (Slow Reserve, evolved DFS)	Short to Medium term	Incremental contracted revenue streams	Diversifies revenue mix
Alternative-fuel optionality (hydrogen / biofuel readiness)	Medium to Long term	Extended asset operating life under accelerated transition	Reduces stranded-asset risk
Site-level co-location (batteries, renewables)	Medium to Long term	Improved capital efficiency and revenue stacking	Portfolio optionality

Given the current scale of the Group's operations and development portfolio, this assessment has been undertaken on a qualitative basis. The Board considers that the Group's focus on flexible generation, conservative capital deployment, contractual revenue mechanisms and selective use of partnerships provide a degree of resilience across a range of potential future scenarios. The appropriateness of more detailed quantitative scenario analysis will continue to be reviewed as the business evolves.

Risk Management

TCFD Recommended Disclosure	**Status**	**Commentary**
a) Describe the organization's processes for identifying and assessing climate-related risks.	Disclosed	Climate-related risks are identified and assessed through the Group's principal risk identification and review processes, alongside other strategic, operational and regulatory risks.
b) Describe the organization's processes for managing climate-related risks.	Disclosed	Climate-related risks are managed through a combination of operational controls, infrastructure investment, regulatory monitoring and conservative dispatch strategies.

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TCFD Recommended Disclosure	Status	Commentary
c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	Disclosed	Climate-related risks are embedded within the Group's overall risk management framework and are reviewed alongside other principal risks.

The Group's approach to managing climate-related risks is integrated within its broader enterprise risk management framework rather than being treated as a standalone process. The Board considers this approach to be appropriate given the close interaction between climate-related risks and the Group's operational, regulatory, market and financial risks.

Climate-related risks are identified and assessed through the same processes used to evaluate other principal risks facing the Group. This includes consideration of regulatory and policy developments, physical climate risks, market dynamics and technological change, as well as the potential impacts of these factors on existing assets and development activities.

Senior management is responsible for the ongoing identification and assessment of climate-related risks. This assessment draws on internal operational experience, external technical and regulatory advice where appropriate, and ongoing monitoring of developments in the UK energy market and policy landscape. Identified risks are evaluated based on their likelihood, potential impact and time horizon, and are reviewed alongside other strategic and operational risks.
The management of climate-related risks is embedded within day-to-day operational and strategic decision-making. Mitigation measures may include operational controls, preventative maintenance, infrastructure upgrades, conservative dispatch strategies, and consideration of climate-related factors in asset selection, design and development planning. Where relevant, climate-related risks are also considered in the context of contractual arrangements, including Capacity Market participation.

Climate-related risks and mitigation actions are reported to the Board through regular management reporting and Board papers. The Board reviews these risks as part of its oversight of the Group's overall risk profile and considers whether the risk management framework remains appropriate in light of changes to the Group's activities or external environment.

The Audit Committee supports the Board by overseeing the effectiveness of the Group's risk management and internal control systems, including those relating to climate-related risks. Climate-related risks are not managed in isolation, but are considered alongside other principal risks to ensure a coherent and proportionate approach.

The Board considers that this integrated risk management approach provides appropriate oversight and control of climate-related risks at the current stage of the Group's development. The framework will continue to be reviewed and refined as the Group's operational footprint and development portfolio evolve.

Practical mitigation actions identified to date include alternative-fuel design readiness, planned portfolio diversification into solar, wind, waste-to-energy and long-duration storage, and infrastructure resilience measures (cooling and preventative maintenance) at operating sites. Further detail is set out in the Climate Risk section of Principal Risks and Uncertainties (page 14).

Metrics and Targets

TCFD Recommended Disclosure	Status	Commentary
a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	Disclosed	The Group monitors operational and efficiency-related metrics, including asset availability, reliability, fuel consumption and dispatch performance, as indicators of climate-related risk and resilience.
b) Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG)	Disclosed	Scope 1 and Scope 2 greenhouse gas emissions and energy consumption for FY2025 are disclosed in Table 1 – SECR Report Data and the accompanying graph.

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TCFD Recommended Disclosure	Status	Commentary
emissions and the related risks.		
c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	Not Disclosed	The Group has not set formal climate-specific targets beyond compliance with applicable regulatory requirements, reflecting the current scale and development stage of the business. The Board continues to review the appropriateness of future targets.

The Group recognises the importance of appropriate metrics in assessing climate-related risks and opportunities and in monitoring the resilience of its operations over time. At the current stage of the Group's development, climate-related performance is primarily monitored through a combination of operational, efficiency and regulatory reporting metrics, rather than through standalone climate-specific targets.

The Group's greenhouse gas ("GHG") emissions and energy consumption are reported in accordance with the Streamlined Energy and Carbon Reporting ("SECR") framework. Table 1 – SECR Report Data, together with the accompanying graphs presented below the table, set out the Group's Scope 1 and Scope 2 GHG emissions and energy consumption for the year ended 31 December 2025. The Board confirms that the data presented in this table and the associated graphs are accurate for FY2025.

Scope 1 emissions primarily arise from the combustion of natural gas in the Group's operational generation assets. Scope 2 emissions relate to electricity consumed at operational sites. Given the nature of the Group's activities, Scope 3 emissions are not currently considered to be material and are therefore not disclosed at this stage.

In addition to emissions reporting, the Group monitors a range of operational metrics that are relevant to climate-related risk and resilience. These include asset availability and reliability, operational efficiency, fuel consumption, and dispatch performance. These metrics provide insight into how assets perform under varying operating conditions, including during periods of elevated temperature or system stress.

The Group has not set formal climate-specific emissions reduction targets beyond compliance with applicable regulatory requirements. This reflects the current scale of the Group's operations, the early-stage nature of parts of its development portfolio, and the transitional role of flexible gas-fired generation within the UK electricity system. The Board considers that setting long-term quantitative targets would not be meaningful at this stage and could risk misalignment with the Group's operational realities.

The Board continues to review the appropriate
eness of additional metrics and targets as the Group's portfolio evolves, regulatory expectations develop, and the UK transitions toward the adoption of ISSB-based sustainability reporting standards. Any future targets will be considered in the context of operational performance, asset lifecycle planning and the Group's overall strategic objectives.

Table 1- Streamlined Energy & Carbon Reporting (SECR) REPORT DATA

Activity	Activity Data	Activity data units	Conversion factors	Carbon footprint (kgCO2e)	Carbon footprint (tCO2e)
Scope 1 – GHG emissions resulting from activities for which the Company is responsible					
Natural Gas (100% Mineral Blend)	30,936,271	kWh	0.18296	5,660,100.14	5,660.10
Business Travel (Medium-sized car of unknown fuel type)	6,839	miles	0.27682	1 893.17	1.89
			Sub-total 1	5,661,993.31	5,661.99
Scope 2 -GHG emissions resulting from purchase of electricity for its own use					
Electrical Consumption	183,480	kWh	0.177	32,475.96	32.48
			Sub-total 2	32,475.96	32.48

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Scope 3- GHG emissions resulting from Company actions not owned or controlled					
Homeworking	8,330.00	FTE working hours	0.3338	2,780.39	2.78
Business travel (Rail)	536.00	miles	0.0355	19.01	0.02
Business travel (Underground)	76.00	miles	0.0278	2.11	0.00
Hotel Stays (UK - Within London)	0.00	room per night	11.5000	0.00	0.00
Hotel Stays (UK - Outside London)	8.00	room per night	10.4000	83.20	0.08
Water Supply	12.00	cubic metres	0.1913	2.30	0.00
Electricity Transmission & Distribution (UK)	10,051,930.00	MWh	0.0185	185,960.71	185.96
			Sub-total 3	188,847.72	188.84
			TOTAL	**5,883,316.99**	**5,883.31**

Intensity Metric	3,610.89 tCO2e per million £ of revenue
Total Energy Usage across all energy types	41,196.47 MWh

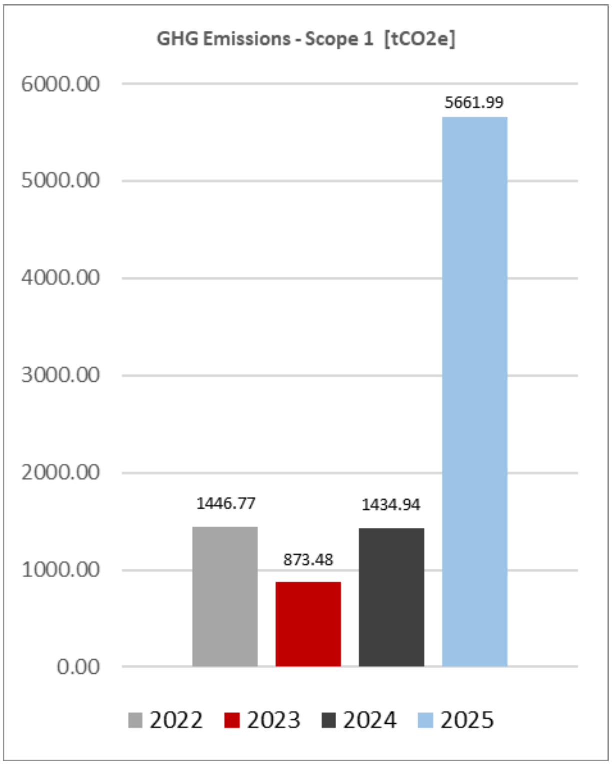

Fig. 1 – GHG Emissions Scope 1

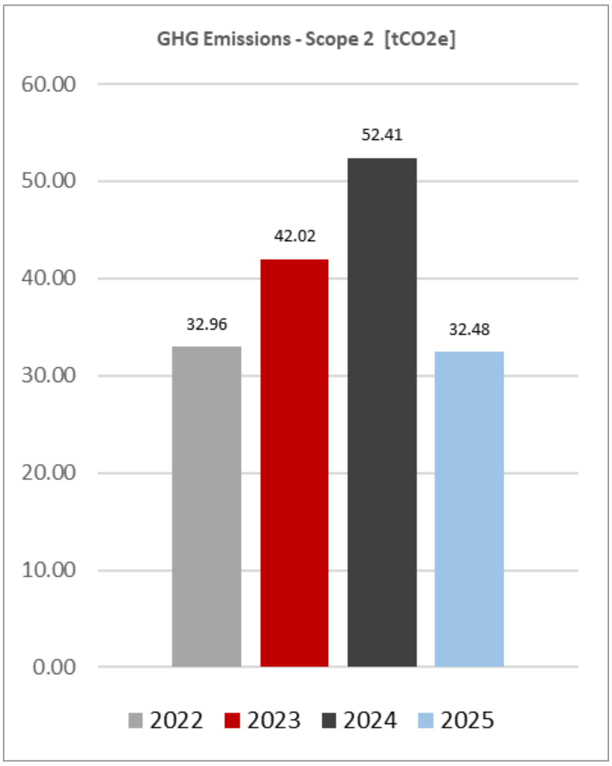

Fig. 2 – GHG Emissions Scope 2

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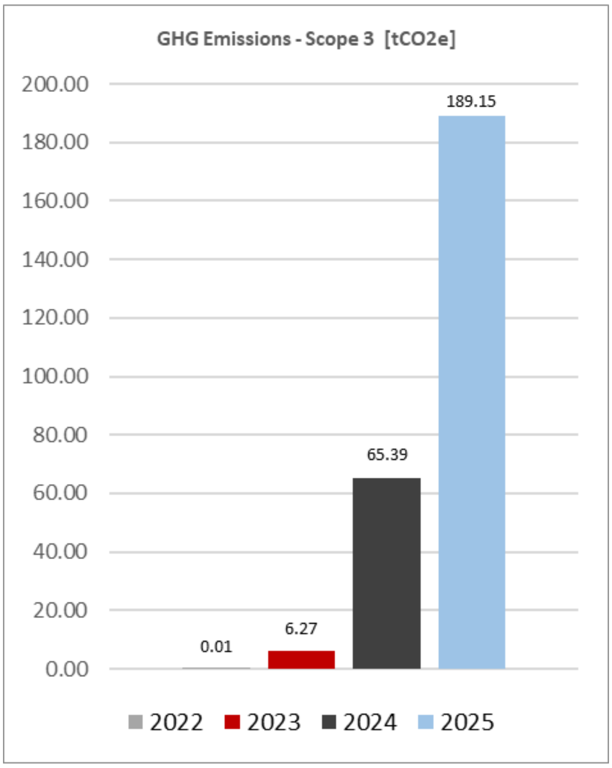

Fig. 3 – GHG Emissions Scope 3

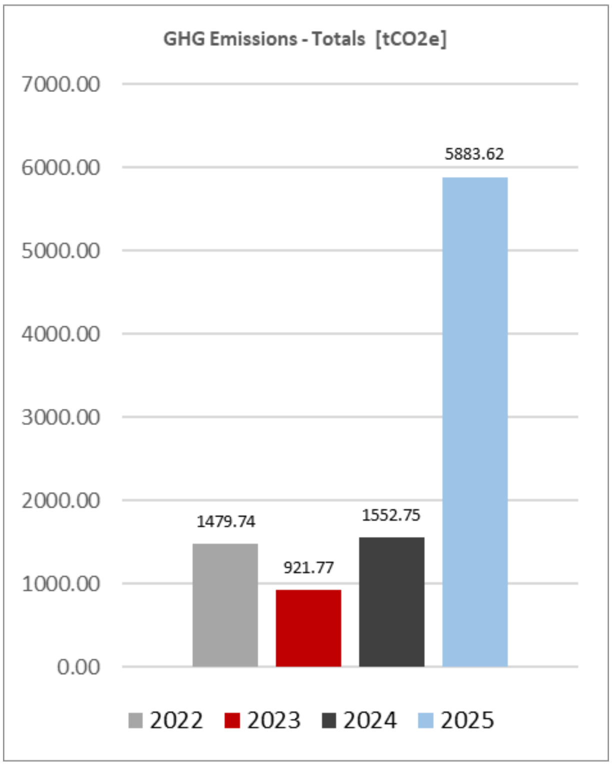

Fig. 4 – Total GHG Emissions

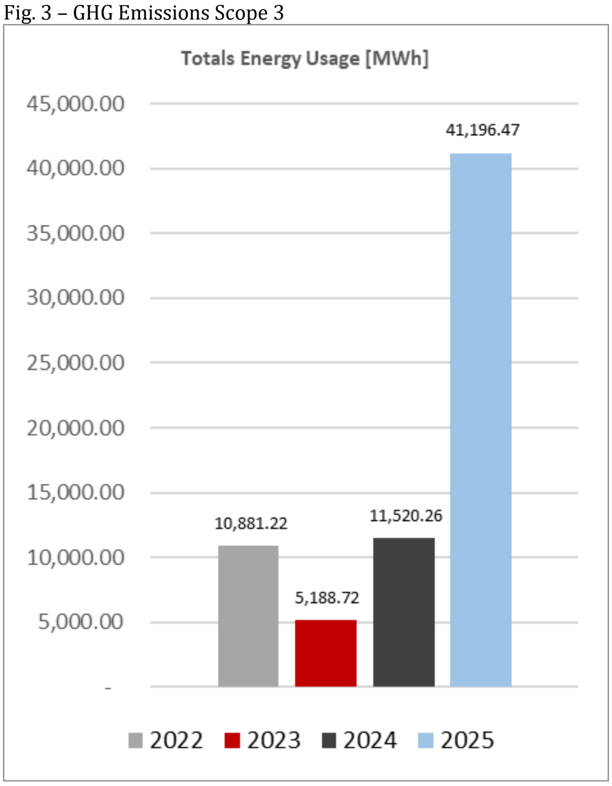

Fig. 5 – Intensity Metric

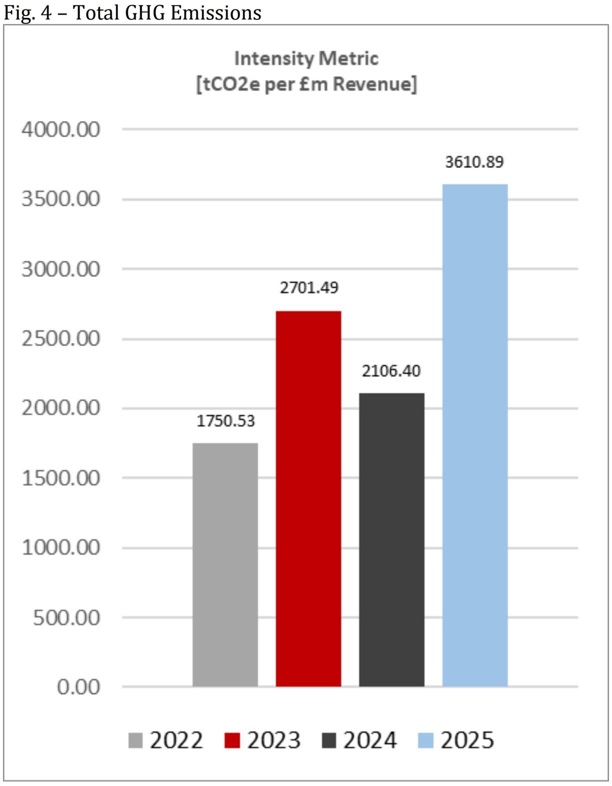

Fig. 6 – Total Energy Usage

The activity data in Table 1 and Figures 1-6 above were obtained from the Company's internal records of energy generation and consumption and converted to tCO2e using the appropriate conversion factors obtained from the UK Government website at https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2025.The Group has adopted a revenue-based intensity metric to assess and present its GHG emissions performance, as this is considered to provide the most accurate representation of the Company's emissions profile. Given the Group's minimal headcount, a headcount-based intensity metric would be misleading and result in a disproportionately high emissions intensity figure that could be misinterpreted by stakeholders. Similarly, for gas-peaking generation assets, electricity output is inherently variable and demand-responsive rather than continuous or predictable, as would be the case for baseload generation. An energy-based intensity metric, using kilowatt-hours as

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the denominator, could therefore penalise the Company during periods of lower utilisation for reasons unrelated to operational efficiency.

During FY2025, Scope 1 GHG emissions increased materially, rising to 5,661.99 tCO_2e, compared with the prior year. This increase was primarily attributable to significantly higher natural gas consumption as a result of increased generation activity at the Pyebridge site, reflecting improved operational availability and a greater level of dispatch in response to market conditions. Scope 1 emissions also include a small contribution from business travel by road, which remains immaterial in the context of the Group's overall emissions profile.

Scope 2 emissions for the year amounted to 32.48 tCO_2e, arising from purchased electricity consumed across the Group's operations. This level of emissions is broadly consistent with the operational footprint of the business and remains small relative to Scope 1 emissions.

Scope 3 emissions increased to 189.15 tCO_2e in FY2025. The most of these emissions relate to electricity transmission and distribution losses associated with power generated by the Group's assets, with smaller contributions from homeworking, business travel and accommodation. Scope 3 emissions continue to represent a modest proportion of the Group's total emissions, and the Board considers the current scope of disclosure to be appropriate given the nature and scale of the business.

As a result of the increased operational activity during the year, total GHG emissions for FY2025 increased to 5,883.62 tCO_2e. Total energy usage across all energy types amounted to 41,196.47 MWh, reflecting the substantially higher level of generation output compared with the prior period.

Despite the increase in absolute emissions, the revenue-based intensity metric for FY2025 was 3,610.89 tCO_2e per £ million of revenue. The Board considers this metric to remain the most meaningful indicator of emissions efficiency for the Group, as it reflects the relationship between emissions and economic value generated rather than absolute output levels alone.

With the Pyebridge site now operating at a more stable and representative level of utilisation, the Group expects emissions data to become increasingly suitable for trend analysis over time. The Board considers that future emissions performance should continue to be assessed primarily through intensity-based measures rather than absolute emissions, given the demand-responsive nature of the Group's operations.

The Group remains committed to maintaining a robust emissions reporting framework and to monitoring regulatory developments in relation to climate-related disclosures. Sustainability considerations continue to be integrated into strategic planning and operational decision-making, consistent with the Group's role in supporting system stability during the UK's transition to a lower-carbon electricity system

This report was approved by the Board on 4 August 2026 and signed on its behalf by:

Paul Venter
Non-Executive Chairman

REMUNERATION REPORT

The following Directors remuneration was earned during the period.

Directors	31 December 2025 Audited (GBP)	31 December 2024 Audited (GBP)
Pieter Krügel	196,613	144,000
Paul Venter	27,000	22,500
Celia Li (appointed on 11 July 2025)	21,603	-

The remuneration shown in the table above comprises total cost-to-company salaries and Directors' fees earned in accordance with Director contracts approved by the Board prior to appointment. The amounts per the table above represent the totality of gross remuneration earned by each Director. Other benefits disclosed in note 6 relates to payment for leave not yet taken at the end of the leave cycle. Leave is not carried forward to the next leave cycle.

The following share options were awarded to directors, management and staff during the period following a recommendation from the Remuneration Committee and shareholder approval at the Company's General Meeting on 8 July 2025.

Name	Number of Share Options awarded	Date of Grant	*1st Vesting Date	**2nd Vesting Date	***3rd Vesting Date	Expiry Date
Pieter Krügel	10,899,645	11 July 2025	11 Jan. 2026	11 July 2026	11 January 2027	10 January 2033
Paul Venter	1,089,965	11 July 2025	11 January 2026	11 July 2026	11 January 2027	10 January 2033
Ivan Wentzel****	1,089,965	11 July 2025	11 January 2026	11 July 2026	11 January 2027	10 January 2033
Tanya Zwemstra	1,089,965	11 July 2025	11 January 2026	11 July 2026	11 January 2027	10 January 2033
Noel O'Keeffe	544,982	11 July 2025	11 January 2026	11 July 2026	11 January 2027	10 January 2033
*25% of share options awarded vest on 1st Vesting Date						
**25% of share options awarded vest on 2nd Vesting Date						
*** 50% of shares options awarded vest on 3rd Vesting Date						
**** Ivan resigned after year-end and the options from the 2nd vesting date onward will not vest.						

Save for share options itemised above no other shares were awarded as part of remuneration.

Following a review of the CEO salary in June 2025 the Remuneration Committee recommended that the CEO's salary be increased to £216,000 per annum contingent on completion of the equity fund raise (completed on 11 July 2025). Following completion of these specific performance milestones, the Board approved the recommendation of the Remuneration Committee on CEO salary increase. The Remuneration Committees recommendation on performance related salary increase for the CEO and the share option awards were based on comparisons and alignment with CEO pay and other industry standard executive remuneration incentives of peer small-cap energy sector companies.

The Company does not have a pension plan and, consequently, no pension contributions form part of Director's pay during the period. The Company has not employed any external remuneration consultants to advise on remuneration during the period.

Paul Venter, a director and the Company's non-executive chairman has a beneficial interest in 1,958,929 Quantum shares held through PSCD Power 1 Ltd.

REMUNERATION REPORT

The Remuneration, Nominations & Governance Committee (the "RNGC") reviewed director remuneration, and the table below summarises director salaries over the last five years and compares with average pay levels for similar roles within UK –listed energy companies of comparable size, stage of development and financial performance.

Year	Role	Quantum Actual £	*UK peer average £	Position vs peers
2021	CEO	115,262	~190,000	Below market
	NEDs (total)	56,201	~90,000	Below market
2022	CEO	161,075	~200,000	Below market
	NEDs (total)	72,000	~95,000	Below market
2023	CEO	157,844	~210,000	Below market
	NEDs (total)	108,000	~100,000	Slightly above
2024	CEO	157,844	~220,000	Below market
	NEDs (total)	63,600	~105,000	Below market
2025	CEO	196,613	~230,000	Below market
	NEDs (total)	48,603	~110,000	Below market
* Based on UK remuneration surveys for small-cap energy & infrastructure companies.				

Over the five-year period shown, the Company operated as an early-stage, loss-making developer with limited revenue and a single operational asset. Against this backdrop, the RNGC notes that CEO remuneration has consistently remained below UK small-cap energy sector averages, reflecting a deliberate policy of cost discipline and alignment with shareholder interests.

Non-executive director fees have similarly been maintained at or below peer levels, with the exception of 2023, which reflected an expanded board structure and heightened governance workload during a period of operational and financing complexity.

The RNGC considers that the level and structure of remuneration during the period was appropriate, proportionate and competitive, and continues to support the recruitment and retention of directors with the requisite skills while maintaining strong cost control. In recognition of the fact that CEO remuneration was significant below peer averages for the period 2021-2024, the RM considers the share options and salary increase awarded to the CEO during 2025 are appropriate.

A detailed remuneration plan for directors, management and staff is in the process of being developed for the Company. As the Company and the Group grows, the Board is committed to putting such a remuneration plan in place commensurate with business development and the share option awards to directors and management and performance related salary increase to the CEO during 2025 represents the first steps in implementation of such a plan. The components of such a plan may comprise, inter alia, payments linked to agreed key performance indicators, a performance incentive plan based on agreed project milestones, a share option plan, share payments, health insurance contributions and pension contributions.

Remuneration Policy

Overview of Remuneration Policy

The Company's policy for the remuneration of the Company's Directors is that it should be structured to attract and retain executives of a high calibre with the skills and experience necessary to successfully grow the Company. The objective of the policy is to help deliver long-term value for shareholders by enabling the efficient and effective delivery of the Company's strategy as outlined in the Strategic Report.

When determining levels of remuneration, the Company will review the remuneration practices adopted by peer companies both in the market generally and in the same business sector as the Company.

The Company intends that a significant portion of the remuneration package of senior executives will be linked to performance while maintaining an appropriate balance between fixed and variable pay, short-term and long-term variable pay, and rewards in cash and shares. While this remuneration structure is not yet implemented, the Company is working towards it as part of its strategy to retain and attract skilled executives and management. The Company,

REMUNERATION REPORT

by considering recommendations from the RNGC, will regularly review the Company's remuneration policies to ensure that these policies do not encourage and reward inappropriate risk-taking that may not be in the best interests of shareholders. It will also ensure that its remuneration policy aligns with the Company's corporate and financial governance policies as well as all regulatory and listing regulations. As the Company's Board grows, it will establish a separate standalone Remuneration Committee to exclusively deal with remuneration policy matters.

The Company will strive to align its remuneration policy to the principles below, which are taken from the 2023 QCA Corporate Governance Code:
Clarity – remuneration arrangements should be transparent and promote effective engagement with shareholders and the workforce.
Simplicity – remuneration structures will avoid complexity, and their rationale and operation should be familiar to all stakeholders and be easy to understand.
Risk – remuneration arrangements should ensure reputational and other risks from excessive rewards and behavioural risks that can arise from target-based incentive plans are identified and mitigated.
Predictability – the range of possible values of rewards to individual directors and any other limits or discretions should be identified and explained at the time of approving the policy.
Proportionality – the link between individual awards, the delivery of strategy and the long-term performance of the Company should be clear. Outcomes should not reward poor performance.
Alignment to culture – incentive schemes should drive behaviours consistent with Company purpose, and in consistency with the Group's purpose, values and strategy.

The Company will develop a detailed remuneration policy on the above principles in alignment with business growth and expansion of its staff numbers above the current low levels. This policy will provide a framework and baseline for future remuneration reports.

CORPORATE GOVERNANCE REPORT

Our Group is dedicated to upholding a high standard of corporate governance. As Chairman, it remains my responsibility, working with my fellow Board members, to ensure that good standards of corporate governance are encompassed throughout the Group. As a Board, we set clear expectations regarding our culture, values and behaviours. We firmly believe that by encouraging the right way of thinking and behaving across all our people, our corporate governance culture is reinforced, enabling us to conduct business sustainably, responsibly and deliver value for our shareholders.

It is the Board's role to ensure that the Group is managed for the long-term benefit of all shareholders, with effective and efficient decision-making. Corporate governance is an important part of that role, reducing risk and adding value to our business.

The Group has adopted the Quoted Companies Alliance Corporate Governance Code (the 'QCA Code') 2023 edition, as the appropriate corporate governance framework for a company at its level of development. This statement sets out how the Group complies with, and, where relevant, departs from the 10 principles of the QCA Code:

1. **Principle 1: Establish a purpose, strategy and business model that promotes long-term value for shareholders**

   QDE's primary focus is on advancing and developing its UK reserve power projects. Accordingly, the majority of QDE's resources will be used to fund the continued development of the Company's projects.

   The Board sets the Company's strategy and monitors its implementation through management and financial performance reviews. It also works to ensure that adequate resources are available to implement strategy in a timely manner. The Group has set out a strategy and business model to promote long-term value for shareholders and will update all shareholders on this in the annual reports for each year.

   The Board meet on a regular basis to discuss the strategic direction of the Group and any significant deviation or change will be highlighted promptly should this occur.

   The Strategic Report of the Group can be found on pages 7 to 22.

2. **Principle 2: Promote a corporate culture that is based on ethical values and behaviours**

   The Group operates a corporate culture that is based on ethical values and behaviours. It will maintain a quality system appropriate to the standards required for a Group of its size. The Board communicates regularly with staff through meetings and messages. The Board sets the tone from the top and monitors the Group's culture through regular management reporting and direct engagement with the CEO. Where behaviours are observed that deviate from the Group's ethical standards, the Board expects these to be raised and addressed promptly. The Group has a whistleblowing policy in place, and the Board receives reports under this policy as appropriate. As the Group grows, the Board will keep its approach to culture monitoring and assessment under review.

   The Group also has a Corporate Social Responsibility Policy, details of which can be found in the Directors' report on page 31.

3. **Principle 3: Seek to understand and meet shareholder needs and expectations**

   The Group is committed to listening to, and communicating openly with, its shareholders to ensure that its strategy, business model and performance are clearly understood. The Group regards the annual general meeting as a good opportunity to communicate directly with shareholders via an open question-and-answer session. The Board, led by the CEO, are also responsible for understanding and meeting shareholder needs and expectations.

   In addition, the Group's progress on achieving its key targets is regularly communicated to investors via presentations and through its announcements to the market, which can be accessed at www.quantumdata.energy.

   The Group also utilises professional advisers such as the Solicitors, Brokers and the Company Secretary, to provide advice and recommendations on shareholder communication.

   Contact details are provided on the Company's website and within public documents should shareholders wish to communicate with the Company.

CORPORATE GOVERNANCE REPORT

4. **Principle 4: Consider wider stakeholder interests, including social and environmental responsibilities and their implications for long-term success**

The Board recognise their responsibilities to stakeholders, including staff, suppliers and customers and those within the community it operates in. The Board, led by the CEO is also responsible for fostering and improving open communication and contact with relevant stakeholders of the Group.

5. **Principle 5: Embed effective risk management, internal controls and assurance activities, considering both opportunities and threats, throughout the organisation**

The Board regularly reviews the risks facing the business and the internal controls that are in place to address risks. In order to support its duties and responsibilities, the Board implements control procedures that assess and manage risk and ensure robust financial and operational management within the Group. The principal risks that the Group is exposed to can be classified under the general headings of funding risk, regulatory risk, commodity risk, competition risk and development, and construction risk. A more detail analysis of the principal risks can be found on pages 10 to 12 within the Company's annual report.

Although there is no specific committee tasked with identifying, analysing and reporting on risk during the financial period, it is nevertheless part of the everyday function of the Directors and is managed at Board level.

Accepting that no systems of control can provide absolute assurance against material misstatement or loss, the Directors believe that the established systems for internal control within the Group are appropriate to the business.

6. **Principle 6: Establish and maintain the board as a well-functioning, balanced team led by the Chairman**

The Board acknowledge their responsibility for, and recognises the importance of, implementing and maintaining, high standards of corporate governance. The Board is responsible for establishing and maintaining the system of internal controls. The Group subscribes to the values of good corporate governance at all levels and is committed to conduct business with discipline, integrity and social responsibility.

The Board currently comprises the Chief Executive Officer of the Group and two non-Executive directors. One of these is also Chairman and the other acts as an Independent Non-Executive Director. Short biographies of the Directors can be found within the Directors' Report on pages 31 to 35. The Corporate Governance Report includes details of the Committees and the number of meetings held during the year, detailing the attendance record of each Director. The Directors believe that the assigned roles of board members align with the recommendations of the QCA Code. In line with the 2023 QCA Code, a third of the Directors submit themselves for election or re-election on an annual basis at the Company's Annual General Meeting. The Board has assessed the independence of each non-executive director and is satisfied that Celia Li remains independent in character and judgement. The Board is mindful of the factors that may impair independence as set out in the 2023 QCA Code and will keep this assessment under annual review.

The Board is of the view that the Chairman and each of the Directors who held office during 2025 committed sufficient time to fulfilling their duties as members of the Board.

7. **Principle 7: Maintain appropriate governance structures and ensure that individually and collectively the Directors have the necessary up-to-date experience, skills and capabilities**

The Board has a diverse range of skills, experience and personal qualities that help deliver the strategy of the Group. The Group will ensure that, between them, the Directors have the necessary up-to-date experience, skills and capabilities to deliver the Group's strategy and targets. Each Director's biographical details, along with a description of their role and experience, can be found within the Directors' Report on pages 31 to 35.

8. **Principle 8: Evaluate board performance based on clear and relevant objectives, seeking continuous improvement**

The Board acknowledges that the 2023 QCA Code expects annual board performance reviews. Given the Group's current size and early stage of development, a formal board effectiveness review was not conducted during 2025. The Board intends to introduce an annual internal review process during 2026, encompassing the performance of the Chair, individual directors, and the operation of board committees. Succession planning, including contingency arrangements for the absence of key personnel, will form part of this process.

CORPORATE GOVERNANCE REPORT

9. Principle 9: Establish and maintain a remuneration policy which is supportive of long-term value creation and the Company's purpose, strategy and culture

The Board, through the Remuneration, Nominations & Governance Committee ('RNGC'), has established a remuneration policy intended to support long-term value creation and align with the Company's purpose, strategy and culture. Full details of the remuneration policy and its application during 2025 are set out in the Remuneration Report on pages 23 to 25.

The Board and Committees, along with the matters reserved for each, are explained within point 10 below. Further information can also be found on the Company's website at www.quantumdata.energy.

10. Principle 10: Communicate how the Company is governed and is performing by maintaining a dialogue with shareholders and other key stakeholders

The Group already publishes historical annual reports, notices of meetings and other publications on the Company's website, http://www.quantumdata.energy. The Board has not published Audit Committee or Remuneration Committee reports in the Company's latest annual report and accounts. The Board feels that this is appropriate given the size and stage of development of the Company.

Once a general meeting of the Group has concluded, the results of the meeting are released through a regulatory news service, and a copy of the announcement is posted on the Company's website at http://www.quantumdata.energy. If it becomes relevant, an explanation of actions where a significant proportion of votes (e.g., 20% of independent votes) is cast against a resolution, will be provided.

Role of Directors

All Board members ensure that appropriate governance procedures are adhered to and there is a clear division of responsibilities at Board level to ensure a balance of power and authority so that no one individual has unfettered powers of decision-making.

Board and Audit Committee meetings have been taking place periodically and the Executive Director manages the daily Company operations with Board meetings taking place on a regular basis throughout the financial period. During the current reporting period, the Board met 10 (ten) times (2024: 15 (fifteen) times) and provided pertinent information to the Executive Committee of the Company.

The Board is responsible for effective control over the affairs of the Company, including strategic and policy decision-making, financial control, risk management, communication with stakeholders, internal controls and the asset management process.

Climate change remains a standing item on the Board agenda, with quarterly reviews of progress against climate-related objectives embedded within the Company's broader sustainability strategy. At the end of 2025, the Board reviewed and approved the interim emissions figures related to Scope 1, 2 and 3 of the Streamlined Energy & Carbon Reporting (SECR) data. The Board also ensures that climate considerations are integrated into capital allocation decisions, with a revised investment appraisal framework now incorporating internal carbon pricing.

The Board regularly ensures that Management is regularly briefed on the importance of climate change and the financial implications of the Company's investments in terms of decarbonisation. Management is enabled to implement the Company's climate strategy and drive progress against our emissions reduction roadmap.

The Risk, Audit & FPPP Committee were tasked with, amongst other things, identifying, analysing and reporting on risk during the financial period.

Directors are entitled, in consultation with the Chairman, to seek independent professional advice about the affairs of the Company, at the Company's expense.

CORPORATE GOVERNANCE REPORT

The Risk, Audit & Financial Position & Prospects Procedures ('RAFPPP') Committee

The RAFPPP Committee comprises Paul Venter (Chairman) and Celia Li. Celia Li was appointed to the RAFPPP on 27 August 2025 and Pieter Krügel stepped down.

The RAFPPP Committee has set out its roles and responsibilities within its charter to ensure that it is aligned to good financial governance principles. These include:

- The establishment of an Audit and Risk Committee to guide the audit approach, as well as its modus operandi and the rules that govern the audit relationship;
- Assess the processes relating to, and the results emanating from, the Group's risk and control environment;
- Monitor the integrity of the Group's integrated reporting and all factors and risks that may impact on reporting;
- Annually review the expertise, appropriateness and experience of the finance function;
- Annually nominate the external auditors for appointment by the shareholders;
- Review developments in governance and best practice;
- Foster and improve open communication and contact with relevant stakeholders of the Group; and
- Assess the external auditor's independence and determine their remuneration.

The RAFPPP Committee further sets the principles for recommending the external auditors for non-audit services use.

The RAFPPP Committee met twice (2) during the current year (2024: twice (2)) to approve the Interim and Annual Report and recommend approval to the Board.

The Remuneration, Nominations & Governance Committee (the 'RNGC')

The members of the RNGC comprised Celia Li (Chairman) and Paul Venter. Celia Li was appointed to the RNGC on 27 August 2025 and Pieter Krügel stepped down.

Remuneration: With respect to Remuneration, the purpose of the RNGC is to discharge the responsibilities of the Board relating to all compensation, including equity compensation of the Company's Executives. The Remuneration Committee establishes and administers the Company's executive remuneration with the broad objective of aligning executive remuneration with Company performance and shareholder interests, setting remuneration standards aimed at attracting, retaining and motivating the executive team, linking individual pay with operational and Company performance in relation to strategic objectives, and evaluating compensation of executives including approval of salary, equity and incentive-based awards.

The committee is empowered by the Board to set short-, medium- and long-term remuneration for the Executive Directors. More generally, the committee is responsible for the assessment and approval of a Board remuneration strategy for the Group.

The RNGC manages remuneration risk by ensuring that any awards and the terms of service and employment contracts entered are proportionate to the resources and current early stage of development of the Group while simultaneously providing sufficient incentive to Directors, management and staff to rapidly grow the enterprise in accordance with the Board's corporate strategy. The RNGC will develop a comprehensive remuneration plan that, following approval by the Board, will serve as a guide for performance measurement, employment terms and compensation structure in line with business development.

Nominations: With respect to Nominations the RNGC is responsible for considering and making recommendations to the Board in respect of appointments to the Board. It is also responsible for keeping the structure, size and composition of the Board under regular review, and for making recommendations to the Board regarding any changes necessary, as well as succession planning, considering the skills and expertise that will be needed on the Board in the future.

Governance: With respect to Governance, the principal tasks of the RNGC is to review the Company's ongoing compliance with the QCA Code and to make recommendationsto the Board where it judges that there is a requirement to update, replace or expand corporate governance policies and procedures in line with current activities.

The Remuneration, Nominations and Governance Committee met once (1) during the period (2024: once (1)).

CORPORATE GOVERNANCE REPORT

Directors' Meetings

The Company held the following Board and Committee meetings during the reporting period, of which the number of meetings attended by each of the Directors of the Company during the period to 31 December 2025 were:

Name	PLC Board (10 Meetings held)	Risk Audit & FPPP Committee (2 Meetings held)	Remuneration, Nominations & Governance Committee (1 Meeting held)
Pieter Krügel	10	1	1
Paul Venter	10	2	1
Celia Li (appointed to board on 11 July 2025)	3	1	0

This report was approved by the Board on 4 August 2026 and signed on its behalf by:

Paul Venter
Non-Executive Chairman

DIRECTORS' REPORT

The Board of Directors (the 'Directors' or the 'Board') present their Annual Report together with the Audited Financial Statements ('AFS') for the year ended 31 December 2025 of Quantum Data Energy PLC ('Quantum"' or the 'Company') and its subsidiaries (collectively, 'the Group').

The Board comprises a Non-Executive Chairman, a Chief Executive Officer and an independent non-executive director. As the Group evolves, the Board will be reviewed and expanded to ensure appropriate expertise is always in place to support its business activities.

The Board is responsible for formulating, reviewing and approving the Group's strategy, budgets, major items of capital expenditure and acquisitions. An agenda and all supporting documentation are circulated to Directors before each board meeting. Open and timely access to all information is provided to all Directors to enable them to bring independent judgement on issues affecting the Company and facilitate them in discharging their duties.

At the date of this report, the Board of Directors comprised:
Paul Venter – Non-Executive Chairman
Pieter Krügel – Chief Executive Officer
Celia Li –Independent Non-Executive Director

Paul Venter, B.Comm, HBA, MDP, Age 73 – Director & Chairman (Non-Executive)
Paul brings over 35 years of experience in the mining and power-generation industries. He has led major international projects, including the development of large-scale integrated mine and power plant operations in Mongolia and Mozambique. Paul is a former CEO of Quantum Data Energy and Ncondezi Energy (AIM: NCCL). Paul has also served as Vice President of Energy Operations at Prophecy Coal Corp. Earlier in his career, he was a certified financial accountant in South Africa. He holds an MDP in Mining from the University of South Africa and an honours degree in Business Administration from Potchefstroom University.

Pieter Krügel, ACA, BFP, CA (SA), Age 41 – Chief Executive Officer
Pieter Krügel previously worked as the Group Chief Financial Officer of the Kibo Group, where he has leveraged his experience in capital raising, corporate restructuring, economic analysis, IFRS reporting and strategic planning to contribute to the growth of the Group. Prior to this, he held senior financial and executive roles over the course of 15 years, with specific reference to the energy and resources industries. He is a qualified chartered accountant and a member of the Institute of Chartered Accountants in England and Wales (ICAEW). Pieter has been intimately involved in the QDE business since the Group's initial acquisition of QDE in 2018 as well as its involvements in the reserve power market. He was also part of the core team that led to the successful IPO of the Company in 2021.

Celia Li , MA International Journalism, Age 49 – Independent Non-Executive Director
Celia Li is an international media and technology executive, as well as a TV presenter for Phoenix Satellite Television, the world's largest independent Chinese broadcaster. In 2004, she founded and led Phoenix TV's London news division, building and managing a dynamic team covering global affairs. Over the years, she has developed strong relationships with corporations and investors across Asia, Europe, and North America. Alongside her media career, Celia has served as a board and non-executive director for several companies, contributing valuable strategic insight and cross-border expertise.

Review of Business Developments

As noted in the Chairman's Report, the Group continued to pursue its business strategy as a flexible power developer in the UK market, with further site acquisitions having been concluded and continuous development of the existing sites progressing well during the period. Additionally, the Company has expanded its strategy to Include AI datacentre and holiday park power supply development framework agreements with third parties.

Results

The performance for the year ended 31 December 2025 resulted in a loss of £1,518,682 (year ended 31 December 2024: loss of £1,097,433).

DIRECTORS' REPORT

Events after reporting period

As at the date of this report, no significant post-statement of financial position events or conditions were identified that required adjustment to the financial results. Refer to Note 26 for non-adjusting events.

Directors' Interests

Paul Venter, a non-executive director holds 1,958,929 shares in the Company at the 31 December 2025 and at the date of these financial statements.

Other than this shareholding by Paul Venter and the share options issued to the directors Paul Venter and Pieter Krügel in 2025 as shown on the table on page 23, the Directors hold no other interest in the Company.

Significant Shareholdings

Insofar as the Company has been informed no shareholders own 3% or more beneficial interest, either direct or indirect, in the issued share capital of the Company on 31 December 2025 and on the date of these financial statements.

Percentage of Issued Share Capital			
Shareholder	**15 July 2025**	**31 December 2025**	**31 December 2024**
RiverFort Global Opportunities PCC Ltd	**-**	**-**	**19.52%**

Subsidiary Undertakings

Details of the Company's subsidiary undertakings are set out in Note 22 to the financial statements.

Political and Charitable Donations

During the period, the Group made no charitable or political contributions (2024: £ nil).

Going Concern

The financial results have been prepared on the going concern basis that contemplates the continuity of normal business activities, the realisation of assets and the settlement of liabilities in the normal course of business.

In performing the going concern assessment, the Board considered various factors, including the availability of cash and cash equivalents, data relating to working capital requirements for the foreseeable future, cashflows from operational activities, available information about the future, the possible outcomes of planned events, changes in future conditions, geopolitical events (e.g. escalation of the Israel-Iran conflict), and the responses to such events and conditions that would be available to the Board. Refer to note 27 for further details on each of the above.

Although there is no guarantee, the Directors have a reasonable expectation that the Group will be able to raise further financing to support its ongoing development and commercialisation activities and continue in operational existence for the next 12 months, from date of sign off of these financial statements. The directors have concluded that the combination of these circumstances represents a material uncertainty that casts significant doubt upon the Group's ability to continue as a going concern and that, therefore, the Group may be unable to realise its assets and discharge its liabilities in the normal course of business. As the Board is confident it would be able to successfully implement the responses set out in note 27, it has adopted the going concern basis of accounting in preparing the consolidated financial statements.

Dividends

There have been no dividends declared or paid during the current financial period (2024: £Nil).

DIRECTORS' REPORT

Corporate Governance Policy

The Board is aware of the importance to conform to its statutory responsibilities and industry good practice in relation to corporate governance of the Group and, as a result, has adopted the Quoted Companies Alliance Corporate Governance Code (the 'QCA Code').

The Company's statement of compliance against the QCA code is set out on page 26.

Internal Audit

The Group does not have an internal audit function. Currently, the operations of the Group do not warrant an internal audit function, however, the Board is assessing the need to establish an internal audit department in consideration of future prospects as the Group's operations increase. During the period under review, the Board has taken responsibility to ensure effective governance, risk management and that the internal control environment is maintained.

Health, Safety and Environmental Policy

The Group is committed to high standards of Health, Safety and Environmental performance across the business. The goal is to protect people, minimise harm to the environment, integrate biodiversity considerations and reduce disruption to neighbouring communities. The Group seeks to achieve continuous improvement in its Health, Safety and Environmental performance.

Corporate Social Responsibility Policy

The Group's policy is to conduct all business operations to best industry standards and to behave in a socially responsible manner. The goal is to behave ethically and with integrity and to respect cultural, national and religious diversity.

Governance of Information Technology (IT)

The Board is responsible for IT governance as an integral part of the Group's governance. The IT function is not expected to significantly change in the foreseeable future. The Board has the required policies and procedures in place to ensure governance of IT is adhered to.

Integrated and Sustainability Reporting and Environmental responsibility

Integrated Reporting is defined as a "holistic and integrated representation of the Group's performance in terms of both its finances and its sustainability". The Group currently does not have a separate integrated report. The Board and its sub-committees are in the process of assessing the principles and practices of integrated reporting and sustainability reporting to ensure that adequate information about the operations of the Group, the sustainability issues pertinent to its business, the financial results and the results of its operations and cashflows are disclosed in a single report.

The Company recognises that its activities require it to have regard to the potential impact that it, its subsidiaries and partners may have on the environment. Where energy development projects are undertaken, care is taken to limit the amount of disturbance and where any remediation works are required, they are carried out as and when required.

Once commercial production is undertaken, the Group ensures adequate provisions or rehabilitation, and decommissioning is made in accordance with the relevant laws and regulations.

Refer to page 14 in the Strategic report for detailed disclosure per the TCFD requirements.

DIRECTORS' REPORT

Statement of Directors' Responsibility

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 elected to prepare the financial statements in accordance with UK adopted international accounting standards in conformity with the requirements of the Companies Act 2006 and international financial reporting standards as adopted by the United Kingdom.

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 the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the Directors are required to:

- Select suitable accounting policies and apply them consistently;
- Make judgments and accounting estimates that are reasonable and prudent;
- State whether applicable 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.

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 as well as 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.

They are further responsible for ensuring that the Strategic Report and the Directors' Report and other information included in the Annual Report and Financial Statements is prepared in accordance with applicable law in the United Kingdom.

The maintenance and integrity of the Quantum Data Energy PLC website is the responsibility of the Directors. The work carried out by the auditors does not involve the consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred in the accounts since they were initially presented on the website.

Legislation in the United Kingdom that governs the preparation and dissemination of the accounts and the other information included in annual reports may differ from legislation in other jurisdictions.

The Board

The Board is responsible for the supervision and control of the Group and is accountable to the shareholders. The Board has reserved decision-making on a variety of matters, including determining strategy for the Group, reviewing and monitoring executive management performance and monitoring risks and controls.

The Board has three Directors, comprising an executive director and two non-executive directors. The non-executive Chairman is one of the independent non-executive directors. The Board met formally on 10 occasions during the year ended 31 December 2025. An agenda and supporting documentation were circulated in advance of each meeting. All the Directors bring independent judgement to bear on issues affecting the Group and all have full and timely access to information necessary to enable them to discharge their duties. The Directors have a wide and varying array of experience in the industry.

Auditors

Parker Russell UK LLP were appointed as the Company's auditors on 2 June 2026, following the resignation of Crowe U.K. LLP, and have indicated their willingness to continue in office.

DIRECTORS' REPORT

Annual General Meeting

Notice of the forthcoming reconvened Annual General Meeting of the Company, together with resolutions relating to the Company's ordinary and special business, will be given to the members separately.

Provision of information to the auditor

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

- So far as that Director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- That Director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the Company's auditors in connection with preparing their report and to establish that the Company's auditor is aware of that information.

This report was approved by the Board on 4 August 2026 and signed on its behalf by:

On behalf of the Board

Pieter Krügel

Paul Venter

Opinion

We have audited the financial statements of Quantum Data Energy PLC (the "Company") and its subsidiaries (together the "Group") for the year ended 31 December 2025, which comprise the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Financial Position, the Company Statement of Financial Position, the Consolidated Statement of Changes in Equity, the Company Statement of Changes in Equity, the Consolidated Statement of Cash Flows, the Company Statement of Cash Flows, and the related notes to the financial statements, including material accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK-adopted international accounting standards ("IAS").

In our opinion, the financial statements:

- give a true and fair view of the state of the Group and Company's affairs as at 31 December 2025 and of the Group's loss for the year then ended;
- have been properly prepared in accordance with IAS; 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 as applied to public interest entities, 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.

Material uncertainty related to going concern

We draw attention to note 27 in the financial statements, which sets out the Directors' assessment that the Group remains reliant on future fund-raising activity to support its ongoing development and commercialisation activities. Although the Directors have a reasonable expectation that the Group will be able to raise further financing, there is no guarantee, which indicates that material uncertainty exists that may cast significant doubt on the Company and Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

We have highlighted going concern as a key audit matter. 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 and the Company's ability to continue to adopt the going concern basis of accounting included:

- obtaining an understanding of directors' going concern assessment and working capital management process;
- reviews of directors' cash flow forecasts for at least twelve months from the date of accounts approval;
- Testing the integrity of the cash flow model;
- challenge to assumptions that directors made, having assessed the historical accuracy of assumptions made in the forecasts prepared by management to the actuals;
- obtaining supporting evidence for the funding options available to the Group, including draw-down of existing facilities and new equity raises;
- perform sensitivity analysis over the key assumptions in the forecasts; and
- assessing the appropriateness of the disclosure in the financial statements relating to the going concern position of the group, including consideration of the material uncertainty identified.

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

Our approach to the audit

In planning our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we looked at where the directors made subjective judgements, for example in respect of significant accounting estimates. As in all of our audits, we also addressed the risk of management override of internal controls, including evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit to ensure that we performed sufficient work to be able to issue an opinion on the financial statements as a whole, considering the structure of the Group, the accounting processes and controls, and the industry in which they operate.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement we identified (whether or not due to fraud), including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. The use of the Going Concern basis of accounting was assessed as a key audit matter and has already been covered in an earlier section of this report. The other key audit matters identified are described below.

Key audit matter	How our audit addressed this matter
Carrying value of development WIP (Group) and project investments (Company)	
The Group continues to invest in a portfolio of operational, construction-stage and development-stage energy projects and recently acquired development sites. The carrying values of these assets depend upon future project viability, planning approvals, grid connectivity, availability of finance, and expected future cash flows. There is a risk that assets may be overstated or that indicators of impairment may not be appropriately identified. We therefore concluded that the carrying value of development WIP and project investments is a key audit matter.	• Review management's impairment assessment; • Assess indicators of impairment and impairment reversal; • Inspect planning approvals, grid connection agreements and project funding arrangements; • Verify costs capitalised during the year; • Evaluate supporting evidence for forecast future economic benefits; and • Assessing the adequacy of disclosures related to impairment tests performed.
Accounting for equity fundraising	
During 2025 the Group completed a substantial equity fundraising involving prepaid warrants and ordinary warrants. The transactions involve complex accounting considerations including classification between equity and financial liabilities, measurement of fair values and associated disclosures. There is a risk that the accounting treatment may not comply with applicable financial reporting requirements, and we have determined that this is a key audit matter.	• Inspect prospectuses and subscription agreements; • Review legal documentation supporting the transactions; • Verify the number of warrants issued, exercised, and lapsed in the year; • Assess management's accounting treatment against applicable standards; and • Verify completeness and accuracy of related disclosures.

Key audit matter	How our audit addressed this matter
Valuation and accounting for share-based payments	
The Group granted substantial share option awards to directors and senior management during the year. The Group also issued warrants as settlement for services received during the year. The valuation of share-based payments requires significant judgement regarding expected volatility, option life, risk-free interest rates and vesting assumptions. Consequently, there is a risk of material misstatement in both the valuation of share-based payment reserves and associated expenses and we have deemed this to be a key audit matter.	• Obtaining share option and warrant agreements; • Evaluation of the classification, grant dates, vesting and service conditions and periods over which the awards should be recognised under IFRS 2; • Recalculation of the fair values using the applicable valuation methodology and tested the mathematical accuracy of the models; • Reconciliation of awards granted, exercised, lapsed and outstanding to the accounting charge, equity reserve and share-capital records; and • Assessment of the adequacy of the related accounting policy, estimation uncertainty, directors' remuneration and share-based payment disclosures.

Our application of materiality

We apply the concept of materiality both in planning and performing our audit and in evaluating the effect of misstatements. We consider materiality to be the magnitude by which misstatements, including omissions could influence the economic decisions of reasonable users that are taken on the basis of the financial statements.

In order to reduce to an appropriately low level the probability that any misstatements exceed materiality, we use a lower materiality level, performance materiality, to determine the extent of testing needed. Importantly, misstatements below these levels will not necessarily be evaluated as immaterial as we also take account of the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements as a whole.

We consider total assets to be the most significant determinant of the Group's financial performance used by the users of the financial statements. We have based materiality on 1% of reported gross assets for the Group. Overall materiality for the Group was therefore set at £49,000; and £22,000 for the Company.

Where considered appropriate performance materiality may be reduced to a lower level, such as, for related party transactions and directors' remuneration.

We agreed with the Risk, Audit and Financial Position & Prospects Procedures Committee to report to it all identified errors in excess of £2,450. Errors below that threshold would also be reported to it if, in our opinion as auditor, disclosure was required on qualitative grounds.

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.

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;
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements; and
- the part of the directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.

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 the 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;
- the financial statements and the part of the directors' remuneration report to be audited are not in agreement with the accounting records and returns;
- 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 statement of directors' responsibilities, 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 and 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.

Those charged with governance are responsible for overseeing the Group and Company's financial reporting process.

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.

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

Based on our understanding of the Group and the sector in which it operates, we identified the laws and regulations with a direct effect on material amounts and disclosures in the financial statements as including the Companies Act 2006, IAS and tax legislation. We also considered other laws and regulations fundamental to the Group's operations, including the UK Listing Rules, the Disclosure Guidance and Transparency Rules, the UK Market Abuse Regulation, data-protection requirements, and laws and regulations relevant to energy generation.

Our procedures included:

- enquiries of management, the directors and those charged with governance concerning actual and potential litigation, claims, fraud and non-compliance with laws and regulations;
- inspection of Board and committee minutes, material contracts, legal correspondence, regulatory announcements and available communications with regulators and professional advisers;
- consideration of the Company's controls and procedures for compliance with laws and regulations, the release of inside information and the identification of related-party relationships and transactions;
- testing of journal entries and other adjustments, with a focus on unusual entries, entries posted by senior management, year-end adjustments and transactions outside the normal course of business;
- review of material equity issues, ATM transactions, warrants, share-based payments, directors' remuneration, related-party transactions and other unusual or complex transactions for evidence of management bias or override;
- procedures over material development arrangements and receivables, including inspection of underlying contractual, settlement and post-year-end evidence; and
- assessment of whether the financial statements and other information appropriately disclosed matters relating to the Company's regulatory status, capital raising, energy-generation activities, related parties, subsequent events and going concern.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Other matter

The financial statements of the Company for the year ended 31 December 2024 were audited by another auditor who expressed an unqualified opinion on those financial statements on 29 April 2025.

Other matters that we are required to address

We were appointed by the Risk, Audit and Financial Position & Prospects Procedures Committee on 2 June 2026 to audit the financial statements for the year ended 31 December 2025, and this is the first year of our engagement as auditors for the Group.

We confirm that we are independent of the Company and have not provided any prohibited non-audit services, as defined by the Ethical Standard issued by the Financial Reporting Council. Our audit report is consistent with our additional report to the Risk, Audit and Financial Position & Prospects Procedures Committee explaining the results of our audit.

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 opinion we have formed.

Parker Russell UK LLP

Jason Parker MA, FCA
(Senior Statutory Auditor)

for and on behalf of Parker Russell UK LLP
Statutory Auditor

4 August 2026

Parker Russell

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	Group Year ended 31 December 2025 Audited £	Group Year ended 31 December 2024 Audited £
Revenue	2	1,629,410	737,158
Cost of sales		(1,133,065)	(441,541)
Gross profit		**496,345**	**295,617**
Administrative expenses	4	(1,265,675)	(764,441)
Listing and other corporate fees	4	(134,912)	(130,421)
Project expenditure		(257,187)	(340,582)
Share in loss of associate		(28,066)	-
Operating loss		**(1,189,495)**	**(939,827)**
Derecognition of subsidiary on loss of control	13	(110,968)	-
Finance costs		(369,946)	(244,629)
Finance income		-	18
Other income	3	151,727	87,005
Loss before tax	4	**(1,518,682)**	**(1,097,433)**
Taxation	7	-	-
Loss for the period		**(1,518,682)**	**(1,097,433)**
Total comprehensive loss for the period		**(1,518,682)**	**(1,097,433)**
Loss for the period		**(1,518,682)**	**(1,097,433)**
Attributable to the owners of the parent		(1,518,682)	(1,097,433)
Attributable to the non-controlling interest		-	-
Total comprehensive loss for the period		**(1,518,682)**	**(1,097,433)**
Attributable to the owners of the parent		(1,518,682)	(1,097,433)
Attributable to the non-controlling interest		-	-
Loss Per Share			
Basic loss per share (pence)	9	(0.07)	(0.32)
Diluted loss per share (pence)	9	(0.07)	(0.32)

All activities derive from continuing operations.

The accompanying notes on pages 49-81 form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		Group	
		31 December 2025 Audited	31 December 2024 Audited
	Note	£	£
Assets			
Non-current assets			
Property, plant and equipment	10	3,150,060	3,278,530
Intangible assets	11	-	247,405
Investment in associate	12	152,067	-
Total non-current assets		**3,302,127**	**3,525,935**
Current assets			
Trade and other receivables	14	110,647	364,469
Cash and cash equivalents	15	1,436,943	146,446
Inventory	16	37,488	-
Total current assets		**1,585,078**	**510,915**
Total assets		**4,887,205**	**4,036,850**
Equity and liabilities			
Equity			
Called up share capital	17	166,385	426,354
Share premium account	17	16,770,655	13,326,277
Deferred shares	17	415,695	-
Share-based payments reserve	18	260,478	400,241
Unexercised prepaid warrants	18	46,013	-
Common control reserve	18	383,048	383,048
Other reserves	18	(4,065,586)	(4,065,586)
Retained deficit		(12,827,534)	(11,708,605)
Total equity		**1,149,154**	**(1,238,271)**
Liabilities			
Non-current liabilities			
Lease liability	10	366,301	341,149
Other financial liabilities	21	-	2,268,089
Total non-current liabilities		**366,301**	**2,609,238**
Current liabilities			
Lease liability	10	4,570	3,867
Trade and other payables	20	314,212	696,049
Other financial liabilities	21	3,052,968	1,965,967
Total current liabilities		**3,371,750**	**2,665,883**
Total liabilities		**3,738,051**	**5,275,121**
Total equity and liabilities		**4,887,205**	**4,036,850**

The accompanying notes on pages 49-81 form an integral part of these financial statements.

The financial statements were approved by the Board of Directors on 4 August 2026 and signed on its behalf by:

On behalf of the Board:

Pieter Krügel **Paul Venter**

Company registration number: 12886458 (England & Wales)

COMPANY STATEMENT OF FINANCIAL POSITION

		31 December 2025	31 December 2024
		Audited	Audited
		£	£
Assets			
Non-current assets			
Property, plant and equipment		-	838
Investments in group undertakings	13 & 22	4,303,801	4,303,801
Total non-current assets		**4,303,801**	**4,304,639**
Current assets			
Loans to related parties	19	157,634	-
Other receivables	14	32,253	27,622
Cash and cash equivalents	15	1,372,535	43,207
Total current assets		**1,562,422**	**70,829**
Total assets		**5,866,223**	**4,375,468**
Equity and liabilities			
Equity			
Called up share capital	17	166,385	426,354
Share premium	17	16,770,655	13,326,277
Unexercised prepaid warrants	18	46,013	-
Deferred shares	17	415,695	-
Share-based payments reserve	18	260,478	400,241
Retained deficit		(12,288,892)	(11,497,255)
Total Equity		**5,370,334**	**2,655,617**
Liabilities			
Current liabilities			
Other financial liabilities	21	-	938,921
Loans from related parties	19	252,175	375,047
Trade and other payables	20	243,714	405,883
Total current liabilities		**495,889**	**1,719,851**
Total liabilities		**495,889**	**1,719,851**
Total equity and liabilities		**5,866,223**	**4,375,468**

Equity includes a loss for the period of the parent Company of £1,191,390 (2024: loss of £783,394).

The accompanying notes on pages 49-81 form integral part of these financial statements.

The financial statements were approved and authorised for issue by the Board of Directors on 4 August 2026 and signed on its behalf by:

On behalf of the Board:

Pieter Krügel **Paul Venter**

Company registration number: 12886458 (England & Wales)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share Capital	Share Premium	Deferred Shares	Share Reserve	Common Control Reserve	Share-based payments reserve	Unexercised prepaid warrants	Other reserves	Retained deficit	Total
	£	£	£	£	£	£	£	£	£	£
Balance at 31 December 2023	**263,854**	**13,183,277**	**-**	**81,329**	**383,048**	**380,741**	**-**	**(4,065,586)**	**(10,611,172)**	**(384,509)**
Total comprehensive loss for the year	-	-	-	-	-	-	-	-	(1,097,433)	(1,097,433)
Shares issued	162,500	143,000	-	-	-	19,500	-	-	-	325,000
Derecognition of equity component of directors' loan repayable in shares	-	-	-	(81,329)	-	-	-	-	-	(81,329)
Balance at 31 December 2024	**426,354**	**13,326,277**	**-**	**-**	**383,048**	**400,241**	**-**	**(4,065,586)**	**(11,708,605)**	**(1,238,271)**
Total comprehensive loss for the year	-	-	-	-	-	-		-	(1,518,682)	(1,518,682)
Employee share options issued	-	-	-	-	-	157,181	-	-	-	157,181
Warrants unexercised							46,013			46,013
Share consolidation	(415,695)	-	415,695	-	-	(19,012)	-	-	19,012	-
Share issue costs	-	(2,559,630)	-	-	-	-	-	-	-	(2,559,630)
Shares issued in lieu of amounts due	1,958	100,082	-	-	-	-	-	-	-	102,040
Warrants exercised	153,768	6,007,223	-	-	-	(488)	-	-	-	6,160,503
Warrants expired	-	-	-	-	-	(380,741)	-	-	380,741	-
Warrants issued during the year	-	(103,297)	-	-	-	103,297	-	-	-	-
Balance at 31 December 2025	**166,385**	**16,770,655**	**415,695**	**-**	**383,048**	**260,478**	**46,013**	**(4,065,586)**	**(12,827,534)**	**1,149,154**

The notes on pages 49-81 form part of the financial statements.

COMPANY STATEMENT OF CHANGES IN EQUITY

	Share Capital	Share Premium	Deferred Shares	Share Reserve	Share-based payments reserve	Unexercised prepaid warrants	Retained deficit	Total
	£	£	£	£	£	£	£	£
Balance at 31 December 2023	**263,854**	**13,183,277**	**-**	**81,329**	**380,741**	**-**	**(10,713,861)**	**3,195,340**
Total comprehensive loss for the year	-	-	-	-	-	-	(783,394)	(783,394)
Loans partially settled in shares	162,500	143,000	-	-	19,500	-	-	325,000
Derecognition of equity component of director's loan repayable in shares	-	-	-	(81,329)	-	-	-	(81,329)
Balance at 31 December 2024	**426,354**	**13,326,277**	**-**	**-**	**400,241**	**-**	**(11,497,255)**	**2,655,617**
Total comprehensive loss for the year	-	-	-	-	-	-	(1,191,390)	(1,191,390)
Employee share options issued	-	-	-	-	157,181		-	157,181
Share consolidation	(415,695)	-	415,695	-	(19,012)		19,012	-
Warrants unexercised	-	-	-	-	-	46,013	-	46,013
Share issue costs	-	(2,559,630)	-	-	-	-	-	(2,559,630)
Shares issued in lieu of amounts due	1,958	100,082	-	-	-	-	-	102,040
Warrants exercised	153,768	6,007,223	-	-	(488)	-	-	6,160,503
Warrants expired	-	-	-	-	(380,741)	-	380,741	-
Warrants issued during the year	-	(103,297)	-	-	103,297	-	-	-
Balance at 31 December 2025	**166,385**	**16,770,655**	**415,695**	**-**	**260,478**	**46,013**	**(12,288,892)**	**5,370,334**

The accompanying notes on pages 49-81 form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

	Notes	Year ended 31 December 2025 Audited £	Year ended 31 December 2024 Audited £
Cash flows from operating activities			
Loss for the year before taxation		(1,518,682)	(1,097,433)
Adjusted for:			
Amounts due settled from Rochdale disposal proceeds		-	41,234
Amounts due settled from share issue proceeds		(102,041)	64,500
Depreciation		127,251	78,894
Employee share options scheme		157,181	-
Loss / (Gains) on disposal of non-current assets and liabilities	3&13	110,968	(87,005)
Interest paid on lease liabilities		30,320	-
Non-cash interest accrued		314,085	244,629
Share in loss from associate		28,066	-
Other non-cash items		(1,498)	11,451
		(854,350)	**(743,730)**
Movement in working capital:			
Increase / (Decrease) in debtors	14	176,838	(241,820)
Increase in inventories		(37,488)	-
Decrease in creditors	20	(372,209)	(245,639)
		(232,859)	**(487,459)**
Net cash outflows from operating activities		**(1,087,209)**	**(1,231,189)**
Cash flows from investing activities			
Disposal of subsidiary		(889)	216,936
Property, plant and equipment acquired		-	(1,636,555)
Property, plant and equipment disposed		-	270,000
Advances to related parties		(13,466)	-
Net cash outflows to investing activities		**(14,355)**	**(1,149,619)**
Cash flows from financing activities			
Lease liabilities repaid		(35,461)	(39,826)
Proceeds from term loan		-	2,839,297
Net proceeds from warrants net of share issue cost		3,673,383	-
Repayments of term loan		(1,337,901)	(529,969)
Repayments of director’s loan		(10,000)	(3,000)
Shares issued net of share issue costs		102,040	260,500
Net cash received from financing activities		**2,392,061**	**2,527,002**
Net increase in cash and cash equivalents		**1,290,497**	**146,194**
Cash and cash equivalents at beginning of year		146,446	252
Cash and cash equivalents at end of the year	15	**1,436,943**	**146,446**

The accompanying notes on pages 49-81 form an integral part of these financial statements.

Shares were issued in the amount of £2,000,000 for consulting services received. This transaction was also treated as a non-cash movement.

COMPANY STATEMENT OF CASH FLOWS

	Notes	Year ended 31 December 2025 Audited £	Year ended 31 December 2024 Audited £
Cash flows from operating activities			
Loss for the year before taxation		(1,191,390)	(783,394)
Adjusted for:			
Amounts due settled from share issue proceeds		(102,041)	64,500
Depreciation		838	1,588
Employee share options scheme		157,181	-
Loss / (gain) on revaluation of CLN derivative liabilities		-	(1,374)
Loss on disposal of non-current assets		-	613
Non-cash interest accrued		2,714	75,071
Other non-cash items		(1,498)	1
		(1,134,196)	**(642,995)**
Movement in working capital:			
Increase in debtors	14	(4,631)	(45,360)
Decrease in creditors	20	(162,169)	(115,663)
		(166,800)	**(161,023)**
Net cash outflows from operating activities		**(1,300,996)**	**(804,018)**
Cash flows from investing activities			
Investment in subsidiaries		29,948	(50,864)
Return of capital contribution in subsidiaries		(310,454)	216,936
Net cash received from / (outflows to) investing activities		**(280,506)**	**166,072**
Cash flows from financing activities			
Net proceeds from warrants net of share issue cost		3,673,383	-
Proceeds from loans from group companies		-	423,647
Shares issued net of share issue costs		102,040	260,500
Repayments of director's loan		(10,000)	(3,000)
Repayment of term loan		(854,593)	-
Net cash received from financing activities		**2,910,830**	**681,147**
Net increase in cash and cash equivalents		**1,329,328**	**43,201**
Cash and cash equivalents at beginning of year		43,207	6
Cash and cash equivalents at end of the year	15	**1,372,535**	**43,207**

The accompanying notes on pages 49-81 form an integral part of these financial statements.

During the year the loan from group companies was partially settled in the amount of £48,600 through the provision of services by the Company to its subsidiary Pyebridge. This transaction was treated as a non-cash movement in debtors and loans from group companies.

Shares were issued in the amount of £2,000,000 for consulting services received. This transaction was also treated as a non-cash movement.

SUMMARY OF MATERIAL ACCOUNTING POLICIES

General Information

Quantum Data Energy Plc (Formerly MAST Energy Developments Plc) ("the Company") is a Company incorporated in England and Wales. The Group financial statements consolidate those of the Company and its subsidiaries (together referred to as the "Group").

The principal activities of the Company and its subsidiaries are related to the development and production of power generation projects in the United Kingdom.

The individual financial statements of the Company ("Company financial statements") have been prepared in accordance with the Companies Act 2006 which permits a Company that publishes its Company and Group financial statements together, to take advantage of the exemption in Section 408 of the Companies Act 2006, from presenting to its members its Company Income Statement and related notes that form part of the approved Company financial statements.

Going Concern

Please refer to the Directors' Report and Note 27 for the directors' assessment and disclosure of the going concern basis of preparation.

Statement of Preparation

The Group and Company's financial statements have been prepared in accordance with the requirements of the CA2006 and UK-adopted international accounting standards. These standards include International Accounting Standards (IAS), International Financial Reporting Standards (IFRS) and related Interpretations (SIC-IFRIC interpretations); subsequent amendments to those standards and related interpretations, future standards and related interpretations issued or adopted by the International Accounting Standards Board (IASB).

Statement of Material Accounting Policies

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements.

Basis of Preparation

The Group and Company financial statements are prepared on the historical cost basis except for certain financial instruments which are at fair value. The accounting policies have been applied consistently throughout the Group entities, and are consistent with those of the comparative period. The Group and Company financial statements have been prepared on a going concern basis as explained in the notes to the financial statements.

The individual financial information of each Group entity is measured and presented in the currency of the primary economic environment in which the entity operates (its functional currency). The consolidated financial information of the Group is presented in Pounds Sterling, which is the presentation currency for the Group. The functional currency of each of the Group entities is the local currency of each individual entity.

Use of Estimates and Judgements

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources.

In particular, there are significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements.

SUMMARY OF MATERIAL ACCOUNTING POLICIES

Estimation uncertainty:
Information about estimates and assumptions that may have the most significant effect on recognition and measurement on assets, liabilities and expenses is provided below:

Impairment assessment of non-financial assets
In applying IAS 36, impairment assessments are performed whenever events or changes in circumstances indicate that the carrying amount of an asset or cash generating unit ("CGU") may not be recoverable. Estimates are made in determining the recoverable amount of assets which includes the estimation of cash flows and discount rates used. In estimating the cash flows, management bases cash flow projections on reasonable and supportable assumptions that represent management's best estimate of the range of economic conditions that will exist over the remaining useful life of the assets. The discount rates used reflect the current market assessment of the time value of money and the risks specific to the assets for which the future cash flow estimates have not been adjusted. Refer to Note 11 for detailed sensitivity analysis related to a potential change in the key estimation uncertainties inherent in the impairment assessment.

Useful life of Intangible assets
Amortisation is charged on a systematic basis over the estimated useful lives of the assets after taking into account the estimated residual values of the assets. Useful life is either the period of time over which the asset is expected to be used or the number of production or similar units expected to be obtained from the use of the asset.

Estimation uncertainty in the valuation of share-based instruments in issue
Share-based instruments issued, such as warrants or options, or payments made require significant judgment and estimate concerning the method of valuation applied and key inputs applied respectively. In order to calculate the charge for share based warrants issued or payments as required by IFRS 9 and IFRS 2 respectively, the Group makes estimates principally relating to the assumptions used in its option-pricing model. Refer to Note 18 for details on valuation of share-based transactions, including options and warrants granted.

Useful life of Property, plant and Equipment
The depreciable amounts of assets are allocated on a systematic basis over their useful lives. In determining the depreciable amount, management makes assumptions in respect of the residual value of assets based on the expected estimated amount that the entity would currently obtain from disposing the asset, after deducting the estimated costs of disposal. If an asset is expected to be abandoned, the residual value is estimated at £nil. In determining the useful lives of assets, management considers the expected period of use of assets, expected physical wear and tear, legal or similar limits of assets such as rights, condition and location of the asset as well as obsolescence.

Estimation uncertainty in the accrual for variable revenue in relation to electricity generation
The group's revenue is dependent on the sale of electricity through an offtake partner based on the quantity of variable units generated over the course of the year. The utilisation rate is determined by the offtake partner who in turn relies on on-demand electricity request from the applicable service area. The group estimates its accrued revenue based on preliminary data received from the offtake partner which is obtained daily from the portal. Upon receipt of the final monthly invoice, which is usually in time for year-end reporting purposes, the estimates are updated to the actual values. No estimation uncertainties exist over fixed amount contracts for management fees and capacity market revenues.

Critical judgements:
Information about critical judgements that may have the most significant effect on recognition and measurement on assets, liabilities and expenses is provided below:

Going Concern
Management applies judgement in determining whether or not the Group is able to continue as a going concern for the foreseeable future, in identifying the matters which give rise to the existence of the material uncertainty, and in developing responses thereto in order to address the risk of material uncertainty.

SUMMARY OF MATERIAL ACCOUNTING POLICIES

The Group generated revenue of £1,629,410 (2024: £737,158) for the year ended 31 December 2025 and had a net asset position of £1,149,154 (2024: net liability position of £1,238,271). As at year end, the Group had liquid assets in the form of cash and cash equivalent and other receivables of £1,436,943 and £110,647 (year to 31 December 2024: £146,446 and £364,469), respectively. The Group has a net current liability position of £1,786,672 (2024: £2,154,323). The current liabilities causing the net current liability position are the Pyebridge specific term loan of £2,203,715 and the Riverfort/Sloane loan of £849,253. The Sloane loan is expected to be settled in shares, consistent with the conversions to date, with no cash repayment anticipated. This debt is not at Company level. The Group has options available to repay the current liabilities as described in note 27.

Critical Judgement – Consulting Services Settled through the Exercise of Warrants
Management exercised significant judgement in determining the accounting treatment of consulting services settled through the exercise of warrants. Based on the nature of the services received, management concluded that the costs were directly attributable to the issue of equity instruments and therefore constitute share issue costs rather than operating expenses.

Accordingly, the fair value of the consulting services has been recognised as a deduction from equity against the share premium reserve. This treatment is consistent with IAS 32 paragraphs 35 and 37, which require incremental costs directly attributable to an equity transaction to be recognised as a deduction from equity. In determining the amount recognised, management also considered the measurement principles of IFRS 2 paragraphs 8, 10, 11 and 13A relating to equity-settled share-based payment transactions.

If management had concluded that the consulting services related to the Company's ongoing operating activities rather than the equity transaction, the costs would have been recognised as an expense in profit or loss, with a corresponding credit to equity.

Consolidation

The consolidated annual financial statements comprise the financial statements of Quantum Data Energy Plc and its subsidiaries for the year ended 31 December 2025, over which the Company has control.

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

In assessing control, potential voting rights that are currently exercisable or convertible are taken into account. Subsidiaries are fully consolidated from the date that control commences until the date that control ceases. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group. Intragroup balances and any unrealised gains or losses or income or expenses arising from intragroup transactions are eliminated in preparing the Group financial statements, except to the extent they provide evidence of impairment.

The Group accounts for business combinations using the acquisition method of accounting. The cost of the business combination is measured as the aggregate of the fair values of assets given, liabilities incurred or assumed and equity instruments issued. Costs directly attributable to the business combination are expensed as incurred, except the costs to issue debt which are amortised as part of the effective interest and costs to issue equity which are included in equity.

The acquiree's identifiable assets, liabilities and contingent liabilities which meet the recognition conditions of IFRS 3 Business Combinations are recognised at their fair values at acquisition date.

Contingent liabilities are only included in the identifiable assets and liabilities of the acquiree where there is a present obligation at acquisition date.

Non-controlling interest arising from a business combination is measured either at their share of the net asset value of the assets and liabilities of the acquiree or at fair value. The treatment is not an accounting policy choice but is selected for each individual business combination, and disclosed in the note for business combinations.

SUMMARY OF MATERIAL ACCOUNTING POLICIES

Changes in the Group's interest in subsidiaries that do not result in a loss of control are accounted for as equity transactions.

Intangible Assets

Intangible assets acquired separately
Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives which are disclosed in Note 11. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Derecognition of intangible assets
An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

Impairment

Non-financial assets
Assets are reviewed for impairment at each reporting date or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. 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 fair value less costs of disposal 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 (cash generating units).

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised in the Statement of Comprehensive Income immediately.

Property, Plant and Equipment

Property, Plant and Equipment is stated at cost, less accumulated depreciation.

Cost includes expenditure that is directly attributable to the acquisition of the items of property, plant and equipment. The cost of self-constructed items of property, plant and equipment includes the cost of materials and direct labour, any other costs directly attributable to bringing the items of property, plant and equipment to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. Assets under construction are not depreciated.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:
- Plant & machinery at 5% straight line;
- Right of Use assets straight line over the lower of asset life or lease term.

Depreciation methods, useful lives and residual values are reviewed at each reporting date. Useful lives are affected by technology innovations, maintenance programmes and future economic benefits. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

On disposal of property, plant and equipment the cost and the related accumulated depreciation and impairments are removed from the financial statements and the net amount, less any proceeds, is taken to the Statement of Comprehensive Income.

SUMMARY OF MATERIAL ACCOUNTING POLICIES

Right-of-use assets and corresponding lease liability
For any new contracts entered into the Group considers whether a contract is, or contains a lease. A lease is defined as ‘a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration’. To apply this definition the Group assesses whether the contract meets three key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Group.
- the Group has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract
- the Group has the right to direct the use of the identified asset throughout the period of use. The Group assess whether it has the right to direct ‘how and for what purpose’ the asset is used throughout the period of use.

At lease commencement date, the Group recognises a right-of-use asset and a lease liability on the statement of financial position. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, and any lease payments made in advance of the lease commencement date. The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicators exist. At the commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Group’s incremental borrowing rate. In determining the present value of the lease liability, the Group has used its incremental borrowing rate of prime as the rate implicit in the lease was not readily available. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.
The Group has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

On the statement of financial position, right-of-use assets have been included in property, plant and equipment and lease liabilities have been included in trade payables.

Income Tax

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the Income Statement.

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

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that they probably will not reverse in the foreseeable future. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised. The balance of unrecognised deferred tax assets for the year ended 31 December 2025 is £2,008,599 (2024: £1,684,628).

SUMMARY OF MATERIAL ACCOUNTING POLICIES

Employee benefits

Short-term benefits
Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid under short-term cash bonuses or profit-sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Finance income and expense

Finance income comprises interest income on funds invested, dividend income, gains on the disposal of available-for-sale financial assets, and changes in the fair value of financial assets at fair value through profit or loss. Interest income is recognised as it accrues in profit or loss, using the effective interest method. Dividend income is recognised in profit or loss on the date that the Group's right to receive payment is established, which in the case of listed securities is the ex-dividend date.

Finance expenses comprise interest expense on borrowings, unwinding of discount on provisions, changes in the fair value of financial assets at fair value through profit or loss, impairment losses recognised on financial assets and losses on forward exchange contracts that are recognised in profit or loss. All borrowing costs are recognised in profit or loss using the effective interest method.

Earnings per Share

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

Financial Instruments

Recognition
Financial instruments comprise loans receivable, trade and other receivables, cash and cash equivalents, trade and other payables, other financial liabilities and bank overdrafts.
Financial assets and liabilities are recognised in the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instruments.

Classification
The Group classifies financial assets on initial recognition as measured at amortised cost as the Group's business model and objective is to hold the financial asset in order to collect the contractual cash flow and the contractual terms allows for cash flows on specified dates for the payment of the principal amounts outstanding.

Financial liabilities are classified at amortised cost.

Financial assets	**Classification**
Trade and other receivables	Financial assets at amortised cost
Cash and cash equivalents	Financial assets at amortised cost

Financial liabilities	**Classification**
Loans from related parties	Financial liabilities at amortised cost
Trade and other payables	Financial liabilities at amortised cost
Other financial liability	Financial liabilities at amortised cost
CLN Derivative liability	Financial liabilities at fair value through profit or loss

SUMMARY OF MATERIAL ACCOUNTING POLICIES

Financial assets are classified as current if expected to be realised or settled within 12 months from the reporting date; if not, they are classified as non-current. Financial liabilities are classified as non-current if the Group has an unconditional right to defer payment for more than 12 months from the reporting date.

Measurement on Initial recognition
All financial assets and liabilities are initially measured at fair value, including transaction costs.

Subsequent measurement
Financial assets held at amortised cost are subsequently measured at amortised cost using the effective interest method, less any impairment losses.

Financial liabilities are subsequently measured at amortised cost using the effective interest method. Financial assets held at fair value through profit or loss are revalued at year end to relevant market prices of the underlying instruments.

De-recognition
Financial assets are derecognised when the rights to receive cash flows from the assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

Financial liabilities are derecognised when the obligations specified in the contracts are discharged, cancelled or expire.
On de-recognition of a financial asset/liability, any difference between the carrying amount extinguished and the consideration paid is recognised in profit or loss.

Impairment of Financial Assets not carried at Fair value
Under IFRS 9 the Group calculates its allowance for credit losses as expected credit losses (ECLs) for financial assets measured at amortised cost. ECLs are a probability weighted estimate of credit losses.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate.

Significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in Groups that share similar credit risk characteristics.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For financial assets measured at amortised cost, the reversal is recognised in the profit or loss.

Share based payments reserve

For such grants of share options or warrants qualifying as equity-settled share-based payments, the fair value as at the date of grant is calculated using the Black-Scholes option pricing model, taking into account the terms and conditions upon which the options or warrants were granted. The amount recognised as an expense is adjusted to reflect the actual number of share options or warrants that are likely to vest, except where forfeiture is only due to market-based conditions not achieving the threshold for vesting.

Share capital

Incremental costs directly attributable to the issue of ordinary shares are recognised directly in equity.

Share-based payment transactions of the company

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service.

SUMMARY OF MATERIAL ACCOUNTING POLICIES

Inventories

Inventories represent replacement parts and consumables used in the normal course of business in maintaining the property, plant and equipment. These replacements parts are not considered significant components requiring recognition under IAS 16.

Inventories are measured at the lower of cost and net realisable value on the first-in-first-out basis.

The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Write downs and reversals of write downs of inventories are included as part of the cost of goods sold.

Revenue from contracts with customers

The Group and Company recognise revenue from the following major sources:

- Sale of electricity generated through small scale flexible power plants.
- Receipt of payments based on Capacity Market contracts to provide electricity capacity to the UK market during stress events.
- Provision of management services by the Company to its subsidiaries.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Revenue is recognised in accordance with the timing specific to each revenue stream, as set out below:.

Over time
Capacity market – the revenue is recognised over time as the performance obligation is satisfied over the duration for which the capacity market contract has been agreed. The performance obligation relates to the availability to provide emergency capacity to the National Grid ESO in the event that a grid stress event occurs. The consideration for the contract term is fixed, however the value of the monthly payments is variable to the extent in which the monthly weightings have been applied to variable factors applicable to the cyclical nature of electricity supply throughout any given year. The revenue is recognised monthly with the availability of capacity being tested during Satisfactory Performance Days ("SPD"). In the event that a stress event occurs QDE will accrue further electricity utilisation revenues based on the capacity utilised by the National Grid ESO.

Management services – the revenue is recognised over time as the performance obligation is satisfied over the duration of the contract review period. The performance obligations include a number of management related functions provided by QDE to the projects under its control. The consideration for the contract term is fixed annually based on a fixed Tier Sum multiplied by the expected MW capacity of the relevant project. The capacity is determined by the generator hardware installed and its condition at review date.

At a point in time
Sale of electricity – the revenue is recognised at a point in time as the performance obligation is satisfied as it is consumed. The performance obligations are not predetermined in value and no requirements exist to provide a targeted amount of Power (measured in MW) during any given month. The consumer does not take any responsibility for the operation and maintenance of the power generation facilities. The revenue is recognised monthly based on the units consumed multiplied by the applicable market electricity price.

Customers are invoiced on a monthly basis and consideration is payable when invoiced.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

NEW STANDARDS AND INTERPRETATIONS

Standards issued but not yet effective:

At the date of authorisation of these financial statements, the following standards and interpretations relevant to the Group and which have not been applied in these financial statements, were in issue but were not yet effective.

Standard	Effective date, annual period beginning on or after
IFRS 18 (Presentation and Disclosure in Financial Statements) The objective of IFRS 18 is to set out requirements for the presentation and disclosure of information in general purpose financial statements (financial statements) to help ensure they provide relevant information that faithfully represents an entity's assets, liabilities, equity, income and expenses.	01 January 2027.
IAS 8 (Basis of Preparation of Financial Statements) IFRS 18 *Presentation and Disclosure in Financial Statements* replaces IAS 1 *Presentation of Financial Statements*. In replacing IAS 1 the International Accounting Standards Board (Board) carried over some requirements in IAS 1 to IAS 8. The requirements that the Board decided to move are the concepts of fair presentation and compliance with IFRS Accounting Standards, whether an entity is a going concern, the accrual basis of accounting and disclosure of an entity's selection and application of accounting policies. Consequently, the Board decided to change the title of IAS 8 to *Basis of Preparation of Financial Statements* to better reflect the amended content of IAS 8.	01 January 2027.

The Directors anticipate that the adoption of these Standards and Interpretations in future periods will have no material financial impact other than additional disclosures on the financial statements of the Group.

The Group expects to adopt all relevant standards and interpretations as and when they become effective.

Standards and interpretations which are effective in the current period (Changes in accounting policies):

None of the standards which became effective during the period which are applicable to the Group, have had a material impact.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

1. Segment analysis

The Group discloses segmental analysis based on its different operations, being ADV 001 (Hindlip Lane), ARL 018 (Stather Road), Bordersley, Rochdale and Pyebridge.

	ADV001 Hindlip Lane	ARL018 Stather Road	Bordersley	Rochdale	Pyebridge	Treasury and Investment	Group
31 December 2025	**(£)**	**(£)**	**(£)**	**(£)**	**(£)**	**(£)**	**(£)**
Revenue	-	-	-	-	1,629,410	-	1,629,410
Cost of sales	-	-	-	-	(1,133,065)	-	(1,133,065)
Administrative and other expenses	(200)	(10,276)	(9,273)	-	(55,194)	(1,190,732)	(1,265,675)
Depreciation	-	-	(1,192)	-	(125,221)	(838)	(127,251)
Project costs	4,690	(2,525)	(7,081)	-	(184,002)	58,982	(129,936)
Other income	-	33,439	-	-	-	118,288	151,727
Derecognition of subsidiary	-	-	-	-	-	(110,968)	(110,968)
Listing and other expenses	-	-	-	-	-	(134,912)	(134,912)
Share in loss from associate	-	-	-	-	-	(28,066)	(28,066)
Finance costs	-	-	(30,320)	-	(288,063)	(51,563)	(369,946)
Profit/(loss) before tax	**4,490**	**20,638**	**(47,866)**	**-**	**(156,135)**	**(1,339,809)**	**(1,518,682)**
Total assets	**-**	**5,976**	**82,379**	**-**	**3,578,046**	**1,220,804**	**4,887,205**
Total liabilities	**-**	**(40,767)**	**(346,230)**	**-**	**(2,232,142)**	**(1,118,912)**	**(3,738,051)**
31 December 2024	**(£)**	**(£)**	**(£)**	**(£)**	**(£)**	**(£)**	**(£)**
Revenue	-	-	-	-	737,158	-	737,158
Cost of sales	-	-	-	-	(441,541)	-	(441,541)
Administrative and other expenses	(36,470)	(9,820)	(9,248)	(2,616)	(73,218)	(763,490)	(894,862)
Depreciation	-	-	-	-	(77,305)	(1,589)	(78,894)
Project costs	(2,278)	(512)	(6,717)	(1,171)	(299,424)	48,414	(261,688)
Other income	-	70,673				16,350	87,023
Finance costs	(230)	(3,690)	(29,309)	-	(136,329)	(75,071)	(244,629)
Profit/(loss) before tax	**(38,978)**	**56,651**	**(45,274)**	**(3,787)**	**(290,659)**	**(775,386)**	**(1,097,433)**
Total assets	**110,597**	**5,248**	**50,749**	**-**	**3,591,046**	**279,210**	**4,036,850**
Capital expenditure	-	-	-	-	1,636,555	-	1,636,555
Total liabilities	**(128,077)**	**(59,657)**	**(398,656)**	**-**	**(2,595,350)**	**(2,093,381)**	**(5,275,121)**

As the Group currently operates solely from the United Kingdom, consequently there is no segmented disclosure with regard to different geographic areas of operation.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

2. Revenue

	31 December 2025 (£) Group	31 December 2024 (£) Group
Wholesale electricity sales	1,456,816	463,073
Capacity market	172,594	274,085
	1,629,410	**737,158**
Disaggregation of Income:		
- At a point in time	1,456,816	463,072
- Over time	172,594	274,085
	1,629,410	**737,158**

	31 December 2025 (£) Company	31 December 2024 (£) Company
Management fee	59,610	48,600
Disaggregation of Income:		
- Over time	59,610	48,600

Revenue at group level comprised electricity sales and capacity market receipts. Revenue at company level comprised management fees charged to subsidiaries.

3. Other Income

	31 December 2025(£) Group	31 December 2024 (£) Group
Gain on settlement of liability	151,727	-
Gain on disposal of subsidiary assets	-	16,332
Gain on derecognition of lease	-	70,673
	151,727	**87,005**

During the financial year the Group had no other income not listed above.

4. Loss on ordinary activities before taxation

Loss on ordinary activities before taxation is stated after the following key transactions:	31 December 2025 (£) Group	31 December 2024 (£) Group
Depreciation of property, plant and equipment	127,251	78,894
Derecognition of subsidiary on loss of control	110,968	-
Administrative expenses consist of:		
Accounting fees	39,681	53,061
Auditing fees (also refer to note 5)	53,500	53,275
Consulting, legal and professional fees	278,607	238,971
Employee costs	323,290	319,506
Non-cash employee share options scheme	157,181	-
Insurance	43,095	43,489
Public relations costs	337,839	25,766
Other administrative expenses	32,482	30,373
	1,265,675	**764,441**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Listing and other corporate fees consist of:		
Listing fees	86,622	115,718
Registrar fees	48,290	14,703
	134,912	**130,421**
Average number of employees	1	1

Management consultants are appointed though service contracts and not considered employees. Fees paid to Management Consultants who were also awarded share options (excluding directors) in 2025 is £132,230.

5. Auditors' remuneration

	31 December 2025 (£)	31 December 2024 (£)
Audit fees for the audit of the Company's annual accounts	31,500	21,000
Fees payable to the Company's auditor and its associates for:		
Audit fees for audit of Company's subsidiaries required by legislation	22,000	32,275
Audit fees to the Company's auditors	**53,500**	**53,275**
Non-audit services (Reporting Accountant Engagement)	30,000	-

The fees disclosed above were accrued for in the accounts for the previous auditors. Subsequent to year-end the previous auditors resigned. The Company engaged new auditors on 2 June 2026. The agreed fees for the group audit is £ 59,650. No non audit services were delivered by the new auditors. The new audit fee was not accrued as it is considered a non-adjusting event.

6. Directors' emoluments

	Group 31 December 2025 (£)	Group 31 December 2024 (£)	Company 31 December 2025(£)	Company 31 December 2024 (£)
Basic salary and fees	245,216	221,444	245,216	221,444
Share based payments	128,073	-	128,073	-
	373,289	**221,444**	**373,289**	**221,444**

The emoluments of the Chairman were £27,000 (2024: £20,550).
The emoluments of the highest paid Director were £196,613 (2024: £157,844).

The following table summarises the remuneration applicable to each of the individuals who held office as a Director during the reporting period:

31 December 2025	**Salary and fees** £	**Other benefits** £	**Options issued*** £	**Total** £
Celia Li	21,603	-	-	21,603
Paul Venter	27,000	-	11,643	38,643
Pieter Krügel	180,000	16,613	116,430	313,043
Total	**228,603**	**16,613**	**128,073**	**373,289**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

31 December 2024	Salary and fees £	Other benefits £	Options issued £	Total £
Louis Coetzee	20,550	-	-	20,550
Pieter Krügel	144,000	13,844	-	157,844
Paul Venter	22,500	-	-	22,500
Dominic Traynor	20,550	-	-	20,550
Total	**207,600**	**13,844**	**-**	**221,444**

Director salaries and fees accrued as at 31 December 2025 amount to £0 (2024: £182,912). During the year amounts due to former directors in the amount of £28,998 were waived. There were no other elements of Director's remuneration incurred in the current or prior period, other than those stated above.

*Options issued is a non-cash item. The value of options was calculated using the Black Scholes method as explained in the accounting policy for the Share based payment reserve.

7. Taxation

Current tax

	31 December 2025 (£)	31 December 2024 (£)
Charge for the period in the United Kingdom	-	-
Total tax charge	**-**	**-**

The difference between the total current tax shown above and the amount calculated by applying the standard rate of corporation tax for various jurisdictions to the loss before tax is as follows:

	2025 (£)	2024 (£)
Loss on ordinary activities before tax	**(1,518,682)**	**(1,097,433)**
Income tax expense calculated at 25%	(379,671)	(274,358)
Expenses which are not deductible – Impairment of intangible assets and property, plant and equipment	27,742	-
Derecognition of calculated losses relating to derecognised subsidiaries	27,957	
Losses available for carry forward and temporary differences for which no deferred tax assets are recognised	323,971	274,358
Income tax expense recognised in the Statement of Profit or Loss	-	-

The effective tax rate used for the December 2025 and December 2024 reconciliations above is the corporate rate of 25% payable by corporate entities on taxable profits under tax law in the United Kingdom.

No provision has been made for the 2025 deferred taxation as no taxable income has been received to date, and the probability of future taxable income is indicative of current market conditions which remain uncertain.

At the Statement of Financial Position date, the Directors estimate that the Group has unused tax losses of £8,031,397 (2024: £6,735,512) available for potential offset against future profits which equates to an estimated potential deferred tax asset of £2,008,599 (2024: £1,684,628).

Losses may be carried forward indefinitely in accordance with the applicable taxation regulations ruling within each of the above jurisdictions.

8. Loss of parent Company

As permitted by Section 408 of the Companies Act 2006, the Statement of Profit or Loss of the parent Company has not been separately disclosed in these financial statements. The parent Company's loss for the financial period was £1,191,390 (2024: loss of £783,394).

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Furthermore, in terms of the Section 414(1) of the Companies Act 2006, the Statement of Profit or Loss of the parent Company has been approved by the Directors.

9. Loss per share

Basic loss per share
The basic loss and weighted average number of ordinary shares used for calculation purposes comprise the following:

Basic loss per share	**31 December 2025 (£)**	**31 December 2024 (£)**
Loss for the period attributable to equity holders of the parent	(1,518,682)	(1,097,433)
Weighted average number of ordinary shares for the purposes of basic loss per share	2,302,118,792	340,131,101
Basic loss per ordinary share (pence)	(0.07)	(0.32)

The Group has no dilutive instruments in issue as at year end (2024: none). Warrants and options in issue (Note 18) are anti-dilutive as the Group reported a loss for the year and have been excluded from the diluted loss per share calculation.

10. Property, plant and equipment

Group	**Land (£)**	**Plant & Machinery (£)**	**Right of use assets (£)**	**Computer Equipment (£)**	**Asset under construction (£)**	**Total (£)**
Cost						
Cost as at 1 January 2025	**512,500**	**2,872,969**	**355,440**	**4,766**	**159,015**	**3,904,690**
Disposals	-	-	-	-	(32,215)	(32,215)
Change in lease	-	-	30,996	-	-	30,996
Closing Cost as at 31 December 2025	**512,500**	**2,872,969**	**386,436**	**4,766**	**126,800**	**3,903,471**
Accumulated Depreciation (“Acc Depr”)						
Acc Depr as at 1 January 2025	**-**	**(188,442)**	**(355,440)**	**(3,928)**	**(78,350)**	**(626,160)**
Depreciation	-	(125,221)	(1,192)	(838)	-	(127,251)
Acc Depr as at 31 December 2025	**-**	**(313,663)**	**(356,632)**	**(4,766)**	**(78,350)**	**(753,411)**
Carrying value						
Carrying value as at 31 December 2024	**512,500**	**2,684,527**	**-**	**838**	**80,665**	**3,278,530**
Carrying value as at 31 December 2025	**512,500**	**2,559,306**	**29,804**	**-**	**48,450**	**3,150,060**

During the year, the Group reassessed its property, plant and equipment’s value in use and found that the conditions that previously lead to its impairment have improved, however no reversal of previously recognised impairments were recognised. No assets have been impaired in the current year.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

The Group has two lease contracts recognised as right of use assets for:
- Land located at Bordesley, Liverpool St. Birmingham and;
- Land lying on the South Side of Stather Road, Flixborough. This lease has been derecognised following deed of variations entered into with the lessors delaying the inception date of the lease until such time that the conditions linked to the inception date are met. There is no clear indication of the date in which the conditions will be met.

The land has a lease term of 20 years, with an option to extend for 10 years which the Group has opted to include due to the highly likely nature of extension as at the time of the original assessment.

The Group's obligations under its leases are secured by the lessor's title to the leased assets. The Group's incremental borrowing rate is 10.38% (2024: 10.38%).

	31 December 2025(£) Group	31 December 2024(£) Group
Right of use assets		
Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:		
Opening balance	**-**	**-**
Change in lease	30,996	-
Depreciation	(1,192)	-
Closing balance	**29,804**	**-**
Lease liability		
Set out below are the carrying amounts of lease liabilities and the movements during the period:		
Opening balance	**345,016**	**409,595**
Interest	30,320	35,621
Change in lease	30,996	(60,373)
Repayment	(35,461)	(39,826)
Closing balance	**370,871**	**345,016**
Split of lease liability between current and non-current portions:		
Non-current	366,301	341,149
Current	4,570	3,867
Total	**370,871**	**345,016**
Future minimum lease payments fall due as follows		
- within 1 year	35,729	32,866
- later than 1 year but within 5 years	142,918	159,304
- later than 5 years	714,588	690,186
Subtotal	**893,235**	**882,356**
- Unearned future finance charges	(522,364)	(537,340)
Closing balance	**370,871**	**345,016**

The Group has tested its property, plant and equipment for impairment in line with its directors' estimation of the recoverable amount for those assets. Refer to note 11 for the key variables used in the estimation of the value thereof.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

A 100bp change in the Incremental Borrowing Rate ("IBR"), would result in a £25,840 (2024: £27,636) change in the Right of Use Asset, and corresponding Lease Liability on transaction date.

11. Intangible assets

Intangible assets consist of separately identifiable assets or intellectual property acquired either through business combinations or through separate asset acquisitions. These intangible assets are recognised at the respective fair values of the underlying asset acquired, or where the fair value of the underlying asset acquired is not readily available, the fair value of the consideration.

The following reconciliation serves to summarise the composition of intangible assets as at period end:

Group	Rochdale Power	Bordersley Power	ARL 018 Stather	ADV 001 Hindlip	Total
	(£)	(£)	(£)	(£)	(£)
Carrying value as at 1 January 2024	**150,273**	**-**	**-**	**247,506**	**397,779**
Disposal of Rochdale Power	(150,273)	-	-	-	**(150,273)**
Modification				(101)	**(101)**
Carrying value as at 31 December 2024	**-**	**-**	**-**	**247,405**	**247,405**
Loss of control of subsidiary	-	-	-	(247,405)	**(247,405)**
Carrying value as at 31 December 2025	**-**	**-**	**-**	**-**	**-**

Intangible assets are amortised once commercial production commenced, over the remaining useful life of the project, which is estimated to be 20 years, depending on the unique characteristics of each project.

Until such time as the underlying operations commence production, the Group performs regular impairment reviews to determine whether any impairment indicators exist.

When the following circumstance arises, it indicates that an entity should test an intangible asset for impairment:

- the carrying value of the project assets (deemed to be property, plant and equipment as well as intangible asset) exceed the recoverable amount of the assets.

In assessing whether a write-down is required in the carrying value of a potentially impaired intangible asset, the asset's carrying value is compared with its recoverable amount. The recoverable amount is the higher of the asset's fair value less cost of disposal (FVLCD) and value in use (VIU). The valuation techniques applicable to the valuation of the abovementioned intangible assets comprise a combination of fair market values, discounted cash flow projections and historic transaction prices.

The following key assumptions influence the measurement of the intangible assets' recoverable amounts, through utilising the forecast-based estimates performed:

- energy prices pegged from base year;
- commercial viability period;
- cost of capital related to funding requirements;
- applicable inflationary increases in energy prices and related costs;
- future operating expenditure for developments of the project; and
- co-operation of key project partners going forward.

Through review of the project specific financial, operational, market and economic indicators applicable to the above intangible assets, as well as consideration of the various elements which contribute toward the indication of impairment or reversals thereof, it was concluded no impairment or reversal of impairment was necessary in the 2025 financial period.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

The directors have performed further sensitivity analysis on the forecasts with the following variables being assessed:

Key estimation variables	Reason for assessment
Projects delayed by 6 months	The projects may be delayed due to project funding restrictions.
250bps Increase/Decrease in WACC	The market interest rates have been volatile during the financial year and due to the above average interest rate increases an assessment of 250bps increase or decrease was performed.
250bps Increase/Decrease in £/MW output	The energy market has experienced above average movements during the financial year and an assessment of 250bps increase or decrease was performed.
Projects life reduced by 5 years	The projects may be abandoned in 15 years due to excessive wear on the plant or significant change in market sentiment regarding natural gas.

A summary of the assessment performed for each of the intangible assets are detailed below.

Key estimation variables	**ADV 001**	**ARL 018**
Recoverable value of project	£1,665,358	£331,927
Recoverable value method of calculation	Value in use	Value in use
Life of project	20 years	20 years
Weighted average cost of capital ("WACC")	9.50%	8.70%
Output	7.0 MW	2.4 MW
Average £/MW output	£179,754	£182,300
Debt/Equity ratio	74/26	74/26
Sensitivity analysis (impact on value)		
Project delayed by 6 months	(£80,278)	£52,260
250bps Increase/Decrease in WACC	(£367,732) / £483,520	(£548,649) / £771,840
250bps Increase/Decrease in £/MW output	£155,967 / (£155,967)	£204,379 / (£204,379)
Project life decreased by 5 years	(£191,490)	(£373,691)

Key estimation variables	**Bordersley**	**Pyebridge**
Recoverable value of project	£2,162,159	£7,210,746
Recoverable value method of calculation	Value in use	Value in use
Life of project	20 years	20 years
Weighted average cost of capital ("WACC")	9.45%	9.84%
Output	5.0 MW	8.1 MW
Average annual £/MW output	£167,245	£262,058
Debt/Equity ratio	74/26	74/26
Sensitivity analysis (impact on value)		
Project delayed by 6 months	(£202,265)	No impact
250bps Increase/Decrease in WACC	(£878,666) / £1,161,628	(£1,351,414) / £1,790,091
250bps Increase/Decrease in £/MW output	£344,052 / (£344,053)	£625,359 / (£625,358)
Project life decreased by 5 years	(£417,206)	(£1,602,978)

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The Group is exposed to significant market volatility in its estimate of the weighted average cost of capital. The risk free rate for the market in which the Group operates has slightly improved from the previous year, however ongoing conflict still contributes to an elevated risk free rate. The prevailing UK CPI rate of 3.4% at year-end, considered in the assessments of the value in use, did not exceed the long-term average inflation for the energy sector.

The market interest rates have slightly decreased year on year and the weighted average cost of capital decreased from 8.29% in the previous year to 7.32% for the current financial year. This has resulted in potential impairment reversals for the investments and intangible assets.

The assessment of the value in use of the property, plant and equipment and intangible assets resulted in a potential reversal of impairment of £1,696,503 (2024: potential reversal of impairment of £388,200). The most significant contributor to the improved value in use of the projects were the reductions in inflation, improvements in the spark spread and a general reduction in the banking interest rate environment.

The directors have elected to continue monitoring the markets to confirm that the value in use improvements will be of a more permanent nature before recognising reversals of impairment.

12. Investment in associate

Group

	(£)
Opening balance as at 1 January 2025	**-**
Additions	166,667
Share in loss of associate	(28,066)
Advances to associate	13,466
Closing balance as at 31 December 2025	**152,067**

QDE signed a binding investment agreement (the "Investment Agreement") with Powertree (Holdings) Ltd ("Powertree"). The Investment Agreement formalizes the long-term partnership between QDE and Powertree to deploy capital into the portfolio of development flexible power generation projects that QDE owns, starting with its 7.5MW construction-ready Hindlip project (the "Growth Capital Partnership").

Under the Investment Agreement, Powertree will invest up to £5,000,000 into QDE's Hindlip project (the "Investment Consideration"), resulting in the Hindlip project being fully funded.

The Investment Consideration will consist of £500,000 for 75% of the fully diluted ordinary equity of the Hindlip SPV, ADV 001 Ltd and, up to £4,500,000 will be by way of secured loan (the "Investor Loan") entered into between Powertree (as the lender) and the Hindlip SPV (as the borrower).

QDE shall retain 25% of the fully diluted ordinary equity of the Hindlip SPV with no further funding obligations. The retained 25% ownership was valued at £166,667 on disposal date.

13. Acquisitions and disposal of interests in other entities

ADV 001 Limited – 2025

During 2025, Sloane disposed of 75% of its interest in ADV 001 Limited for an amount of £500,000. The fair value of the 25% retained ownership is calculated as £166 667 using the disposal price as basis. The net asset value of the project assets and liabilities at disposal date was £30,230 and the intangible asset (refer note 11) was £247,405 . The group recognised a loss on derecognition of £110,968.

The investment was held as an investment in associate upon disposal of the 75% interest (refer note 12).

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

14. Trade and other receivables

	Group 2025 (£)	Group 2024 (£)	Company 2025 (£)	Company 2024 (£)
Consists of:				
Trade receivables	41,690	16,941	-	-
Other receivables	68,957	347,528	32,253	27,622
	110,647	**364,469**	**32,253**	**27,622**

The carrying value of current trade and other receivables approximates their fair value due to the short nature thereof.

Trade and other receivables pledged as security

None of the above stated trade and other receivables were pledged as security at period end. Credit quality of trade and other receivables that are neither past due nor impaired can be assessed by reference to historical repayment trends of the individual debtors.

15. Cash and cash equivalents

	Group 2025 (£)	Group 2024 (£)	Company 2025 (£)	Company 2024 (£)
Cash consists of:				
Cash at bank and in hand	1,436,943	146,446	1,372,535	43,207
	1,436,943	**146,446**	**1,372,535**	**43,207**

Cash and cash equivalents have not been ceded or placed as encumbrance toward any liabilities as at year end.

16. Inventory

	Group 2025 (£)	Group 2024 (£)	Company 2025 (£)	Company 2024 (£)
Inventory consists of:				
Plant/Machinery Spares	37,488	-	-	-
	37,488	**-**	**-**	**-**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

17. Share capital - Group and Company

The called-up and fully paid share capital of the Company is as follows:

	2025	2024
Allotted, issued and fully paid shares		
(2024: 426,354,067 Ordinary shares of £0.001 each)	-	£426,354
(2025: 166,385,735 Ordinary shares of £0.001 each)	£166,385	-
	£166,385	**£426,354**

	Number of Shares	Ordinary Share Capital (£)	Share Premium (£)	Deferred Shares (£)
Balance at 31 December 2023	**263,854,067**	**263,854**	**13,183,277**	**-**
Issue of shares	162,500,000	162,500	143,000	-
Balance at 31 December 2024	**426,354,067**	**426,354**	**13,326,277**	**-**
Issue of shares	1,958,469	1,958	100,082	-
Share consolidation	(415,695,215)	(415,695)	-	415,695
Broker warrants issued	-	-	(103,297)	-
Share issue costs	-	-	(2,559,630)	-
Warrants exercised	153,768,414	153,768	6,007,223	-
Balance at 31 December 2025	**166,385,735**	**166,385**	**16,770,655**	**415,695**

All ordinary shares issued have the right to vote, right to receive dividends, a copy of the annual report, and the right to transfer ownership of their shares. Deferred shares carry no entitlement to dividends or any other income, and their holders have no right to notice of, attendance at, or voting at general meetings, nor are they counted towards quorum.

The group and company issued the following ordinary shares during the year, with regard to key transactions:

- On 11 July 2025, the Company passed a resolution to subdivide and reclassify each existing ordinary share of £0.001 into one ordinary share of £0.000025 and 39 deferred shares of £0.000025. Deferred shares of £415,695 were recognised.
- On 11 July 2025, the Company further resolved to consolidate the ordinary shares of £0.000025 on a 40:1 basis into ordinary shares of £0.001, and to consolidate the deferred shares of £0.000025 on a 40:1 basis into deferred shares of £0.001.
- On 15 July 2025, the Company issued 1,926,000 ordinary shares of £0.001 each in settlement of the director's loan. On the same date, a further 14 ordinary shares of £0.001 each were issued. Share capital of £1,926 and share premium of £75,144 was recognised during this issuance.
- On 25 July 2025, 243,750 warrants were exercised, resulting in the issuance of 243,750 ordinary shares of £0.001 each. Share capital of £244 and share premium of £19,744 was recognised during this issuance.
- On 31 July 2025, the Company issued 32,469 ordinary shares of £0.001 each in settlement of outstanding creditor balances. Share capital of £32 and share premium of £24,968 was recognised during this issuance.
- During the period from July to December 2025, 123,849,664 prepaid warrants were exercised, resulting in the issuance of 123,849,664 ordinary shares of £0.001 each. Over the same period, 29,675,000 cash warrants were exercised, resulting in the issuance of 29,675,000 ordinary shares of £0.001 each. Share capital of £123,849 and £29,675, as well as share premium of £4,830,137 and £1,157,325 was recognised for the issuance of the prepaid and cash warrants respectively.
- Total cash receipts for the above issuances were £102,040 for shares issued (net of issuance costs) and £3,673,383 for warrants exercised by warrant instrument holders.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

- During the year the Company received consulting services in the amount of £2,000,000 which were settled through the exercise of warrants. The transaction was recognised as a deduction of share premium.
- Further share issue costs for the year amounted to £559,630 which was treated as a deduction of share premium.
- During the year 7,500,000 warrants amounting to £103,297 were issued to brokers as payment for share issuances.

18. Reserves

Common control reserve

The common control reserve is the result of the capital reorganisation between the company, its holding and ultimate holding company during the 2020 financial year. As the reorganisation was outside the scope of IFRS 3, predecessor valuation accounting was applied as a result of the common control transaction. The common control reserve amounts to £383,048 (2024: £383,048).

Other reserves - Non-controlling interest acquired

On 31 July 2020, Sloane Developments Limited, MAST Energy Projects Limited and St. Anderton on Vaal Limited entered into the Share Exchange Agreement relating to the acquisition by Sloane Developments Limited of the remaining 40% of the issued share capital of MAST Energy Projects Limited. Under the Share Exchange Agreement, the Company will pay St Anderton on Vaal Limited the sum of £4,065,586 payable by the issue of 36,917,076 ordinary shares of £0.001 each in the Company. Completion of the Share Exchange Agreement was subject to and conditional upon the Admission of MAST Energy Developments Limited to the London Stock Exchange.

Following the completion of the IPO on 14 April 2021, the Group acquired the remaining equity interest in MAST Energy Projects Ltd for the consideration equal to 36,917,076 shares at a total value of £4,065,586. As the controlling stake in the entity had already been acquired and was under control of QDE (MED at the time), the transaction was seen as a transaction with owners, and the financial impact recognised directly in equity of £4,065,586.
The rationale for the transaction was to acquire the remaining equity within MAST Energy Projects Limited in order to have the exclusive see-through equity interest in the Bordersley project, held in the form of royalty and revenue agreements between MAST Energy Projects Limited and Bordersley Power Limited, from which QDE (MED at the time) could restructure the Group through its SPV's.

Share based payments reserve

The share based payments reserve consists of warrants and options issued by the Company. The following reconciliation serves to summarise the value attributable to the share-based payment reserve as at period end for the Company:

	Group and Company (£)	
	2025	**2024**
Opening balance	**400,241**	**380,741**
Issue of warrants	103,297	19,500
Warrants exercised	(488)	-
Share consolidation	(19,012)	-
Employee share option scheme	157,181	-
Warrants expired	(380,741)	-
Closing balance	**260,478**	**400,241**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Share based payments reserve - Warrants

The following reconciliation serves to summarise the quantity of warrants in issue as at period end:

	Group and Company (number of warrants)	
	2025	**2024**
Opening balance	96,564,562	86,814,562
New warrants issued	7,500,000	9,750,000
Warrants exercised	(243,750)	-
Share consolidation	(9,506,250)	-
Warrants expired	(86,814,562)	-
Closing balance	**7,500,000**	**96,564,562**

The weighted average fair value of the warrants are 0.44 pence per warrant (2024: 0.41p)

At 31 December 2025 the Group had 7,500,000 (2024: 96,564,562) warrants outstanding:

Date of Grant	Issue date	Expiry date	Exercise price	Number granted	Exercisable as at 31 December 2025
09 July 2025	09 July 2025	08 July 2029	4p	7,500,000	7,500,000
				7,500,000	**7,500,000**
Total contingently issuable shares				**7,500,000**	**7,500,000**

Share based payments reserve - Share options

The following reconciliation serves to summarise the value attributable to the share options as at year end for the Company:

	Group and Company (£)	
	2025	**2024**
Opening balance	-	-
Issue of options	157,181	-
Closing balance	**157,181**	-

The following reconciliation serves to summarise the quantity of options in issue as at year end:

	Group and Company (number of options)	
	2025	**2024**
Opening balance	-	-
New options issued	8,750,018	-
Closing balance	**8,750,018**	-

The following share options were issued during the year:

- A share option plan whereby the Board and Management of the Company were granted options ("Options") over a total of 21,799,291new ordinary shares of £0.01 each in the capital of the Company ("Ordinary Shares") The Options are exercisable at 10 pence per Ordinary Share, constituting a c. 600% premium to the Company's recent closing share price of 1.65 pence per share on 8 July 2025. The Options have an expiry date of 10 January

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

2033. The options vest over a period from issuance date until 8 July 2026 of which 8,750,018 was recognised for services received in terms of IFRS 02 par 7 to 9 as of 31 December 2025. A reserve pool of 7,084,769 options have not been allocated. During the year share option plan expenses in the amount of £157,181 have been recognised (refer note 4).

The weighted average fair value of the options are 1.80 pence per option (2024: 0.0p). At 31 December 2025 the Group had 8,750,018 options outstanding:

Share options

	Date of Grant	Issue date	Expiry date	Exercise price	Number granted	Exercisable as at 31 December 2025
	09 July 2025	09 July 2025	10 Jan 2033	10p	8,750,018	-
					8,750,018	**-**
	Total contingently issuable shares				**8,750,018**	**-**

The inputs to the Black-Scholes model were as follows:

Description of key input	**Key assumptions**
Date issued	8 July 2025
Options granted	8,750,018
Stock price	£0.0165
Exercise price	£0.1000
Risk free rate	4.06%
Volatility	140.34%
Time to maturity	7.5 years

Unexercised prepaid warrants reserve

The following pre-paid warrants remain unexercised at 31 December 2025

	Group 2025 (£)	**Company 2025 (£)**
1,150,336 prepaid warrants	46,013	46,013
	46,013	**46,013**

Reconciliation of prepaid and cash warrants	**Group and Company (number of warrants)**	
	2025	**2024**
Opening balance	-	-
New warrants issued	375,000,000	-
Warrants exercised	(153,524,664)	-
Closing balance	**221,475,336**	**-**

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At 31 December 2025 the Group had 221,475,336 (2024: none) unexercised prepaid and cash warrants outstanding:

Date of Grant	Issue date	Expiry date	Exercise price	Number granted	Exercisable as at 31 December 2025
09 July 2025	09 July 2025	09 July 2026	4p	1,150,336	1,150,336
09 July 2025	09 July 2025	07 January 2026	4p	95,325,000	95,325,000
09 July 2025	09 July 2025	09 July 2026	4p	125,000,000	125,000,000
				221,475,336	**221,475,336**
Total contingently issuable shares				**221,475,336**	**221,475,336**

19. Loans to/(from) related parties

	Group 2025 (£)	Group 2024 (£)	Company 2025(£)	Company 2024 (£)
Amounts falling due within one year:				
Sloane Developments Limited			157,634	-
Pyebridge Power Limited	-	-	(252,175)	(375,047)
	-	**-**	**(94,541)**	**(375,047)**

The loan is unsecured, carries interest at 0%, and is repayable on demand. The carrying value of loans from related parties equals their fair value mainly due to the short-term nature of the liability.

20. Trade and other payables

	Group 2025 (£)	Group 2024 (£)	Company 2025 (£)	Company 2024 (£)
Amounts falling due within one year:				
Trade payables	314,212	696,049	243,714	405,883
	314,212	**696,049**	**243,714**	**405,883**

The carrying value of current trade and other payables equals their fair value due mainly to the short term nature of these payables.

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21. Other financial liabilities

	Liable Group Company	Group 2025(£)	Group 2024 (£)	Company 2025(£)	Company 2024 (£)
Amounts falling due within one year:					
Convertible loan notes	QDE	-	854,594	-	854,594
Loan – RiverFort	Sloane Developments	849,253	849,253	-	-
Term loan - Powertree	Hindlip	-	70,230	-	-
Term loan – RiverFort	Pyebridge	2,203,715	107,563	-	-
Accrued interest on director's loan	QDE	-	5,998	-	5,998
Director's loan	QDE	-	78,329	-	78,329
		3,052,968	**1,965,967**	**-**	**938,921**
Amounts falling due between one year and five years:					
Term loan - RiverFort	Pyebridge	-	2,268,089	-	-
		-	**2,268,089**	**-**	**-**
		3,052,968	**4,234,056**	**-**	**938,921**

Convertible loan notes
Convertible loan notes consist of a facility from institutional lenders which reprofiled the outstanding convertible loan notes held during the previous financial year. The interest accrues at 9.5% to 10% per annum based on the terms applied for each advance of the facility. The convertible loan notes have embedded derivative liabilities which were recognised at fair value.

Term loans
- The "Term loan – Powertree" is payable by the Hindlip project SPV. The loan was used to pay the Capacity Market deposit. This loan was payable in full during the 2025 financial year and bears interest at 10% per annum. This term loan has been rolled up into the investment agreement after year-end. Refer to note 26.
- The "Term loan – RiverFort" is payable by the Pyebridge SPV. The funding was used to overhaul the 2 engines at the Pyebridge site. The loan consists of three separate drawdowns all repayable during the 2026 financial year and bear interest at 12% per annum.
- The "Loan – Riverfort" is the historic shareholder loan owing by the Company to its former parent company, Kibo Energy PLC ("Kibo"), which Kibo sold to RiverFort during 2024. This loan has no fixed repayment terms and is repayable on demand and bears no interest.

Director's loan and accrued interest on director's loan
The director's loan consists of interest payable on a director's loan which was settled in shares in 2025, refer to note 17. The interest is accrued at 7% per annum.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Reconciliation of movements in other financial, CLN derivative liabilities and loans (to)/from related parties

Group

	Other financial liabilities	Total
	(£)	**(£)**
At 1 January 2025	**4,234,056**	**4,234,056**
Disposal of subsidiary (Powertree loan)	(70,230)	(70,230)
Interest accrued on term loans	326,721	326,721
Loan reduction	(118,288)	(118,288)
Payments on director's loans	(87,041)	(87,041)
Payments on term loans	(1,232,250)	(1,232,250)
At 31 December 2025	**3,052,968**	**3,052,968**
Notes	21	
Consisting of:		
Other financial liabilities		3,052,968
At 31 December 2025		**3,052,968**

Company

	Loans to / (from) related parties	Other financial liabilities	Total
	(£)	**(£)**	**(£)**
At 1 January 2025	**(375,047)**	**(938,921)**	**(1,313,968)**
Interest accrued on director's loan	-	(2,713)	(2,713)
Payments on director's loan	-	87,041	87,041
Payments on convertible loan notes	-	854,593	854,593
Loans from related parties settled	310,454	-	310,454
Loans advanced from related parties	(187,582)	-	(187,582)
Loans advanced to related parties	157,634		157,634
At 31 December 2025	**(94,541)**	**-**	**(94,541)**
Notes	19	21	
Consisting of:			
Loans to related parties			157,634
Loans (from) related parties			(252,175)
At 31 December 2025			**(94,541)**

Charges registered with Companies House

Charges in terms of Chapter A1 Part 25 of the Companies Act 2006 have been registered with Companies House over the following investments on 18 May 2023, and 18 December 2024 and remain in effect as at reporting date:

- ARL 018 Limited
- Bordersley Power Ltd
- Pyebridge Power Ltd
- Sloane Developments Limited

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

22. Investment in Group undertakings

Subsidiary undertakings

	31 December 2025 (£)	31 December 2024 (£)
Sloane Developments Limited	4,303,801	4,303,801
Total cost of investments	**4,303,801**	**4,303,801**

Subsidiary undertakings	**(£)**
Investments at Cost	
At 1 January 2025	**4,303,801**
At 31 December 2025 (£)	**4,303,801**

The above investment in subsidiaries comprises the carrying value of the investments in Sloane Developments Limited held by Quantum Data Energy Plc. Sloane Developments Limited holds the investments in Bordersley Power Ltd, Pyebridge Power Ltd, as well as ARL 018 Limited, the capital contributions, net of impairment.

As at reporting period end, the investment in Sloane Developments Limited was subject to impairment review, incorporating the underlying recoverable amount estimate of each individual project owned by Sloane Developments Limited, being Pyebridge Power Ltd, Bordersley Power Ltd, as well as ARL 018 Limited. Refer to Note 11 which includes further details surrounding the parameters utilised in determining the recoverable amounts for each of the underlying projects which support the recoverable amount of the investment in Sloane Developments Limited.

At 31 December 2025 the Company had the following undertakings:

Description	Subsidiary	Activity	Incorporated in	Interest held (2025)	Interest held (2024)
Directly held Investments					
Sloane Developments Limited	Subsidiary	Project holding Company	United Kingdom	100%	100%
Indirectly held Investments					
Bordersley Power Ltd	Subsidiary	Energy production	United Kingdom	100%	100%
Pyebridge Power Ltd	Subsidiary	Energy production	United Kingdom	100%	100%
ARL 018 Limited (Stather Road)	Subsidiary	Energy production	United Kingdom	100%	100%
ADV001 Limited (Hindlip Lane)	Associate	Energy production	United Kingdom	25%	100%
Sloane Energy Limited	Subsidiary	Dormant	United Kingdom	100%	100%

The registered address for all of the above is: 6th Floor, 99 Gresham Street, London, EC2V 7NG.

23. Related party transactions

Related parties of the Group comprise subsidiaries, significant shareholders and the Directors.

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Relationships

Board of Directors/ Key Management

Name	Relationship (Directors of:)
Paul Venter	Non-Executive Chairman of QDE and Director of PSCD Power 1 Ltd
Celia Li	Non-Executive Director of QDE
Pieter Krügel	Chief Executive Officer of QDE
Noel O'Keeffe	Director of subsidiaries Sloane Developments Limited, ADV001 Ltd, ARL018 Ltd and Sloane Energy Limited.
Louis Coetzee	Kibo Energy PLC and Katoro Gold PLC (up to July 2024)
Dominic Traynor	Druces LLP (up to Nov 2024)

Quantum Data Energy PLC is a shareholder of the following companies and as such are considered related parties:

Directly held subsidiaries:	Sloane Developments Limited
Indirectly held subsidiaries:	ARL 018 Limited
	Bordersley Power Ltd
	Pyebridge Power Ltd
	Sloane Energy Ltd

Balances

Name	Amount (£) 2025	Amount (£) 2024
Paul Venter – Director's loan owing (liability)	-	78,329
Paul Venter – Director's loan owing accrued interest	-	5,733
Kibo Energy PLC - Management and administration services accrued	-	31,170
Katoro Gold PLC – Receivable for management services paid on Katoro's behalf	-	4,246
Paul Venter – Director's remuneration due	-	43,500
Louis Coetzee – Director's remuneration due	-	47,550
Dominic Traynor– Director's remuneration due	-	48,018
Pieter Krügel – Director's remuneration due	-	43,844
Noel O'Keeffe –Professional services remuneration due	-	4,500
Druces LLP – Supplier balance for professional services	-	52,675

Transactions

Name	Amount (£) 2025	Amount (£) 2024
Paul Venter – Interest on Director's loan	2,714	5,733

Transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation. The transactions during the period between the Company and its subsidiaries included the settlement of expenditure to/from subsidiaries, working capital funding, and settlement of the Company's liabilities through the issue of equity in subsidiaries. The loans from related parties do not have fixed repayment terms and are unsecured.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

24. Financial Instruments and Financial Risk Management

The Group and Company's principal financial instruments comprise cash. The main purpose of these financial instruments is to provide finance for the Group and Company's operations. The Group has various other financial assets and liabilities such as other receivables and trade payables, which arise directly from its operations.

It is and has been throughout the 2025 and 2024 financial period, the Group and Company's policy not to undertake trading in derivatives. The Group and Company may however recognise derivative liabilities arising from convertible instruments.

The main risks arising from the Group and Company's financial instruments are credit risk, liquidity risk, interest rate risk and capital risk. Management reviews and agrees policies for managing each of these risks which are summarised below.

	2025 (£)		2024 (£)	
Financial instruments of the Group are:	Financial assets	Financial liabilities	Financial assets	Financial liabilities
Financial assets at amortised cost				
Trade and other receivables - current	110,647	-	364,469	-
Cash	1,436,943	-	146,446	-
Financial liabilities at amortised cost				
Trade payables	-	314,212	-	696,049
Other financial liabilities	-	3,052,968	-	4,234,056
Lease liability	-	370,871	-	345,016
Financial liabilities at fair value				
Other financial liabilities	-	-	-	-
	1,547,590	**3,738,051**	**510,915**	**5,275,121**

	2025 (£)		2024 (£)	
Financial instruments of the Company are:	Financial assets	Financial liabilities	Financial assets	Financial liabilities
Financial assets at amortised cost				
Trade and other receivables - current	32,253	-	27,622	-
Cash	1,372,535	-	43,207	-
Financial liabilities at amortised cost				
Trade payables	-	243,714	-	405,883
Loans from related parties	-	252,175		375,047
Financial liabilities at fair value				
Other financial liabilities	-	-	-	938,921
	1,404,788	**495,889**	**70,829**	**1,719,851**

Credit risk

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the Group. As the Group has minimal sales to third parties, this risk is limited.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

The Group and Company's financial assets comprise receivables and cash and cash equivalents. The credit risk on cash and cash equivalents is limited because the counterparties are banks with high credit-ratings assigned by international credit rating agencies. The Group and Company's exposure to credit risk arise from default of its counterparty, with a maximum exposure equal to the carrying amount of cash and cash equivalents in its consolidated statement of financial position.

The Group does not have any significant credit risk exposure to any single counterparty or any Group of counterparties having similar characteristics. The Group defines counterparties as having similar characteristics if they are connected or related entities.

The expected credit losses for the Group and Company are £Nil for the year ended 2025 (2024: £Nil).
Financial assets exposed to credit risk at period end were as follows:

Financial instruments	**Group (£)**		**Company (£)**	
	2025	**2024**	**2025**	**2024**
Trade & other receivables	110,647	364,469	32,253	27,622
Cash	1,436,943	146,446	1,372,535	43,207
	1,547,590	**510,915**	**1,404,788**	**70,829**

Liquidity risk management
Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has built an appropriate liquidity risk management framework for the management of the Group and Company's short, medium and long-term funding and liquidity management requirements.

The Group manages liquidity risk by maintaining adequate reserves and by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. Cash forecasts are regularly produced to identify the liquidity requirements of the Group.

The Group and Company's financial liabilities as at 31 December 2025 were all payable on demand, or within the 12 months following 31 December 2025, other than the lease liabilities.

Group (£)	**Within 1 year**	**Later than 1 year but within 2 years**	**Later than 2 years but within 3 years**	**Later than 3 years**
At 31 December 2025				
Trade and other payables	314,212	-	-	-
Other financial liabilities	3,052,968	-	-	-
Lease Liabilities	35,729	35,729	35,729	786,048
	3,402,909	**35,729**	**35,729**	**786,048**
At 31 December 2024				
Trade and other payables	696,049	-	-	-
Other financial liabilities	2,000,391	-	2,652,739	-
Lease Liabilities	32,866	32,866	32,866	755,918
	2,729,306	**32,866**	**2,685,605**	**755,918**

Company (£)	**Within 1 year**
At 31 December 2025	
Trade and other payables	243,714
Loans from related parties	252,175
	495,889

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Company (£)	Within 1 year
At 31 December 2024	
Trade and other payables	405,883
Loans from related parties	375,047
Other financial liabilities	938,921
	1,719,851

Interest rate risk
The Group and Company does not have significant exposure to the risk of changes in market interest rates relating to holdings of cash and short term deposits.

It is the Group and Company's policy as part of its management of the budgetary process to place surplus funds on short term deposit in order to maximise interest earned.

The repayments terms for the financial liabilities are payable on demand except for Other Financial Liabilities and Lease Liabilities which include agreements with deferred payment terms. Refer to notes 21 and 10 respectively for their repayment terms.

Group Sensitivity Analysis:
Currently no significant impact exists due to possible interest rate changes on the Company's interest bearing instruments.

Capital risk management
The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust its capital structure, the Group may adjust or issue new shares or raise debt. No changes were made in the objectives, policies or processes during the year ended 31 December 2025. The capital structure of the Group consists of equity attributable to equity holders of the parent, comprising issued capital, reserves and retained losses as disclosed in the consolidated statement of changes in equity.

Fair values
The carrying amount of the Group and Company's financial assets and financial liabilities recognised at amortised cost in the financial statements approximate their fair value. For those assets held at fair value (such as CLN derivative liabilities), they are remeasured at the reporting date.

Hedging
At 31 December 2025, the Group had no outstanding contracts designated as hedges (2024: none).

25. Commitments and Contingencies

The Group does not have any identifiable material commitments and contingencies as at the reporting date.

26. Events after reporting period

- Pyebridge's 8.1 MW operational flexible generation power asset was successful in securing an additional Capacity Market ("CM") T-4 contract for the 2029/2030 delivery year in the recent CM auction. The recent CM T-4 auction resulted in a clearing price of £27.10/kW/pa for the 2029/2030 delivery year. This clearing price is in line with the average CM T-4 auction prices over the past number of years, with the exception of 2024 and 2025 which were higher. After adjusting for inflation, the contract is estimated to yield c. £30/kW/year (c. £217,400 per annum) in the year of delivery. Pyebridge now holds seven uninterrupted 1-year CM contracts up to 2030. Total contracted CM income across all CM agreements equals £1,924,108.

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- During January 2026, 5,000,000 Cash Warrants were exercised, and the Company accordingly issued fully paid Ordinary shares.

- As announced on 9 March 2026 QDE has signed a binding definitive investment agreement (the "Investment Agreement") with Power Balancing Services Ltd ("PBS") which fully funds the construction capex of its Bordesley 5 MW flexible generation power project, at project SPV level.

- As announced on 9 February 2026, to fund QDE's capital requirements for the construction of Bordersley, an acceleration capital funding (the "Acceleration Capital") has been undertaken to support the expeditious completion. QDE has existing sufficient cash reserves to support the Company's working capital requirements, and therefore the Acceleration Capital use of proceeds is solely intended to provide capital to increase QDE's MWs in production. The Acceleration Capital raised £1,165,000 gross via the issue of 46,600,000 new ordinary shares at an issue price of 2.5p per new ordinary share.

- Post reporting period, on 29 April 2026, the Company raised gross proceeds of £500,000 via the issue of 19,230,770 new ordinary shares at an issue price of 2.6p per new ordinary share.

- As announced on 29 April 2026, the Company received a section 519 of the Companies Act 2006 notification of the resignation of Crowe UK LLP as auditors of the Company. Following the resignation, the Company is temporarily suspended of its listing from the Official List and from trading on the London Stock Exchange as required under UKLR 21.3. On 2 June 2026 the Company finalised the formal appointment of Parker Russell UK LLP as the statutory auditor to the Company under section 489(3) of the Companies Act 2006.

The above are non-adjusting events per IAS 10 as they arose after the reporting date and do not require adjustment to the financial statements.

27. Going concern

Going Concern

The financial results have been prepared on the going concern basis that contemplates the continuity of normal business activities, the realisation of assets and the settlement of liabilities in the normal course of business.

In performing the going concern assessment, the Board considered various factors, including the availability of cash and cash equivalents, data relating to working capital requirements for the foreseeable future, cashflows from operational activities, available information about the future, the possible outcomes of planned events, changes in future conditions, geopolitical events (e.g. escalation of the Israel-Iran conflict), and the responses to such events and conditions that would be available to the Board.

The Board has, inter alia, considered the following specific factors in determining whether the Group is a going concern:

- The total comprehensive loss for the year of £1,518, 682 compared to £1,097,433 for the preceding 12 month-financial period. The majority of the increase in loss for the year comprises non-recurring, non-cash items, principally the employee share option scheme £157,181, and the derecognition of subsidiary (£110,968) during the year (note 4).
- Cash and cash equivalents available to the Group in the amount of £1,436,943 (2024: £146,446) in order to pay its creditors and maturing liabilities in the amount of £255,130 (excluding the loan facilities owing to RiverFort).
- QDE and Pyebridge has a secured funding facility of up to GBP 4 million from RiverFort, of which the Company has drawn £2,769,297. The main focus of the facility is to overhaul the Pyebridge gensets to enable the site to generate at its full efficiency and income potential. The current outstanding balance is £2,203,715 following repayments totalling £989,969. The loan is being reprofiled, subsequent to year-end both parties signed a Heads of Terms according to which the repayment date is 12 months after the date of this report.
- Pyebridge, the Group's operational 8.1 MW flexible-generation facility, is profitable and cash-flow positive, generating net cash contributions that support the Group's working capital requirements and the servicing of the RiverFort facility.

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- Whether the Group has available cash resources, or equivalent short term funding opportunities in the foreseeable future, to deploy in developing and growing existing operations or invest in new opportunities.
- On 20 March 2025, the Company announced it has signed a binding definitive investment agreement (the "Investment Agreement") with Powertree (Holdings) Ltd ("Powertree"). Under the Investment Agreement, Powertree will invest up to £5,000,000 into QDE's Hindlip project (the "Investment Consideration"), resulting in the Hindlip project being fully funded.
- Post reporting period, on 9 March 2026, the Company announced that it has signed an Investment Agreement with Power Balancing Services Ltd ("PBS") to develop and construct the Bordersley 5 MW site. PBS will invest up to £1.75m and QDE will invest up to £1m.
- Post reporting period, on 29 April 2026, the Company raised gross proceeds of £500,000 via the issue of 19,230,770 new ordinary shares at an issue price of 2.6p per new ordinary share.

The Directors have evaluated the Group's liquidity requirements to confirm the Group has adequate cash resources to continue as a going concern for the foreseeable future. Considering the net current liability position, the Directors have reviewed financial projections to 30 November 2027 which include estimates and assumptions regarding the future revenues and costs and timing of these. The financial projection includes profit generated by the Pyebridge engines based on actual previous performance and the signed capacity market contracts income.

Based on the cash flow forecast the group experiences cash surplus for 14 months throughout the forecast period, up to July 2027. In July 2027 a positive cash balance of £513k is forecast. The 18 month forecast ends with a shortfall of c. £1.8 million at the end of November 2027. The reason for the shortfall is the repayment requirement of the Pyebridge loan facility, assuming an unlikely scenario where a repayment extension cannot be negotiated with the lender. The cashflow forecast is reliant on the current cash balance of the Group, successful electricity generation by Pyebridge, as well as loan repayments through either conversions or cash. Unforeseen challenges with the aforementioned may cause a risk that the Company may not be able to meet its current liabilities without another cash injection. In the event that further funding cannot be secured, the Group may experience cash shortfalls from Aug 2027. The directors are in negotiations with funders and lenders to upgrade and/or develop the sites as per the business model of the Company.

In response to the net current liability position and to address future cashflow requirements, detailed liquidity improvement initiatives have been identified and are being pursued, with their implementation regularly monitored in order to ensure the Group is able to ensure any liquidity constraints do not occur in the foreseeable future. Cost saving measures on operational expenditure remains a focus for the Board.

The Group has identified the below options to manage the liquidity risk of the Group ongoing basis:

- Successful conclusion of current funding opportunities of the Group with strategic funders regarding the funding of specific projects and/or the business.
- Raising of further medium term working capital and project capex funding, by way of capital placings. The company's corporate broker confirmed commitment and an expectation to be able to raise the needed capital for the project investments. This additional funding is only needed when expanding the capital portfolio, the current cash and cash equivalents are sufficient to cover current working capital requirements as explained above.
- Obtaining debt funding or other funding instruments such as credit loan notes to fund QDE projects.
- Successful cash generation from the Pyebridge power-generation facilities in order to achieve net-cash positive contributions toward the debt repayment.
- Successful extension of the Pyebridge loan facility repayment when it falls due later in 2027.

Although there is no guarantee, the Directors have a reasonable expectation that the Group will be able to raise further financing to support its ongoing development and commercialisation activities and continue in operational existence for the next 12 months, from date of sign off of these financial statements. The directors have concluded that the combination of these circumstances represents a material uncertainty that casts a significant doubt upon the Group's ability to continue as a going concern and that, therefore, the Group may be unable to realise its assets and discharge its liabilities in the normal course of business. As the Board is confident it would be able to successfully implement the above responses, it has adopted the going concern basis of accounting in preparing the consolidated financial statements.