

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

Angel Trains Limited
Registered in England and Wales: Number 02912655
Registered Office: 123 Victoria Street, London, SW1E 6DE

Angel Trains Limited

CONTENTS	Page
Officers and Independent Auditors	1
Strategic Report	2
Directors' Report	8
Independent Auditors' Report	13
Income Statement	20
Statement of Comprehensive Income	21
Statement of Changes in Equity	22
Balance Sheet	23
Statement of Cash Flows	25
Notes to Financial Statements	26

Angel Trains Limited

OFFICERS AND INDEPENDENT AUDITORS

Directors:

M. Brown
A. Lowe
D. Jordan
M. Prosser

Company secretary:

C. Garcia

Registered office:

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London
SW1E 6DE

Independent auditors:

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
7 More London Riverside
London
SE1 2RT

Registered in England and Wales: Number 02912655

Angel Trains Limited
STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2025

The directors present their strategic report on Angel Trains Limited (the "Company") for the year ended 31 December 2025.

REVIEW OF THE BUSINESS

The principal activity of the Company continues to be the provision of railway rolling stock to train operators under operating leases. A comprehensive business review is carried out at a group level by the ultimate parent company, Willow Group Holdings Limited ("the Group").

New Trains

In April 2025, Angel Trains announced the procurement of 9 new 5-car Hitachi Class 80x tri-mode trains (electric, diesel and battery) for operation by Arriva Group on its Grand Central open access routes. These trains have the flexibility to run on the electrified and non-electrified rail network and represent an investment of £171m. The investment in tri-mode rolling stock builds on the momentum created by the successful conclusion of our battery trial with Hitachi Rail at the end of 2024 and demonstrates the transformative potential of battery technology in both existing and new fleets.

This followed the announcement, in December 2024, of the procurement of 14 new 5-car Hitachi Class 80x trainsets, which will be leased by FirstGroup for operation on its newly secured London to Carmarthen and other existing open access routes.

The delivery of these new state-of-the-art trains further secures jobs at Hitachi's Newton Aycliffe facility where the vehicles will be assembled, helping to retain critical skills and drive growth within the local economy.

This investment underpins the Groups' continued commitment to investing in the UK rail manufacturing and supply chain.

Leasing

As at 31 December 2025, the Company owned 2,683 (2024: 2,829) rolling stock vehicles (of which 17 are marked for disposal).

The following leases were entered into or extended during the year;

- South Western Trains – a new lease for 225 Class 444 and 508 Class 450 vehicles was entered into until May 2030 following the transition of the service into public ownership under the Passenger Railway Services (Public Ownership) Act.
- Northern Trains – a new lease for the 140 Class 150 and 58 Class 156 vehicles was entered into until March 2030 with the option to extend up to 2033.
- Northern Trains – new leases for the 70 Class 158 and 64 Class 333 vehicles were entered into until March 2032 with the option to extend up to 2035.
- Great Western Railway – a new lease was entered into for 68 Class 175 vehicles to December 2032.

Following the publication of the timetable for the transfer of private train operators to be taken into public ownership under the Passenger Railway Services (Public Ownership) Act 2024, the first three operators were successfully renationalised during the year. These were: South Western Railway (May 2025), c2c (July 2025) and Greater Anglia (October 2025). Our well-developed Redelivery Plans for the rolling stock used on these operations were put into place and we worked closely with all parties to ensure a smooth transition to the new lessees.

Three further nationalisations are anticipated during 2026, and whilst the timetable for the transition of the remaining private operators into public ownership remains unclear, the Group's pre-existing contracts with train operators continue in force until their existing expiry dates.

Angel Trains Limited
STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2025 (continued)

REVIEW OF THE BUSINESS (continued)

Leasing(continued)

The draft Railways Bill, which will establish Great British Railways (“GBR”) as a new public body responsible for both infrastructure and most passenger services in England was laid before parliament on 5 November 2025. However, GBR is not expected to be fully operational until around 12 months after the Railways Bill receives Royal Assent.

Refurbishment Projects & Future Developments

Despite a number of challenges to the industry in general, our supply base has continued to support our maintenance requirements over the past year. To aid this, we are working closely with our strategic supply base to ensure continuity of supply through workload consolidation, whilst also promoting retention of competencies and capacity within the rail industry. We continue to enjoy strong and positive relations with our suppliers and seek to identify further ways to develop these relationships for mutual gain.

Other Financial & Business Matters

All vehicles with an economic value are on lease and the remaining 17 vehicles which are marked as disposal has no economic or book value.

The Company supports the UK Government’s target to remove all ‘diesel only’ trains by 2040. Our portfolio of diesel rolling stock is forecast to dramatically reduce by 2030 but despite this, the Company continues to invest in sustainability projects, including hybrid battery technology as detailed above.

KEY PERFORMANCE INDICATORS

The Company’s financial performance is presented in the Income Statement on page 20. The profit after tax for the year ended attributable to the owners was £39.7m (2024: £43.8m).

Revenue increased by 1.2% due to higher Depot lease income following completion of the Tyseley Maintenance Depot redevelopment, while cost of sales rose by 3.4%. The uplift in revenue was partly offset by higher administrative expenses, although this was supported by increased income from depot leases. Other income increased by 39.4% due to an increase in dividend received from Readypower Group Limited (Subsidiary). Operating profit for the year decreased by 1% compared to 2024

At the end of the year, the financial position showed total assets of £1,690.9m (2024: £1,646.2m). This includes the net book value of property, plant and equipment and right-of-use assets of £1,421.9m compared to £1,394.7m at the previous year. Other non-current assets comprise of investments in subsidiaries of £120.2m (2024: £120.2m), having acquired Readypower Group during 2022.

The other key performance indicator that the directors consider is the percentage of rolling stock (excluding vehicles held for disposal) with an economic value on lease, which stood at 100% at 31 December 2025 (2024: 96.3%) against a target of 95%.

The key performance indicators that the directors consider are interest cover, leverage (Net Debt / Earnings Before Interest, Tax, Depreciation and Amortisation) and net present value of future rentals. The management of these key performance indicators are carried at a Group level by the ultimate parent company. Interest cover and leverage ratios can be derived from the financial statements. The directors are satisfied with the current level of the key performance indicators. The directors do not anticipate any material change in either the type or level of activities of the Company.

Angel Trains Limited
STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2025 (continued)

STRATEGY

The Company's strategy is divided across four main themes - preferred by our partners, being a top employer, having a sustainable business and continuously growing with a strong foundation.

The Company continues to engage and be an active partner in the rail industry. We aim to recruit the best talent and develop our people in order to deliver our commitments for environmental, social responsibility and corporate governance ("ESG").

The strategy is also supported by meeting our customers' expectations, re-leasing our existing portfolio and renewing our portfolio, ensuring we have trains at all stages of the asset lifecycle. This approach manages the asset risk profile and helps protect the long term profitability of the business. This is supported by the spread of the portfolio across different vehicle types, i.e. high speed intercity, regional and urban (commuter) trains. The benefit of this portfolio approach is that we are not beholden to any one market sector.

SECTION 172 (1) STATEMENT

The Board of directors has acted in a way that it considers, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole and in doing so has had regard to the matters set out in section 172(1) of the Companies Act 2006 (the "Act").

This report sets out how the directors comply with the requirements of Section 172 Companies Act 2006 and how these requirements have impacted the Board's decision making throughout 2025.

We proactively engage with our stakeholders to maximise value and secure long-term success and are continually striving to improve our impact. We set out below our key stakeholders groups, their material issues and how we engage with them.

Employees

Angel Trains Ltd employs over 150 professional, technical and support staff. Our people are our most valuable assets and we continually engage with them to foster an environment in which they are happy to work in and that best supports their wellbeing.

Employee wellbeing positively impacts our people and our results. It does this through enhanced productivity, reduced stress, talent retention, and a positive organisational culture. Our Wellbeing Strategy has evolved over the last few years, and focuses on initiatives which support employees in physical, mental, social and financial wellbeing. The Wellbeing Strategy is delivered by our Wellbeing Group which has representatives from all areas and levels within the company.

A number of engagement and feedback mechanisms for our employees are well-established, including intranet blogs, monthly business briefings, social media and emails from the Chief Executive, enabling timely and tailored communication to employees. Regular staff surveys (internal and externally facilitated) were undertaken during the year, which again highlighted a strong level of engagement and positive themes around alignment with organisational goals and objectives, customer focus and teamwork in particular. In 2025, the Company achieved an employee net promoter score of 74, equalling the score achieved in 2024 and far exceeding the global benchmark and demonstrating that employees really do believe that Angel Trains is a great place to work. The Company continues to make improvements based on responses received from the surveys and provided feedback to the Board on the areas of focus.

Angel Trains Limited
STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2025 (continued)

SECTION 172 (1) STATEMENT (continued)

Employees (continued)

The Intent Based Leadership model, an approach to leadership and management aimed at empowering employees to improve decision making within a safe environment continues to be adopted.

During the year Angel Trains' Graduate Engineering Training scheme, the development programme designed to help graduates achieve Chartered Engineer status, received a further three-year accreditation from both the IMechE and IET with no conditions. The re-accreditation was a thorough process that required a very detailed submission in advance and an assessment day, where six assessors from IMechE and IET heard presentations about the scheme and interviewed mentors and graduates on their placements and experience.

Customers

Our customers are fundamental to our business and we continually strive to exceed their expectations. We use the feedback from our annual customer feedback survey to address areas for improvement and support. Our dedicated Customer Service team has regular meetings and engagement events with our customers to anticipate trends and preferences and incorporate them early in new rolling stock procurement.

The Board continued to carefully consider the impact of the economic climate on customers and regularly reviewed additional measures to support them. Feedback from our key customers is discussed at our Operational Asset meetings with senior level employees and critical issues are escalated to the Board for further guidance on effectively meeting our customers' needs. In addition, customer strategic plans, which identify the key underlying drivers that impact each customer's business are discussed at the Board.

Our Product Management team is continually developing ways to reduce costs, improve performance and availability for our customers in releasing our existing portfolio.

Suppliers

We develop strong and collaborative long-term relationships with our suppliers, comprising manufacturers and maintainers of rolling stock. We continue to hold regular meetings with suppliers to ensure effective performance from the supply chain. We work closely with our suppliers to satisfy ourselves that they operate to the same standards we set ourselves and to ensure the risks involved in their own supply chains are understood. Major issues are subject to discussion and approval at Board level so that the Board is aware of supplier concerns.

Externally facilitated annual supplier feedback surveys are carried out and the results of these have been very positive over the last few years, highlighting the engineering expertise, professionalism and collaborative nature as being areas of great strength within the Company. Meetings with senior level executives were scheduled to understand and assist the suppliers to secure the management of our assets.

Shareholders

The Company attaches considerable importance to communications with its direct shareholders as well as the shareholders of the ultimate parent company, Willow Group Holdings Limited ("the Group") and engages with them on a regular basis. Open and frequent dialogue with investors enables them to fully understand the Group's strategy, objectives and governance. The Company interfaces with shareholders through strategy day events and through the Group Board, enabling them to establish the issues most important to them.

The Board calendar is reviewed and updated as part of setting the Board's priorities with reference to our stakeholder groups.

Individual discussions with the executive and non-executive directors are also arranged throughout the year with shareholders.

Angel Trains Limited

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2025 (continued)

SECTION 172 (1) STATEMENT (continued)

Environment - The state of the environment is of great concern to us and we are always looking to ways to reduce our environmental impact.

The Company's annual Sustainability Report was published in January 2025. The ESG Steering Committee continued to have oversight of sustainability performance and ensure that appropriate ESG risk controls are in place. ESG presentations are given to the Board to ensure such matters remain strategic, current and effective.

In 2025 we retained our Global Real Estate Sustainability Benchmark ("GRESB") rating as a 5-star rated business for the fifth consecutive year, increasing our benchmark score from 99/100 to 100/100 and being ranked 1st out of 650 companies participating in the survey.

Debt Providers - Our debt providers play an important role in our business and we maintain a proactive, open and transparent relationship with them. Regular meetings are held with our diverse group of debt providers and credit rating agency to keep them informed about relevant areas of the business.

Industry Regulators - Reports and other forms of publication issued by the Company's principal industry regulators from time to time are discussed by the Board and the deliberations are appropriately minuted. The directors have direct dialogue with the industry regulators, giving them an understanding of their requirements and intentions, which will then be brought into the discussions of the Board.

Directors attend political, economic and regulatory forums to maintain effective working relationships with the government and industry regulatory authorities. The Company continues to maintain a transparent relationship with its industry regulators.

PEOPLE & DIVERSITY

The Company recognises the benefit the industry would receive from a more gender balanced workforce and is committed to increasing the number of women throughout the organisation as well as, more generally, to furthering the success of women in the rail sector. Since 2013, the Company has undertaken voluntary gender equality reporting by publishing an annual report on its website. A plan to increase diversity in the workforce beyond gender alone has been presented to the Board, and continues to be progressed. The overall gender split for 2025 was 73% male: 27% female (2024: 75% male and 25% female).

Equality, Diversity and Inclusion ("ED&I") Committee -

We are proud of our inclusive and equitable culture, as reflected in our approaches to recruitment and promotion, by our Employee Voice survey scores, our World Class Workplace award and by our Investors in People Platinum accreditation. We also recognise that valuing and fostering diversity improves our business performance. Our ED&I Committee meets monthly and is charged with delivering our ED&I strategy by organising awareness-raising activities, providing an internal advisory service, pro-actively keeping abreast of current best practice, identifying training or development requirements and by regularly reporting on progress towards our ED&I vision.

During 2025, we partnered with The Clear Company, a recognised leader in inclusive workplace practice. Through their Clear Assured framework – a rigorous, evidence-based benchmark – we sought an honest assessment of where we stand and a clear path for how we will continue to grow and were delighted to be awarded Bronze accreditation in just eight months. The speed of this accreditation speaks to the strength of our foundations. It demonstrates what becomes possible when we act with shared purpose, uphold our values, and commit to building a workplace where everyone can belong.

Angel Trains Limited
STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2025 (continued)

LOOKING FORWARD

The Company continues to support UK Governments target to remove all 'diesel only' trains by 2040. Our portfolio of diesel rolling stock is forecast to dramatically reduce by 2030 but despite this the Company continues to invest in sustainability projects including hybrid battery technology, as detailed earlier in the report.

During this time, it will be also be necessary to continue to invest in enhancements and modification programmes on selective fleets to ensure the rolling stock maintains its required utility and competitiveness. We employ a strong and committed team whose experience and depth of relationships within the rail industry gives us confidence that these challenges can be achieved.

PRINCIPAL RISKS AND UNCERTAINTIES

The Company's principal risk comprises of loans, deposits and payables.

Applying international accounting standards (IAS) in conformity with the requirements of Companies Act 2006, all portfolios are considered to be held for non-trading purposes.

The directors are responsible for considering risk management issues that arise across the Company. Risk management policies are detailed in note 26.

In addition to Financial risk management the Group has an Internal Control Framework that is designed to monitor other risks, including operational, regulatory and reputational risks. The Framework includes processes for reviewing the effectiveness of the Group's system of internal control. The Group has an organisational structure with clearly defined lines of responsibility and delegation of authority.

The consultation on policies for inclusion in the Railways Bill concluded in April 2025, and the Bill was introduced to Parliament in November 2025 with recently completing its second reading in December 2025. The Government's intention remains that GBR will act as the single directing mind for the rail system, bringing together responsibility for rail infrastructure, strategic planning, and most passenger operations within a unified public body. While the Bill introduces major structural reform for train operations, it does not directly alter the role or ownership model of the ROSCOs, we will continue to monitor the developments as the Bill passes through Parliament. Angel Trains will continue to engage with the legislative process and emphasise the importance of continued private investment in rolling stock and rail infrastructure makes to the reliability, efficiency, and long term sustainability of the UK rail network.

Operational risk

Operational risk is the risk of unexpected losses attributable to human error, systems failure, fraud or inadequate internal financial controls and procedures.

The Company manages this risk through systems and procedures to monitor transactions and positions, the documentation of transactions and periodic review. The Company also maintains contingent facilities to support operations in the event of disaster.

Approved by the Board of Directors and signed on its behalf.



M. Brown
Director

16 April 2026

Angel Trains Limited
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2025

The directors present their annual report and the audited financial statements for the year ended 31 December 2025.

RESULTS AND DIVIDENDS

Interim dividends of £nil was paid during the year (2024: interim dividends of £97.0m). The directors do not propose any additional dividend to be paid in the year. The Company's financial performance is presented in the Income Statement on page 20. The profit after tax attributable to the owners for the year was £39.7m (2024: £43.8m) and this was transferred to reserves. The decrease in profit after tax is due to increase in cost of financing and decrease in interest receivable. During the year, revenue increased by 1.2% and cost of sales increased by 3.4%. Administrative expenses increased by 4.6%. These factors resulted in an decrease in operating profit compared to 2024 of 1%.

At the end of the year, the financial position showed total assets of £1,690.9m (2024: £1,646.2m) representing an increase of 2.7%. This includes the net book value of property, plant and equipment and right-of-use assets of £1,421.9m compared to £1,394.7m at the previous year end. Other non-current assets comprise of investments in subsidiaries of £120.2m following the acquisition of Readypower Group during 2022.

DIRECTORS AND COMPANY SECRETARY

The present directors and company secretary who have served during the year and up to the date of signing this report are listed on page 1.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with UK-adopted International Accounting Standards.

Under company law, directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable UK-adopted International Accounting Standards Board have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

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

Directors' confirmations

In the case of each director in office at the date the directors' report is approved:

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

Angel Trains Limited DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2025 (continued)

LOOKING FORWARD

For information on future developments, refer to the "Looking forward" section of the Strategic Report.

PRINCIPAL RISKS AND UNCERTAINTIES

Refer to "Principal risks and uncertainties" within the Strategic Report on page 7.

GOING CONCERN

These financial statements are prepared on a going concern basis. The Company continues to comply with the requirements of the Group's debt covenants, with performance underpinned by positive cash flows from the Company's operations despite a net current liabilities position. The Directors having made appropriate enquiries, have a reasonable expectation the Company has adequate resources to continue in operational existence for the foreseeable future. The directors have received confirmation that there is no intention to redeem the intercompany loan balances in full within one year from the date of the financial statements are signed.

In considering the impact on the Company, the Group has analysed the potential impact on forecasts and liquidity and has concluded there are no material impacts that would affect its conclusion on going concern. In particular:

- Strong liquidity position - Committed facilities are available that more than cover all debt repayments coming due within one year from the date of signing the financial statements.
- The Company in conjunction with the broader Group has assessed projected debt covenant compliance under both a normal and stress situation without any breaches being identified.

DIRECTOR'S INDEMNITY COVER

No directors have been granted Qualifying Third Party Indemnity Provisions.

EMPLOYEE ENGAGEMENT

Refer to "Section 172 (1) Statement – Employees" within the Strategic Report on pages 4 to 6.

STAKEHOLDER ENGAGEMENT

Refer to "Section 172 (1) Statement - Our Key Stakeholders" within the Strategic Report on pages 4 to 6.

STATEMENT OF CORPORATE GOVERNANCE ARRANGEMENTS

For the year ended 31 December 2025, under The Companies (Miscellaneous Reporting) Regulations 2019, the Company has applied the Wates Corporate Governance Principles for Large Private Companies (published by the Financial Reporting Council ('FRC') in December 2019) as summarised in the "Section 172 (1) Statement" within the Strategic Report on pages 4 to 6.

FINANCIAL RISK MANAGEMENT

The main financial risk the Company faces is interest rate risk. However, this risk is mitigated at Group level through the use of hedging (see the Notes to the Financial Statements for further details interest rate risk management). The directors consider that the Group's exposure to price risk, liquidity risk or credit risk is less significant given the mitigants it has in place.

Angel Trains Limited
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2025 (continued)

SUSTAINABILITY REPORT

The Company has maintained its strategy of directing investment towards electric, bi-mode and hybrid rolling stock assets as well as funding existing rolling stock enhancements to improve passenger experience and support modal shift. This is demonstrated by the £171m investment announced in April 2025 for nine new battery hybrid trainsets in partnership with Grand Central and Hitachi. The Company, in partnership with East Midlands Railway (EMR) and Siemens, is also investing £28m into the Class 360 fleet, transforming the passenger environment by providing a comfortable, connected and enjoyable travel experience.

Decarbonisation solutions for the existing diesel fleet continue to be led by the Company's Product Management team with focus remaining on air quality and HVO (Hydrogenated Vegetable Oils) fuels. The Company in collaboration with RSSB is co-funding two projects on air quality. The Company has also commenced initiatives looking at circularity and embodied carbon in rolling stock, and improvements in efficiency and energy consumption whilst rolling stock is in stabling mode.

Governance

The Company will publish a sustainability report in 2026 making public disclosure of its ESG metrics and providing an overview of the initiatives which have been undertaken demonstrating the Company's commitment to sustainability. Governance is provided by the sustainability steering group which has been active in 2025 and is supported by the environmental review group which is tasked with delivery of the Company's environmental improvement objectives and monitoring our alignment with the principles of ISO 14001. Sustainability steering group remit was expanded in 2025 to incorporate oversight of Wellbeing, ED&I and CSR initiatives with additional attendees joining the group.

The Company undertook a detailed analysis of Scope 3 emissions data, working with consultancy Expleo and their subsidiary Moorhouse Consulting during 2025. The project focused on setting the Company's emissions boundary, which then enabled a further phase, creating a GHG data protocol document, setting out roles, responsibilities and methods for Scope 3 emissions calculations. During the year, the Company calculated its baseline scope 3 emissions, setting a baseline for future emission to be measured against it. Undertaking this important step will enable the Company to further its efforts in relation to climate resilience and, if appropriate, SBTi target setting in the future beyond 2025.

Leased Asset Carbon Emissions

The Company continued to enhance its Scope 3 reporting during the year by modelling carbon emissions from both its diesel and electric vehicle fleets. The Carbon Calculator, developed in 2023, was upgraded to incorporate activity data from the Fleet Management System (FMS), enabling more accurate and reliable emission results. The modelling estimates that the combined fleet contributed 424,312 metric tonnes of CO₂e in 2025.

Environmental Performance

The Company has not suffered from any environmental incidents nor any non-compliance with mandatory legislation as a result of its operations in 2025.

A GRESB benchmarking assessment was carried out in 2025 where the Company scored 100/100 and maintained its 5-star rating. In particular, the Company achieved full marks for the environmental and governance themes and maintained its first-place position in the performance section.

Assets identified for disposal in 2025 were dismantled by approved waste management contractors where around 90% of the waste generated had been recycled. The Company has also been able to dispose of vehicle assets through sale to other rail organisations abroad.

Angel Trains Limited
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2025 (continued)

STREAMLINED ENERGY AND CARBON REPORTING (SECR) (UNAUDITED)

The disclosures set out below for SECR reporting purposes have been prepared on a Group basis.

Greenhouse gas emissions and energy use data used by the Company in its business activities involving the combustion of gas and fuels, the purchase of electricity and fuel used in vehicles operated on its behalf, in both kWh and tCO₂e are as follows.

	Year Ended 31 December 2025
Energy consumption used to calculate emissions (kWh)	828,612
Energy consumption break down (kWh)	
Scope 1 - Stationary Combustion – Natural Gas	33,775
Scope 2 - Purchased Electricity	484,186
Scope 2 - Purchased Steam / Heat / Cooling	97,805
Scope 3 - Grey Fleet	126,396
Scope 3 - Hire Vehicles	86,450
 Annual Carbon Emissions	
Scope 1 emissions in metric tonnes CO ₂ e	6
Scope 2 emissions in metric tonnes CO ₂ e	104
Scope 3 emissions in metric tonnes CO ₂ e	53
 Total gross emissions in metric tonnes CO₂e	163
 Intensity Measurement	
The chosen intensity measurement is occupied floor space.	
Floor Area (m ²)	2,996
Intensity ratio Kgs CO₂e per M²	55

Emission sources can be categorised into the following three 'scopes':

- Scope 1 - direct emissions from controlled or owned sources, which includes those from combustion of fuel and operation of facility.
- Scope 2 - indirect energy emissions from generation of purchased energy.
- Scope 3 - emissions from use of sold products and services for which the company does not own or control.

Quantification and reporting methodology

Management have decided to include 100% of the Group's energy usage and emissions in the above disclosure for the Company as it is not feasible for all elements of the disclosure to be apportioned on a reasonable basis.

A methodology derived by an external party has been used to ensure compliance with the SECR requirements. The government issued "Greenhouse gas reporting: conversion factors 2025" conversion figures for CO₂e were used along with the fuel property figures to determine the kWh equivalent emission.

Measures taken to improve energy efficiency

The Company continues to identify and implement measures aimed at reducing energy consumption and lowering carbon emissions. In 2025, the landlord completed the installation of airsource heat pumps at the 123 Victoria Street office, resulting in the cessation of all gas usage at the site. The building now operates solely with electric heating provided by the newly installed system. Furthermore, the business management system introduced in 2024 has been updated and refined to enhance the accuracy of reported data and improve overall operational efficiency.

Angel Trains Limited
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2025 (continued)

STREAMLINED ENERGY AND CARBON REPORTING (SECR) (UNAUDITED) (continued)

Materiality

The Company are reporting upon all the required fuel sources as per SECR requirements. Estimations for Vehicle Fleet consumed fuel in litres and mileages were provided, and DEFRA fuel properties used to convert to kWh and tCO₂e.

POST BALANCE SHEET EVENTS

There have been no significant events between the year end and the date of approval of the financial statements which would require a change or an additional disclosure in the financial statements.

Approved by the Board of Directors and signed on its behalf.



M. Brown
Director

16 April 2026

Angel Trains Limited

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ANGEL TRAINS LIMITED

Report on the audit of the financial statements

Opinion

In our opinion, Angel Trains Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2025 and of its profit and cash flows for the year then ended;
- have been properly prepared in accordance with UK-adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise:

- the Balance Sheet as at 31 December 2025;
- the Income Statement for the year then ended;
- the Statement of Comprehensive Income for the year then ended;
- the Statement of Changes in Equity for the year then ended;
- the Statement of Cash Flows for the year then ended; and
- the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Our audit approach

Overview

Audit scope

- The scope of our audit and the nature, timing and extent of audit procedures performed were determined by our risk assessment and other qualitative factors.
- We tailored the scope of our audit to ensure that we performed sufficient work to enable us to express an opinion on the financial statements.
- We identified all material classes of transactions, account balances and disclosures including those that were considered qualitatively material, and conducted our work over those accordingly.

Key audit matter

- Rolling stock carrying value

Materiality

- Overall materiality: £16,909,000 (2024: £16,462,000) based on 1% of Total Assets.
- Performance materiality: £12,682,000 (2024: £12,347,000).

The scope of our audit

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

Angel Trains Limited

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ANGEL TRAINS LIMITED (continued)

Key audit matters

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

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

The key audit matters below are consistent with last year.

Key audit matter	How our audit addressed the key audit matter
<p><u>Rolling stock carrying value</u></p> <p>Rolling stock is the company's most significant asset, with a net book value of £1,315.3mn at 31 December 2025. Details of the rolling stock are provided in note 14. Property, Plant and Equipment and note 15. Leases. The accounting policies for rolling stock and their potential impairment are included within the accounting policies section under 'Property, plant and equipment and right-of-use assets' and 'Impairment of tangible assets'. We consider the valuation of rolling stock to be a significant audit risk and a key audit matter given the materiality of the balance and the judgement required throughout the asset life cycle in respect of its recoverable value.</p> <p>The recoverable value of rolling stock is dependent on the future income generating capacity of the trains. Trains are typically leased under short or medium-term contracts, meaning that assumptions over the ability of the company to lease trains at the end of the current contract period, and the amount at which the trains are leased for will materially impact the cash flows that underpin the impairment test. Management performs a detailed impairment assessment each year of whether rolling stock is impaired. This includes computing value in use ('VIU') via assessments of forecast cash flows (particularly the timing and value of future leases), and calculating the discount rate to be applied, considering the weighted average cost of capital ('WACC') as well as computing the fair value less cost of disposal ('FVLCD').</p> <p>Management has also considered the impact of government policy related to diesel only trains and the risk that these will be removed from the network by 2040. There is judgement involved in management's assumption over future environmental regulation and the ability of these trains to generate revenue beyond this date.</p>	<p>We assessed the reasonableness of the key assumptions by considering external factors influencing train usage and replacement such as reduced passenger, comparative pricing of new and existing trains, competitor activity, technological developments and other macro factors such as the increasing levels of interest rates, increased focus on climate change and the government's plans to phase out diesel units by 2040 over time.</p> <p>We also independently identified rolling stock we considered at higher risk of impairment by, for example, considering train classes with relatively lower headroom.</p> <p>We assessed the reasonableness of management's impairment calculation, including compliance with IAS 36. This testing included:</p> <ol style="list-style-type: none"> 1. Calculating a range of discount rates, using our valuation experts to determine a weighted average cost of capital ('WACC') that used independently sourced inputs and that considered the industry the company operates in amongst other factors. We also performed sensitivity analysis to determine the impact of applying the range of our discount rate to determine present value of cash flows. 2. Verifying for a sample of rolling stock that the base prices applied in management's impairment model tied back to existing contracts. We applied sensitivity analyses for any future price assumptions that are higher than contractually agreed rates with train operating companies. We also assessed future re-leasing possibilities in the medium term based on the tenure of existing rail franchises and extensions of rail contracts during the year.

Angel Trains Limited

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ANGEL TRAINS LIMITED (continued)

<p>Management's impairment test demonstrated that no impairment was required on all train classes in 2025.</p> <p>The key judgments are:</p> <ol style="list-style-type: none">1. The discount rate applied to management's impairment analysis to determine present value of future cash flows.2. The likelihood of future re-lease and the price achieved on future contracts.3. Determination of FVLCD where VIU is lower than the carrying value.4. The impact of environmental regulation	<ol style="list-style-type: none">3. Where management used the FVLCD approach to determine the recoverable amount, we tested the key inputs and assumptions used to calculate the FVLCD. We also performed sensitivity analysis on the market value used to determine the impact on the available headroom.4. We performed independent sensitivity analysis to determine to what extent reasonably possible changes in environmental regulation could result in material changes to the valuation of diesel engine trains which have material revenue projections beyond 2040. Whilst the fleet has the capability to run on an electrified train line, there is some judgement involved in management's assumption of a favourable government policy with respect to electrification of train lines that would allow these trains to generate revenue beyond 2040. We have performed independent research to consider the likelihood of changes in government policy which could have an unfavourable impact to the recoverable amount of the fleet post 2040. No such indications have been identified which suggest any changes to the government policies in the short to medium term.
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How we tailored the audit scope

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

As part of designing 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, that involved making assumptions and considering future events that are inherently uncertain.

The impact of climate risk on our audit

As part of our audit we made enquiries of management to understand the process management adopted to assess the extent of the potential impact of climate risk on the entity's financial statements and support the disclosures made within the Directors' Report and published on its website. Management has made commitments to take significant actions to lower harmful emissions which result from rail travel, supporting the government's target to reach net zero by 2050.

We considered the risk that the Rolling stock carrying value may be materially impacted as a result of the government's policy to phase out diesel only and bi-mode trains by 2040 to reduce carbon emissions.

Our audit response is given in the key audit matters section of our audit report to address this risk.

Angel Trains Limited

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ANGEL TRAINS LIMITED (continued)

Materiality

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

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

<i>Overall company materiality</i>	£16,909,000 (2024: £16,462,000).
<i>How we determined it</i>	1% of Total Assets
<i>Rationale for benchmark applied</i>	We consider that Total Assets is an appropriate measure to use given volatility in reported profits in recent years and given the importance of the rolling stock asset base to the ability of the company to generate future cash flows. We used 1% of Total assets which is at the higher end of our typical range for this measure.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality was 75% (2024: 75%) of overall materiality, amounting to £12,682,000 (2024: £12,347,000) for the company financial statements.

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

We agreed with those charged with governance that we would report to them misstatements identified during our audit above £845,000 (2024: £823,000) as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons

Conclusions relating to going concern

Our evaluation of the directors' assessment of the company's ability to continue to adopt the going concern basis of accounting included:

- Performing a risk assessment to identify factors that could impact the going concern basis of accounting for both the company and the wider group.
- Understanding the group's liquidity position confirming that sufficient committed facilities are available to meet debt repayments coming due in at least twelve months from the date of signing the financial statements.
- Obtaining evidence that Willow Group Holdings Limited, has received assurance from its shareholders that their shareholder loan notes will not need to be repaid for a period of at least twelve months from the date of signing of the financial statements.
- Confirming that appropriate intercompany agreements are in place which enable the company to draw on the group facilities, as required to meet its liabilities as they fall due for at least twelve months from the date of signing the financial statements.

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

Angel Trains Limited

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ANGEL TRAINS LIMITED (continued)

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

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

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

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the year ended 31 December 2025 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

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

In preparing the financial statements, the directors are responsible for assessing the 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.

Angel Trains Limited

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ANGEL TRAINS LIMITED (continued)

Auditors' responsibilities for the audit of the financial statements

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

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

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to Companies Act 2006, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as UK Corporation Tax Laws. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries and management bias in significant accounting estimates. Audit procedures performed by the engagement team included:

- Enquiries of management and those charged with governance, including review of minutes of meetings in so far as they related to the financial statements and consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Identifying and testing higher risk journal entries;
- Considering the reasonableness of key judgements and assumptions used by management in developing significant accounting estimates, including a critical assessment as to whether management bias could be present; and
- Incorporating unpredictability into the nature, timing and/or extent of our testing.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

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

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Angel Trains Limited

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ANGEL TRAINS LIMITED (continued)

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.



Jessica Miller (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
17 April 2026

Angel Trains Limited
Registered No. 2912655
INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2025

		Year ended 31 December 2025	Year ended 31 December 2024
		£'m	£'m
	Note		
Revenue	2	332.1	328.2
Cost of sales	5	(184.9)	(178.8)
Gross profit		147.2	149.4
Administrative expenses	5	(36.4)	(34.8)
Other income	3	9.2	6.6
Operating profit		120.0	121.2
Finance income	4	2.6	4.2
Finance costs	6	(72.3)	(68.8)
Profit before income tax		50.3	56.6
Income tax expense	7	(10.6)	(12.8)
Profit for the year attributable to the owners		39.7	43.8

The notes on pages 26 to 59 form an integral part of these financial statements.

Angel Trains Limited
Registered Number 2912655
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2025

		Year ended 31 December 2025	Year ended 31 December 2024
		£'m	£'m
	Note		
Profit for the year		39.7	43.8
Other comprehensive income			
<i>Items that will not be reclassified to profit and loss</i>			
Actuarial gain on defined benefit pension scheme	27	1.5	2.3
Tax on other comprehensive income		(0.4)	(0.7)
Total other comprehensive income for the year		<u>1.1</u>	<u>1.6</u>
Total comprehensive income for the year attributable to the owners		<u><u>40.8</u></u>	<u><u>45.4</u></u>

The notes on pages 26 to 59 form an integral part of these financial statements.

Angel Trains Limited
Registered Number 2912655
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2025

		Called up share capital	Retained earnings	Total equity
		£'m	£'m	£'m
	Note			
At 1 January 2024		172.3	80.1	252.4
Profit for the year		-	43.8	43.8
Other comprehensive income				
Actuarial gain on defined benefit pension scheme		-	2.3	2.3
Tax on items taken directly to equity		-	(0.7)	(0.7)
Total comprehensive income		-	45.4	45.4
Dividends	28	-	(97.0)	(97.0)
At 31 December 2024		172.3	28.5	200.8
Profit for the year		-	39.7	39.7
Other comprehensive income				
Actuarial gain on defined benefit pension scheme		-	1.5	1.5
Tax on items taken directly to equity		-	(0.4)	(0.4)
Total comprehensive income		-	40.8	40.8
Dividends	28	-	-	-
At 31 December 2025		172.3	69.3	241.6

The notes on pages 26 to 59 form an integral part of these financial statements.

Angel Trains Limited

Registered Number 2912655

BALANCE SHEET AS AT 31 DECEMBER 2025

		31 December 2025	31 December 2024
	Note	£'m	£'m
Assets			
Non-current assets			
Property, plant and equipment	14	715.8	623.2
Right-of-use assets	15	706.1	771.5
Retirement benefit asset	27	7.7	5.9
Investments	17	120.2	120.2
Loans receivable	13,16	36.5	74.7
		1,586.3	1,595.5
Current assets			
Contract assets	18	3.1	4.7
Current tax assets	11	25.5	11.0
Trade and other receivables	13	16.2	8.3
Cash and cash equivalents	13	59.8	26.7
		104.6	50.7
Current liabilities			
Trade and other payables	10	(99.2)	(88.7)
Lease liabilities	15	(37.7)	(36.8)
Contract liabilities	19	(23.2)	(30.8)
Deferred profit	21	(1.6)	(1.6)
		(161.7)	(157.9)
Net current liabilities		(57.1)	(107.2)
Total assets less current liabilities		1,529.2	1,488.3
Non-current liabilities			
Loans payable	9,16	695.8	655.7
Trade and other payables	10	7.7	8.9
Deferred tax liabilities	12	191.2	196.5
Lease liabilities	15	382.5	414.3
Deferred profit	21	10.4	12.1
		1,287.6	1,287.5

Angel Trains Limited

Registered Number 2912655

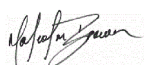
BALANCE SHEET AS AT 31 DECEMBER 2025

		31 December 2025	31 December 2024
	Note	£'m	£'m
<i>Equity attributable to owners of the parent</i>			
Called up share capital	23	172.3	172.3
Retained earnings		69.3	28.5
Total equity		<u>241.6</u>	<u>200.8</u>
Total equity and non-current liabilities		<u>1,529.2</u>	<u>1,488.3</u>

The notes on pages 26 to 59 form an integral part of these financial statements.

The financial statements on pages 20 to 59 were approved by the Board of Directors and authorised for issue on 1 April 2026.

They were signed on its behalf by:



M. Brown
Director

16 April 2026

Angel Trains Limited
Registered Number 2912655
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2025

	Year ended 31 December 2025	Year ended 31 December 2024
	£'m	£'m
Cash flows from operating activities:		
Cash receipts from customers	298.1	308.9
Cash paid to suppliers and employees	(69.9)	(56.5)
Cash generated from operations	228.2	252.4
Income taxes paid	(30.8)	(24.1)
Interest paid	(36.0)	(35.4)
Net cash generated from operating activities	161.4	192.9
Cash flows from investing activities:		
Interest received	1.1	2.5
Dividends received from subsidiaries	7.5	5.0
Purchase of property, plant and equipment	(142.1)	(55.4)
Proceeds from disposal of property, plant and equipment	1.3	0.6
Issue of new loans to group companies	(112.0)	(175.6)
Repayment of loan by group company	151.8	161.9
Net cash used in investing activities	(92.4)	(61.0)
Cash flows from financing activities:		
Payments of dividends	-	(102.0)
Repayment of lease liabilities	(34.7)	(37.4)
Repayment of loans	(33.1)	(132.4)
Receipt of new loans	31.9	130.3
Net cash used in financing activities	(35.9)	(141.5)
Net cash movement in cash and cash equivalents	33.1	(9.6)
Cash and cash equivalents at the beginning of the year	26.7	36.3
Cash and cash equivalents at the end of the year		
Bank balances and cash	59.8	26.7

The notes on pages 26 to 59 form an integral part of these financial statements.

Angel Trains Limited

NOTES TO FINANCIAL STATEMENTS - FOR THE YEAR ENDED 31 DECEMBER 2025

1. Significant Accounting Policies

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been applied consistently to all periods presented, except where otherwise indicated, and all material accounting policies have been assessed.

General

Angel Trains Limited is a private company, limited by shares and is incorporated and domiciled in England and Wales. Immediate parent company is Angel Trains Group Limited where initially these financial statements are consolidated. The Companies ultimate holding company and controlling party is Willow Group Holdings Limited where the Company is consolidated into.

Basis of preparation

These financial statements have been prepared in accordance with UK-adopted international accounting standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards.

The financial statements are prepared under the historical cost convention and on the going concern basis. The preparation of financial statements in conformity with IAS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed below.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described below, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

Critical judgements in applying accounting policies

The following are the critical judgements, apart from those involving estimates (see below) that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Revenue recognition

For revenue of non-capital income (i.e. predominantly maintenance lease rentals 'contract' or 'contracts'), the Company's primary obligation is to maintain customers rolling stock in an operational condition. The Company achieves this by undertaking various maintenance activities over the period of the lease. To determine the correct revenue recognition, the Company determines whether multiple leases with the same customer should be combined and accounted for as one single lease for the purposes of revenue recognition. Equally, the maintenance contracts are assessed and determinations are made as to whether a single or multiple performance obligation exist and to which lease or leases they should be applied to, in accordance with IFRS 15.

Key sources of estimation uncertainty

Useful lives of property, plant & equipment

As described in the property, plant and equipment accounting policy note below, the Company periodically reviews the useful economical lives. In recent years, the directors determined that the useful economical lives of certain rolling stock should be shortened or extended, due to either commercial or technical changes.

For the current year, the directors have considered the current estimate of useful economic lives are supportable and reasonable, therefore no material changes have been made during the year. A 5% increase/(decrease) in depreciation would have resulted in a £6.1m (2024: £6.4m) (decrease)/increase operating profit. Because of the long term nature of rolling stock there is inherent uncertainty, however directors continue to review periodically.

Angel Trains Limited

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (continued)

1. Significant Accounting Policies (continued)

Critical accounting judgements and key sources of estimation uncertainty (continued)

Forecasts and discount rates

As described in the impairment of tangible assets policy below the Company reviews the carrying amounts of its tangible assets and in particular property, plant and equipment and right-of-use assets. The assessment as to whether there are any indications of impairment of property, plant and equipment, in particular rolling stock, are dependent on the estimated future cash flows and the discount rate used to calculate a present value. An increase/decrease in these estimates did not result in a material impact. Because of the long-term nature of rolling stock there is inherent uncertainty, however the Group performs a robust quarterly forecast, which is reviewed by directors.

Maintenance lease rentals

The Company has long term maintenance lease rentals contracts that fall into different financial years and can extend into multiple financial years. The estimated revenues are inherently difficult to determine as significant estimates are required to assess the maintenance pattern throughout the life of rolling stock. A significant change in one or more of these estimates may result in increases or decreases in operating profit. A 10% (decrease)/increase in maintenance events would have resulted in an increase/(decrease) in revenue of £6.8m and operating profit of £1.8m.

Adoption of the new and revised Standards

At the date of authorisation of these financial statements, the following amended standards were effective for accounting years beginning on 1 January 2025 but did not have a material impact on the Company's financial statements:

IAS 21 (amendments) - Lack of Exchangeability

Amendments to the SASB standards to enhance their international applicability

The following standards, amendments and interpretations to existing standards have been issued but are effective for accounting years beginning after 1 January 2025, and the Company has not early adopted them:

IFRS 9 and IFRS 7 (amendments) - Classification and measurement of financial instruments

Annual improvements to IFRS Accounting Standards - Volume 11

Amendments to IFRS 9 and IFRS 7 regarding power purchase arrangements

IFRS 18 Presentation and Disclosures in Financial Statements

IFRS 19 Subsidiaries without Public Accountability: Disclosures

The Directors anticipate that the adoption of these standards, amendments and interpretations are either not applicable to the Company's operations or will have no material impact on the financial statements of the Company. The Company has not chosen to early adopt any other standards, amendments and interpretations to existing standards during the year.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, rebates and sales-related taxes. The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and when specific criteria have been met for each of the Company's activities as described below. In the event the lessee terminates early an operating lease, a penalty settlement (if applicable) is agreed, which is recognised as revenue in the year of termination.

Angel Trains Limited

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (continued)

1. Significant Accounting Policies (continued)

Maintenance lease rentals

For most maintenance lease rentals, the customer contracts the Company to provide various maintenance activities over the life of the contract. These activities are a complex service integrating a set of tasks that could be over multiple rolling stock vehicles. The entire contract or combination of contracts is considered as one performance obligation unless more than one performance obligation exists in accordance with IFRS 15. Because of control transferring over time, revenue is recognised based on the extent of progress towards completion of the performance obligation.

The Company also considers the potential risk where estimates may affect more than one customer contract. For each performance obligation to be recognised over time, the Company recognises revenue using an input method, based on costs incurred during the year. Revenue and the associated margin are calculated by estimates of transaction price and total expected costs.

Finance income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

Dividend income

Dividend income is recognised when the right to receive payment is established.

Dividend distribution

Dividend distributions to the Company's shareholders are recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's shareholders.

Leases

The Company as lessor

The Company has no leases where the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. In accordance with IFRS 16, all leases are classified as operating leases.

Payments received under operating leases (net of any incentives) are credited to the income statement on a straight-line basis over the period of the lease. Rent-free periods and payments made in advance are accounted for in a way such that the revenue income is consistent each year over the term of the lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term. In the event the lessee terminates early an operating lease, a penalty settlement (if applicable) is agreed, which is recognised as revenue in the period of termination.

The Company as lessee

In accordance with IFRS 16, the Company assesses whether a contract is or contains a lease, at inception of the contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as small items of office furniture and printers). For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the lessee uses its incremental borrowing rate. Lease payments included in the measurement of the lease liability comprise fixed lease payments less any lease incentives receivable.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments.

Angel Trains Limited

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (continued)

1. Significant Accounting Policies (continued)

The Company as lessee (continued)

Right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers substantially all the risk and rewards but not necessarily legal ownership, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The Company applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Impairment of tangible assets' policy.

Foreign currencies

The financial statements of the Company are presented in Pounds Sterling, which is the currency of the primary economic environment in which the Company operates (its functional currency). In preparing the financial statements, transactions in currencies other than the Company's functional currency (foreign currencies) are recorded using the exchange rates prevailing at the date of the transaction. At each balance sheet date, monetary assets and liabilities denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date.

Exchange differences arising on the settlement of monetary asset and liabilities, and on the retranslation of monetary assets and liabilities, are included in the income statement within 'other gains/(losses)'. In order to hedge its exposure to certain foreign exchange risks, the Company enters into forward contracts (see below for details of the Company's accounting policies in respect of such derivative financial instruments).

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use of leasing or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use of leasing or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. The interest rate applied on the capitalisation of interest is calculated at the average swap rate plus the weighted average margin of the Group's external debt. All other borrowing costs are recognised in the income statement in the year in which they are incurred.

Retirement benefit costs

Benefits for the Company's employees are provided by an Angel Trains Shared Cost Section (the 'Main Scheme'), a defined benefit scheme which is part of the Railways Pension Scheme, but its assets and liabilities are identified separately, and defined contribution retirement benefit plans.

Main Scheme

For defined benefit schemes, the cost of providing benefits is determined using the projected unit credit method, with approximate actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the year in which they arise. Past service costs are recognised immediately to the extent that the benefits are already vested.

The retirement benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation, and as reduced by the fair value of scheme assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms of maturity approximating to the terms of the related pension liability.

Defined contribution

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due.

Angel Trains Limited

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (continued)

1. Significant Accounting Policies (continued)

Current and deferred tax

Tax expense represents the sum of current tax and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is recognised in other comprehensive income or directly in equity, respectively.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current and deferred tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at tax rates substantively enacted at the balance sheet date that are expected to apply in the year when the liability is settled or the asset realised. Deferred tax is charged or credited to the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Property, plant and equipment and right-of-use assets

On 12 June 2008, the Company entered into a sale and leaseback transaction with a fellow group company, The Great Rolling Stock Company Limited (formerly The Great Rolling Stock Company PLC). The Company sold the rolling stock vehicles at market value and entered into a finance lease. Market value was determined as the present value of future lease payments. Deferred profit, being the difference between the carrying value and market value is recognised in the Income Statement over the finance lease term on a straight-line basis. Rolling stock acquired prior to 12 June 2008 and any subsequent capital expenditure on these assets are held within right-of-use assets. Rolling stock acquired post 12 June 2008 and any subsequent capital expenditure on these assets are held within property, plant and equipment.

Property, plant and equipment right-of-use assets are shown at cost less any accumulated depreciation and subsequent accumulated impairment losses. Depreciation for these assets is charged to cost of sales.

On the subsequent sale or retirement of revalued rolling stock, the attributable revaluation surplus remaining in the revaluation reserve is transferred directly to accumulated profits.

Depreciation is charged so as to write off the cost of these assets over their estimated useful lives, using the straight-line method, or in the case of leased buildings, the shorter lease term as follows.

	Years
Rolling stock	25 - 40
Office fixtures and fittings	5 - 10
Other rail assets	20

Angel Trains Limited

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (continued)

1. Significant Accounting Policies (continued)

Property, plant and equipment and right-of-use assets (continued)

Computer Equipment	3
IT system upgrade	10
Leased buildings	Lease Term
Leased depot	Lease Term
Leased cars and other	Lease Term

Rolling stock in the course of construction for rental purposes is carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Depreciation of these assets, on the same basis as other rolling stock, commences when the assets are ready for their intended use. Intended use is usually identified as when the construction of rolling stock is complete.

Office fixtures and fittings, computer equipment and IT system upgrade are categorised as Other within Property Plant and Equipment in note 14.

The useful economical lives and residual values are reviewed on a periodic basis and adjusted if appropriate. Depreciation is accelerated in the event the useful economic life is shortened. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

The residual value exposure is the net book value of leased assets at the end of the lease term. This exposure is monitored periodically with any corrections required being made through depreciation.

Gains and losses on disposals are determined by comparing the proceeds with carrying amount and are recognised as other income or losses in the income statement.

Impairment of tangible fixed assets

At each balance sheet date, the Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset (cash-generating unit).

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 (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the income statement, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the income statement, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Financial instruments

Financial assets and financial liabilities are recognised on the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.

Angel Trains Limited

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (continued)

1. Significant Accounting Policies (continued)

Financial assets

The Company classifies loans receivable, trade and other receivables and cash and cash equivalents as 'finance assets at amortised cost': Investments in subsidiaries are measured at cost less any impairment. Impairment reviews are performed by the directors when there has been an indication of potential impairment.

Financial assets at amortised cost

Financial assets at amortised cost are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate method.

Contract assets

Contract assets are balances due from the customers that arise when performance obligations are performed in line with the contract. Any amount previously recognised as a contract asset is reclassified to trade receivables at the point at which it is invoiced to the customer.

Impairment of financial assets

The Company has adopted the simplified approach to provide for Expected Credit Losses (ECLs) in accordance with IFRS 9 Financial Instruments. The Company measures, at the end of each reporting period the loss allowance at a probability weighted amount that considers reasonable and supportable information about past events, current conditions and forecasts of future economic conditions of customers. The ECLs are updated at each reporting if there is evidence of changes in credit risk since initial recognition. The Company applies the IFRS 9 simplified approach to measure expected credit losses which uses a 12 month expected loss allowance for amounts due from the other group companies.

Loans to Group undertakings are assessed for expected credit losses (ECL) in accordance with IFRS 9; however, no ECL is recognised as all Group entities are co-obligors on the Group's senior and junior subordinate debt, and recoveries are determined collectively at the Group level under the intercreditor agreement. Given the co-obligor structure, no individual entity is able to fail independently of the others, and therefore credit risk is considered to be shared and not attributable to any single entity.

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Financial liabilities

Financial liabilities issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability. The accounting policies adopted for specific financial liabilities are set out below.

Loan payables

Interest-bearing loans are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings using the effective interest rate method.

Trade and other payables

Trade and other payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

Contract liabilities

Contract liabilities relating to maintenance lease rentals are balances due to customers. These arise if a maintenance lease rental exceeds the revenue recognised to date.

Angel Trains Limited

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (continued)

1. Significant Accounting Policies (continued)

Investment in subsidiaries

Investments are initially measured at fair value, plus directly attributable transaction costs. At subsequent reporting dates, equity investments that do not have a quoted market price and whose fair value cannot be reliably measured are measured at cost less any identified impairment losses at the end of each reporting period.

The Company tests for impairment 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.

Impairment losses are reversed in subsequent periods when an increase in the investment's recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to the restriction that the carrying amount of the investment at the date the impairment is reversed shall not exceed what the carrying value would have been had the impairment not been recognised.

Provisions

Provisions are recognised when the Company has a present obligation as a result of a past event, and it is probable that the Company will be required to settle that obligation. Provisions are measured at the directors' best estimate of the expenditure required to settle the obligation at the balance sheet date, and are discounted to present value where the effect is material.

Share capital

Ordinary shares are classified as equity and have rights to receive all dividends and other distributions, made or paid on the ordinary share capital of the Company.

Consolidation exemption

The Company is exempt from the requirement to prepare consolidated financial statements, under Section 401 of Companies Act 2006 as the Company is a wholly-owned subsidiary of Willow Group Holdings Limited and the Company's results are consolidated within the financial statements of the parent entity. The Willow Group Holdings Limited consolidated financial statements are available from the registered office, 2nd Floor Gaspe House, 66 - 72 Esplanade, St Helier, Jersey, JE1 1GH. The Company's financial statements therefore present information about the Company as an individual entity and not about the Group.

2. Revenue

	Year ended 31 December 2025 £'m	Year ended 31 December 2024 £'m
Operating lease rentals	249.4	248.0
Maintenance lease rentals	71.8	71.8
Depot lease income	4.6	2.8
Management fees	2.4	2.0
Infrastructure Income	0.7	0.6
Other revenue*	3.2	3.0
	332.1	328.2

*Other revenue mainly consists of proceeds from rolling stock that have come to their end of life.

All revenue relates to United Kingdom operations.

Angel Trains Limited

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (continued)

3. Other income

	Year ended 31 December 2025 £'m	Year ended 31 December 2024 £'m
Dividend income from group undertakings	7.5	5.0
Release of deferred profit on sale and leaseback	1.7	1.6
	9.2	6.6
	9.2	6.6

4. Finance income

	Year ended 31 December 2025 £'m	Year ended 31 December 2024 £'m
Interest receivable from group undertakings	1.5	1.7
Other interest receivable	1.1	2.5
	2.6	4.2
	2.6	4.2

The interest receivable from group undertakings represents interest received from The Great Rolling Stock Company Limited (previously The Great Rolling Stock Company PLC).

5. Expenses by nature

	Year ended 31 December 2025 £'m	Year ended 31 December 2024 £'m
Employees' emoluments (note 8)	25.2	25.6
Depreciation and impairment (note 14, 15)	122.5	126.8
Advertising costs	0.2	0.2
Other expenses	73.4	61.0
Total cost of sales and administrative expenses	221.3	213.6
	221.3	213.6

Auditors' remuneration for audit services provided to the Company during the year was £341,012 (2024: £331,080). Fees charged by the auditors for other non-audit services during the year were £35,150 (2024: £4,050). All amounts disclosed above exclude VAT.

Angel Trains Limited

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (continued)

6. Finance costs

	Year ended 31 December 2025 £'m	Year ended 31 December 2024 £'m
Interest payable to group undertakings	41.3	32.1
Interest payable for lease liabilities	34.5	36.7
Interest capitalised	(3.5)	-
	72.3	68.8

7. Income tax expense

The charge for taxation based on the profit for the year is based on United Kingdom corporation tax at 25.00% (2024: 25%) and comprises:

	Year ended 31 December 2025 £'m	Year ended 31 December 2024 £'m
Current tax:		
Current tax charge on profits for the year	17.4	23.8
Adjustments in respect of prior years	(1.1)	0.4
Total current tax charge	16.3	24.2
Deferred tax		
Origination and reversal of temporary differences	(6.6)	(10.9)
Adjustments in respect of prior years	0.9	(0.5)
Total deferred tax	(5.7)	(11.4)
Total tax charge	10.6	12.8

The tax on the Company's profit before tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits of the Company as follows:

	Year ended 31 December 2025 £'m	Year ended 31 December 2024 £'m
Profit before taxation	50.3	56.6
Expected tax charge at 25.00% (2024: 25.00%)	12.6	14.2
Dividends not taxable	(1.9)	(1.3)
Expenses not deductible	0.1	-
Adjustments in respect of prior years	(0.2)	(0.1)
Tax charge for the year	10.6	12.8

The Company's profits for this accounting year are taxed at the enacted corporation tax rate of 25.00% (2024: 25.00%).

Angel Trains Limited

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (continued)

8. Employees' emoluments

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

Department	Year ended 31 December 2025	Year ended 31 December 2024
	Number	Number
Executive and support functions	52	49
Customer-facing staff	36	34
Engineering and technical	67	64
	155	147

Employee costs during the year amounted to:

	Year ended 31 December 2025	Year ended 31 December 2024
	£'m	£'m
Wages and salaries	19.7	20.5
Social security costs	3.0	2.7
Other pension costs	2.5	2.4
	25.2	25.6

9. Loans payable

	31 December 2025	31 December 2024
	£'m	£'m
Amounts falling due after one year		
Loans from group undertakings	695.8	655.7

All the Company's carrying amounts are denominated in Pounds Sterling. The effective interest rates paid were as follows:

	31 December 2025	31 December 2024
Loans from group undertakings	5.71%	4.94%

The directors consider that the carrying amount of the Company borrowings approximates to their fair value.

The amounts are unsecured and bear interest at the weighted average cost of the Group's senior debt plus a margin and have no fixed maturity date. The directors have received confirmation from the lender that they will not be calling any loans for repayment within the next 12 months.

Angel Trains Limited

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (continued)

10. Trade and other payables

	31 December 2025	31 December 2024
	£'m	£'m
Due within one year:		
Trade payables	4.0	1.1
Other taxation and social security	7.8	7.0
Other payables	5.4	9.2
Accruals and deferred income	82.0	71.4
	99.2	88.7
Due after one year:		
Other payables	7.7	8.9
	106.9	97.6

Trade and other payables principally comprise amounts outstanding for trade purchases, ongoing costs, deferred income on operating lease rentals and accruals on interest. The directors consider that the carrying amount of trade and other payables approximates their fair value.

11. Current tax assets

	31 December 2025	31 December 2024
	£'m	£'m
Current tax assets	25.5	11.0
	25.5	11.0

At 31 December 2025, the Company had current tax assets of £25.5m (2024: (£11.0m), of which £5.7m is repayable from (2024: £0.6m payable to) HM Revenue & Customs and £19.8m is repayable from (2024: £11.6m repayable from) other group companies.

12. Deferred tax liabilities

	31 December 2025	31 December 2024
	£'m	£'m
Deferred tax assets	3.8	4.7
Deferred tax liabilities	(195.0)	(201.2)
	(191.2)	(196.5)

The following are the major deferred tax assets and liabilities recognised by the Company, and the movement thereon, during the current and prior reporting years.

Angel Trains Limited

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (continued)

12. Deferred tax liabilities (continued)

Deferred tax assets

	Deferred profit on sale and leaseback	Other	Total
	£'m	£'m	£'m
At 1 January 2024	3.8	0.8	4.6
Charge to the income statement for the year	(0.4)	-	(0.4)
Adjustments to prior years	-	0.5	0.5
At 31 December 2024	3.4	1.3	4.7
Charge to the income statement for the year	(0.4)	-	(0.4)
Adjustments to prior years	-	(0.5)	(0.5)
At 31 December 2025	3.0	0.8	3.8

Deferred tax liabilities

	Retirement benefit scheme	Accelerated capital allowances	Total
	£'m	£'m	£'m
At 1 January 2024	0.8	211.0	211.8
Credit to the income statement for the year	-	(11.3)	(11.3)
Tax on other comprehensive income	0.7	-	0.7
At 31 December 2024	1.5	199.7	201.2
Charge/(credit) to the income statement for the year	0.1	(7.1)	(7.0)
Tax on other comprehensive income	0.4	-	0.4
Adjustment relating to prior years	-	0.4	0.4
At 31 December 2025	2.0	193.0	195.0

The opening deferred tax balances are reflected at a rate of 25.00%, to reflect the projected average rate that deferred tax was expected to unwind at the 31 December 2024 balance sheet date.

In the Finance (No.2) Act 2024, which received Royal Assent on 24 May 2024, the main rate of corporation tax remained at 25.00% for the financial year 2025. For the year ended 31 December 2025, closing deferred tax assets and liabilities are provided for at the 25.00% rate.

A £nil effect of change in tax rate has been reflected in the charge to the income statement for the year because the unwind of deferred tax has occurred during the year at the main rate of corporation tax.

Angel Trains Limited

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (continued)

13. Financial assets at amortised cost & other current assets

	31 December 2025	31 December 2024
	£'m	£'m
Amounts falling due after more than one year		
Amounts owed by group undertakings	36.5	74.7

As at 31 December 2025, the Company had a loan issued to The Great Rolling Stock Company Limited £36.5m (2024: £74.7m). This loan was unsecured, and bore interest at the weighted average cost of the Group's senior debt plus a margin and had no fixed maturity date. The directors considered that the carrying amount of the Company's loans receivable approximated to their fair value.

Trade and other receivables

	31 December 2025	31 December 2024
	£'m	£'m
Amounts falling due within one year		
Trade receivables	1.8	-
Amounts owed by group companies	1.5	-
Prepayments	4.9	2.4
Other receivables	8.0	5.9
	16.2	8.3

The directors consider that the carrying amount of trade and other receivables approximates to their fair value.

Cash and cash equivalents

Cash and cash equivalents comprise of cash held by the Company and short-term bank deposits with an original maturity of three months or less. The carrying amount of these assets approximates to their fair value.

Angel Trains Limited

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (continued)

14. Property, plant and equipment

	Rolling stock £'m	Other fixed assets £'m	Total £'m
Cost			
At 1 January 2024	762.6	20.7	783.3
Additions	0.3	23.9	24.2
Disposals	(0.5)	-	(0.5)
At 31 December 2024	762.4	44.6	807.0
Additions	99.2	17.8	117.0
Disposals	(0.2)	-	(0.2)
At 31 December 2025	861.4	62.4	923.8
Accumulated depreciation			
At 1 January 2024	147.1	13.3	160.4
Charge for the year restated	22.9	0.8	23.7
Disposals	(0.3)	-	(0.3)
At 31 December 2024	169.7	14.1	183.8
Charge for the year	23.3	1.1	24.4
Disposals	(0.2)	-	(0.2)
At 31 December 2025	192.8	15.2	208.0
Net book value			
At 31 December 2025	668.6	47.2	715.8
At 31 December 2024	592.7	30.5	623.2

During the year, there was an impairment loss of £nil (2024: £nil). The assessment undertaken considered the higher of management's forecast value in use ("VIU") of the fleets or fair value, minus cost.

In determining the VIU management discounted its forecast cash flows using a discount rate based on what it considers to be a market pre-tax weighted average cost of capital ("WACC") of 7.6% (2024: 8.0%).

The cash flow projections considered current contracted rent, extension rent i.e. where an option exists to extend the lease and estimates of future re-lease rents. Forecast future rent was estimated taking into account current market conditions and past experience.

Whilst management considers the future cash flows to be highly subjective due to the longevity of the forecast period, it considers the VIU of assets to be most sensitive to changes in the discount rate assumption.

If all other variables remained constant and the discount rate had been 1.0% higher, no material impairment would have been considered. If all other variables remained constant and the cashflows had been 5% lower, no material impairment would have been considered.

The Company entered into a sale and leaseback transaction in 2008 with a fellow group company, The Great Rolling Stock Company Limited. The Company sold the rolling stock vehicles at market value and entered into a finance lease arrangement with The Great Rolling Stock Company Limited. For more details, refer to note 15.

Finance costs capitalised during the year and included in the cost of property, plant and equipment amounts to £3.5m (2024: £nil).

Included in rolling stock are assets under the course of construction of £100.0m (2024: £5.4m). No depreciation has been charged on these assets. All rolling stock is acquired and held for use in operating leases. Other assets include office fixtures and fittings and computer equipment.

Angel Trains Limited

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (continued)

15. Leases (Company as lessee)

This note provides information for leases where the Company is a lessee. For leases where the Company is a lessor, see note 24.

a. Amounts recognised in the balance sheet

The balance sheet shows the following amounts relating to leases:

	31 December 2025	31 December 2024
	£'m	£'m
Right-of-use assets		
Rolling Stock	646.7	713.4
Buildings	7.3	8.2
Depot	51.4	49.5
Electric Vehicles & Other ROU	0.7	0.4
	706.1	771.5
	706.1	771.5
	31 December 2025	31 December 2024
	£'m	£'m
Lease liabilities		
Current	37.7	36.8
Non-current lease liabilities	382.5	414.3
	420.2	451.1
	420.2	451.1

Right-of-use asset additions totalled £32.7m for the year (2024:£38.6m), driven by the remeasurement of the Depot lease, acquisition of additional electric vehicles and rolling stock modifications. The current lease liabilities above includes accrued interest payable for the first month of the following year.

Angel Trains Limited

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (continued)

15. Leases (Company as lessee) (continued)

b. Amounts recognised in the income statement

The income statement shows the following amounts relating to leases:

	Year ended 31 December 2025	Year ended 31 December 2024
	£'m	£'m
Depreciation and impairment charge of right-of-use assets		
Rolling Stock restated	(95.2)	(100.5)
Buildings	(0.9)	(0.9)
Depot	(1.8)	(1.4)
Electric Vehicles and Other ROU	(0.2)	(0.1)
	(98.1)	(102.9)
Interest expense (included within finance cost)		
Rolling Stock	31.4	34.3
Buildings	0.4	0.2
Depot	2.7	2.2
	34.5	36.7

During the year, the Company recognised a write off £0.8m (2024: £nil) included in charge for the year in respect of 6 rolling stock vehicles that were involved in incidents. The extent of the damage meant that it was not economical to repair the vehicles, and they were impaired to their recoverable amount. No other impairments were recognised. The assessment undertaken considered the higher of management's forecast value in use ("VIU") of the fleets or fair value, minus cost. In determining the VIU, management discounted forecast cash flows using a pre-tax weighted average cost of capital ("WACC") of 7.6% (2024: 8.0%), which considers to be a market-based rate.

The cash flow projections considered current contracted rent, extension rent i.e. where an option exists to extend the lease and estimates of future re-lease rents. Forecast future rent was estimated taking into account current market conditions and past experience.

Whilst management considers the future cash flows to be highly subjective due to the longevity of the forecast period, it considers the VIU of assets to be most sensitive to changes in the discount rate assumption.

If all other variables remained constant and the discount rate had been 0.5% higher, no material impairment would have been considered. If all other variables remained constant and the cashflows had been 5% lower, no material impairment would have been considered.

During the year, the total cash outflow for leases was £34.7m (2024: £28.4m).

Angel Trains Limited

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (continued)

16. Financial assets and liabilities by category

31 December 2025	Note	Financial assets at amortised cost
		£'m
Financial assets as per balance sheet		
Other financial assets at amortised cost	13	36.5
Contract assets	18	3.1
Trade and other receivables (excluding prepayments)	13	11.3
Cash and cash equivalents	13	59.8
Total		110.7
Liabilities at amortised cost		
		£'m
Financial liabilities as per balance sheet		
Loans payable	9	695.8
Lease liabilities	15	420.2
Trade and other payables (excluding non-financial liabilities)	10	65.9
Total		1,181.9
31 December 2024		
		Financial assets at amortised cost
		£'m
Financial assets as per balance sheet		
Other financial assets at amortised cost	13	74.7
Contract assets	18	4.7
Trade and other receivables (excluding prepayments)	13	5.9
Cash and cash equivalents	13	26.7
Total		112.0
Liabilities at amortised cost		
		£'m
Financial liabilities as per balance sheet		
Loans payable	9	655.7
Lease liabilities	15	451.1
Trade and other payables (excluding non-financial liabilities)	10	58.5
Total		1,165.3

Angel Trains Limited

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (continued)

17. Investments

	Investment in subsidiary companies £'m
Cost and net book value	
At 1 January 2024	120.2
At 31 December 2024	120.2
At 31 December 2025	120.2

Details of the Company's direct subsidiaries at 31 December 2025 is as follows:

Entity	Principal activity	Place of business	Holding of investment	Percentage interest %
Angel Locomotive Leasing Limited	Dormant	England and Wales	Direct holding of 1 ordinary share of £1	100%
Angel Trains Rolling Stock Limited	Leasing	Jersey	Direct holding of 100,000 ordinary shares of £1	100%
Readypower Group Limited	Rail infrastructure services	England and Wales	Direct holding of 100,000 ordinary shares of £1	100%

Details of the Company's indirect subsidiaries at 31 December 2025 is as follows:

Entity	Principal activity	Place of business	Percentage interest %
Readypower Rail Services Limited	Rail Infrastructure services & equipment	England & Wales	100%
Readypower Terrawise Limited	Civil Engineering	England & Wales	100%
Readypower Complete Drain Clearance Limited	Rail drain clearance services & equipment	England & Wales	100%
Force One limited	Suction excavation services & equipment	England & Wales	100%
Jamie-Lee Cooper Limited	Dissolved	England & Wales	100%

Angel Trains Limited

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (continued)

17. Investments (continued)

Entity	Principal activity	Place of business	Percentage interest %
Readypower Canada Limited	Rail Infrastructure services & equipment	Canada	100%
Total Rail Solutions Limited	Dormant, in liquidation	England & Wales	100%

Financial statements for these direct and indirect subsidiaries can be requested from the registered office at 123 Victoria Street, London, SW1E 6DE.

18. Contract Assets

	31 December 2025 £'m	31 December 2024 £'m
Amounts falling due within one year		
Maintenance services	3.1	4.7

Amounts relating to contract assets are balances due from customers under maintenance contracts that arise when the company completes performance related obligations. Any amount previously recognised as a contract asset is reclassified to trade receivables at the point at which it is invoiced to the customer. The directors consider that the carrying amount of contract assets approximates to their fair value.

19. Contract liabilities

	31 December 2025 £'m	31 December 2024 £'m
Amounts falling due within one year		
Maintenance services	23.2	30.8

The directors consider that the carrying amount of contract liabilities approximates to their fair value.

20. Capital commitments

	31 December 2025 £'m	31 December 2024 £'m
Commitments for the acquisition of property, plant and equipment & right-of-use assets	603.2	448.8

At 31 December 2025, the Company had capital commitments of £603.2m (2024: £448.8m), being the capital expenditure authorised and contracted for but not provided for in the financial statements. This commitment is for the purchase of new rolling stock, for delivery between 2027 to 2029 and a number of capital modification projects to the existing fleets.

Angel Trains Limited

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (continued)

21. Deferred profit

Deferred profit on sale and leaseback transaction

	£'m
At 1 January 2024	15.3
Profit recognised during the year	(1.6)
At 31 December 2024	13.7
Profit recognised during the year	(1.7)
At 31 December 2025	12.0

	31 December 2025	31 December 2024
	£'m	£'m
Deferred profit		
Non-current	10.4	12.1
Current	1.6	1.6

22. Contingent liabilities

The Company is guarantor in respect of the following group undertakings:

The Great Rolling Stock Company Limited (formerly The Great Rolling Stock Company PLC) and Angel Trains Group Limited:

£2,365,213,000 (of which £1,865,213,000 (2024: £1,934,985,000) remains outstanding) Senior term and revolving credit facilities agreements.

Willow Holdco 1 Limited:

£175,000,000 (of which £175,000,000 (2024: £208,000,000) has been drawn down) Junior facility agreements.

The Great Rolling Stock Company Limited.

£4,000,000,000 (of which £521,600,000 (2024: £564,400,000) has been drawn down) Bond programme for the issuance of secured guaranteed notes.

23. Called up share capital

	31 December 2025	31 December 2024
	£	£
Authorised:		
200,000,000 (2024: 200,000,000) Ordinary shares of £1 each	200,000,000	200,000,000
Issued, called up and fully paid:		
172,342,966 (2024: 172,342,966) Ordinary shares of £1 each	172,342,966	172,342,966

The Company has one class of ordinary shares which carry no right to fixed income.

Angel Trains Limited

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (continued)

24. Leases (Company as lessor)

At the balance sheet date, the Company has contracted rolling stock under operating leases with train operating companies for the following future minimum lease payments:

	31 December 2025	31 December 2024
	£'m	£'m
Within one year	282.5	215.2
Between one and two years	243.3	141.6
Between two and three years	191.4	109.7
Between three and four years	176.7	62.0
Between four and five years	99.3	47.2
Later than five years	154.2	117.1
	1,147.4	692.8
	1,147.4	692.8

25. Residual value exposures

The residual value exposure is the net book value of rolling stock leased out by the Company under operating leases at the end of each expected lease term. Residual value exposure is monitored by lease on a periodic basis with any corrections being made through depreciation.

	Rail Assets 2025	Rail Assets 2024
	£'m	£'m
Expected net book value at lease expiry date		
Within one year	254.2	384.2
Between one and two years	160.5	234.7
Between two and four years	65.2	153.4
More than four years	403.7	238.5
	883.6	1,010.8
Total	883.6	1,010.8

26. Financial risk management

The major financial risks associated with the Company's business are market risk, credit risk and liquidity risk. The management of these risks are carried out at a group level by the ultimate parent company, Willow Group Holdings Limited. The Group has established a comprehensive framework for managing these risks which are continually evolving as business activities change in response to market, credit, product and other developments.

Market risk

Market risk is defined as the risk of loss as a result of adverse changes in risk factors including interest rates and foreign exchange.

Angel Trains Limited

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (continued)

26. Financial risk management (continued)

Market risk (continued)

The Company's activities expose it primarily to the financial risks of changes in interest rates and foreign exchange rates. The significant interest rate risk arises from loans. The Company's loans are with other companies within the Group and are not hedged. The Company manages its foreign exchange risk partially by using forward foreign exchange contracts to hedge a portion of its foreign exchange exposure.

Foreign currency risk management

It is the policy of the Company to enter into forward foreign exchange contracts to cover specific foreign currency payments. During the year, the Company was not exposed to any material foreign exchange exposures on foreign currency transactions that required it to enter into forward foreign exchange contracts (2024: none).

Interest rate sensitivity analysis

The other major sensitivity factor affecting the Company is movement in interest rates at the balance sheet date. For floating rate liabilities, the analysis is prepared assuming the amount of liability outstanding at balance sheet date was outstanding since the beginning of the financial year.

A movement of +/- 1% in interest rates, when applied to statistical models and all other variables were held constant, will have the following impact on the profit in the financial statements.

	Variability	31 December 2025	31 December 2024
		£'m	£'m
Interest rates	+1%	(6.6)	(5.8)
Interest rates	-1%	6.6	5.8

Liquidity risk

Liquidity risk is the risk that the Company is unable to meet its obligations as they fall due.

Liquidity management within the Company focuses on both overall balance sheet structure and control, within prudent limits, of risk arising from the mismatch of maturities across the balance sheet and from the undrawn commitments and other contingent obligations. For details on loans payable refer to note 9.

For trade and other payables refer to note 10. The Company policy is to negotiate and agree terms and conditions with its suppliers. The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at balance sheet date to the contractual maturity date. The amounts included in the table are the contractual undiscounted cash flows. As a result, these amounts will not reconcile to the amounts disclosed on the balance sheet.

Angel Trains Limited

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (continued)

26. Financial risk management (continued)

Liquidity risk (continued)

The following tables detail the remaining contractual maturities for financial liabilities.

	Within one year	In the second to fifth years inclusive	Over five years	Total
31 December 2025	£'m	£'m	£'m	£'m
Trade and other payables (excluding deferred income and other taxation and social security)	69.8	7.7	-	77.5
Loans from group undertakings	-	695.8	-	695.8
Interest payable on loans from group undertakings	41.1	-	-	41.1
Lease liabilities	35.2	164.4	218.0	417.6
Interest expense related to lease liabilities	31.6	94.6	70.2	196.4
	<u>177.7</u>	<u>962.5</u>	<u>288.2</u>	<u>1,428.4</u>

	Within one year	In the second to fifth years inclusive	Over five years	Total
31 December 2024	£'m	£'m	£'m	£'m
Trade and other payables (excluding deferred income and other taxation and social security)	81.6	8.9	-	90.5
Loans from group undertaking	-	655.7	-	655.7
Interest payable on loans from group undertakings	32.1	-	-	32.1
Lease liabilities	34.0	155.1	258.5	447.6
Interest expense related to lease liabilities	34.3	109.5	84.2	228.0
	<u>182.0</u>	<u>929.2</u>	<u>342.7</u>	<u>1,453.9</u>

Capital risk management

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The capital structure of the Company consists of debt, which includes the borrowings disclosed in note 9, cash and cash equivalents and share capital disclosed in note 23 and retained earnings.

Angel Trains Limited

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (continued)

26. Financial risk management (continued)

Credit risk

Credit risk is the risk arising from the possibility that the Company will incur losses from the failure of counterparties and customers to meet their obligations.

The Company's principal financial assets are cash and cash equivalents, contract assets, trade and other receivables and loans receivable, owed by other members of the group. The carrying amount of financial assets recorded in the financial statements represents the Company's maximum exposure to credit risk and is a guarantor as disclosed in note 22. The Company does not hold collateral over these balances.

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit-ratings agencies.

The Company's credit risk is primarily attributable to its trade, operating lease receivables and contract assets, although this is also considered limited as lease rentals are mainly payable in advance.

Trade, other receivables and contract assets ageing analysis

	31 December 2025	31 December 2024
	£'m	£'m
Amounts falling due within one year	19.3	13.0
Total	19.3	13.0

The Company has no significant concentration of credit risk, with exposure spread over a number of counterparties and customers.

27. Retirement benefit scheme

Defined benefit plan

The Company operates a final salary defined benefit scheme of its own for qualifying employees in the UK, the Angel Trains Shared Cost Section ("Section") of the Railways Pension Scheme (the "Main Scheme"). The Section has separately identifiable assets and liabilities from the remainder of the Main Scheme.

Provision for the costs of these benefits is charged to the income statement over the average remaining future service lives of the eligible employees.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation was carried out at 31 December 2025 by independent actuaries. The results of these calculations have been based on the results of the last formal valuation of the scheme as at 31 December 2022, allowing for adjustments, on an approximate basis, to allow for differences between the valuation and IAS 19 calculations. The average contribution rate during the year for the Company's scheme is split between the Company and the employee at 19.6% and 10.6% respectively (2024: average 20.0% and 11.5%) of pensionable salaries.

The discounted mean term of the Section's Defined Benefit Obligation ("DBO") was 16 years, based on the results of the valuation as at 31 December 2025.

The Company is exposed to a number of risks relating to the Section, including assumptions not being borne out in practice.

Angel Trains Limited

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (continued)

27. Retirement benefit scheme (continued)

Defined benefit plan (continued)

The most significant risks are as follows:

Asset volatility: There is the risk that a fall in asset values is not matched by a corresponding reduction in the value placed on the Section's DBO. The Section holds a proportion of growth assets, which are expected to outperform corporate and government bond yields in the long-term but gives exposure to volatility and risk in the short-term.

Change in bond yields: A decrease in corporate bond yields will increase the value placed on the Section's DBO, although this will be partially offset by an increase in the value of the Section's corporate bond holdings.

Inflation risk: The majority of the Section's DBO is linked to inflation where higher inflation will lead to a higher value being placed on the DBO. Some of the Section's assets are either unaffected by inflation or loosely correlated with inflation (e.g. growth assets), meaning that an increase in inflation will generally increase the deficit.

Life expectancy: An increase in life expectancy will lead to an increased value being placed on the Section DBO. Future mortality rates cannot be predicted with certainty.

Contribution rate: The Scheme Rules give the Scheme Actuary the power to set the contribution rates for the Company if no agreement can be reached between the Trustee and the Company.

Technical Provision surplus

In February 2024, the full actuarial valuation of the Section as at 31 December 2022 was published and highlighted a Technical Provisions surplus of £1.6m (£1.8m shortfall at last valuation as at 31 December 2019).

The Section is now fully funded, providing a small surplus of £0.5m.

A consultation process with active members to explore moving the Section to a closed status (for funding and investment strategy purposes only) concluded in late 2023. This was agreed by the trustees in early 2024, resulting in a decrease in the Future Joint Service Contribution Rate to 19.6% employer and 10.6% employee (65%:35% split) from 1 July 2024 and removal of the final annual instalment of £0.48m due to be paid in 2024 which was part of the preceding deficit recovery plan.

Membership data

	31 December 2025	31 December 2024
Active members		
Number	43	45
Annual payroll (£m)	3.7	3.9
Average age	53.4	52.8
Deferred members		
Number	105	106
Total deferred pension (£m)	0.7	0.7
Average age	56.1	55.5
Pension members (including dependants)		
Number	92	88
Annual pension payroll (£m)	2.3	2.2
Average age	69.0	68.4

Angel Trains Limited

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (continued)

27. Retirement benefit scheme (continued)

Membership data (continued)

Contribution data

	Year Ended 31 December 2025	Year ended 31 December 2024
	£'m	£'m
Employer contributions paid during the year	0.6	0.6
Employer contributions expected over following year	0.7	0.7
Employee contributions paid during the year	0.3	0.4
Employee contributions expected over the following year	0.4	0.4
	0.4	0.4

Asset data

The fair value of plan assets at the balance sheet date is analysed as follows:

	Value at 31 December 2025	Value at 31 December 2024
	£'m	£'m
Growth assets	42.4	42.2
Government bonds	32.7	30.2
Other assets	0.4	0.5
Total asset value	75.5	72.9

The plan assets do not include any of the Company's own financial instruments, nor any property occupied by, or other assets used by, the Company.

The expected rates of return on individual categories of plan assets are determined by reference to relevant indices published by the London Stock Exchange. The overall expected rate of return is calculated by weighting the individual rates in accordance with the anticipated balance in the plan's investment portfolio.

In terms of the distinction between quoted and unquoted assets; the assets are predominately held in pooled funds with unit prices rather than being classified as directly quoted stocks. This is because there is typically no active market in these funds as units can only be bought from or sold to the fund manager.

Summary of assumptions

The significant actuarial assumptions were as follows:

	31 December 2025	31 December 2024
Discount rate	5.7 %	5.7 %
Future price inflation (RPI measure)	2.8 %	3.1 %
Future price inflation (CPI measure)	2.5 %	2.7 %
Increase in pensions (CPI measure)	2.5 %	2.7 %

Angel Trains Limited

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (continued)

27. Retirement benefit scheme (continued)

Summary of assumptions (continued)

	31 December 2025	31 December 2024
Pensionable salary increases	4.2%, 2.8% and 2.0% respectively for the next three years, then 2.8% p.a. thereafter	3.3% pa for 2 years, 2.8% for the next year, then 3.1% thereafter

Assumptions regarding future mortality are set based on actuarial advice in accordance with published statistics and experience in the UK.

The assumed average expectation of life in years for male and female members aged 65 now and 65 in 20 years' time for the Section is as follows:

	31 December 2025	31 December 2024
Male currently age 65	22.1	21.7
Male currently age 45	23.4	22.9
Female currently age 65	22.9	22.9
Female currently age 45 - other	24.4	24.4

Defined benefit asset at end of year

The amount recognised in the balance sheet in respect of the Company's defined benefit retirement benefit plan is as follows:

	Year ended 31 December 2025 £'m	Year ended 31 December 2024 £'m
Defined benefit asset at end of year		
Active members	(25.1)	(23.7)
Deferred members	(15.7)	(15.0)
Pensioner members (inc. dependants)	(25.9)	(27.5)
Defined benefit obligation at end of year	(66.7)	(66.2)
Value of assets at end of year	75.5	72.9
Fund status at end of year	8.8	6.7
Adjustment for the members' share of surplus	(1.1)	(0.8)
Net defined benefit asset at end of year	7.7	5.9

Angel Trains Limited

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (continued)

27. Retirement benefit scheme (continued)

Reconciliation of net defined benefit asset

	Year ended 31 December 2025 £'m	Year ended 31 December 2024 £'m
Opening net defined benefit asset	5.9	3.5
Employer's share of pension expense	(0.7)	(0.9)
Employer contributions	1.0	1.0
Total Gain recognised in OCI	1.5	2.3
Closing net defined benefit asset	7.7	5.9

Pension expense

Amounts recognised in the income statement in respect of the defined benefit plan are as follows:

	Year ended 31 December 2025 £'m	Year ended 31 December 2024 £'m
Employer's share of service cost	0.9	1.0
Employer's share of administration costs	0.1	0.1
Total employer's share of service cost	1.0	1.1
Employer's share of net interest on defined benefit liability	(0.3)	(0.2)
Employer's share of pension expense	0.7	0.9

The charge for the year is included in administrative expenses in the income statement

Other comprehensive income (OCI)

	Year ended 31 December 2025 £'m	Year ended 31 December 2024 £'m
Loss/(Gain) due to liability experience	0.2	(0.2)
Gain due to liability assumption changes	(1.5)	(7.5)
Return on plan assets (greater)/less than discount rate	(0.2)	5.4
Total gain recognised in the OCI	(1.5)	(2.3)

Angel Trains Limited

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (continued)

27. Retirement benefit scheme (continued)

Reconciliation of defined benefit obligation (DBO)

	Year ended 31 December 2025	Year ended 31 December 2024
	£'m	£'m
Opening defined benefit obligation	66.2	72.5
Service cost	0.9	1.1
Interest cost on DBO	3.7	3.4
Loss/(Gain) on DBO - experience	0.2	(0.3)
Loss/(Gain) on DBO - demographic assumptions	0.2	(0.1)
Gain on DBO - financial assumptions	(1.9)	(8.4)
Actual benefit payments	(2.6)	(2.0)
	66.7	66.2
Closing defined benefit obligation	66.7	66.2

Reconciliation of value of assets

	Year ended 31 December 2025	Year ended 31 December 2024
	£'m	£'m
Opening fair value of plan assets	72.9	76.5
Interest income on assets	4.1	3.6
Return on plan assets greater/(less) than discount rate	0.2	(6.1)
Employer contributions	1.0	1.0
Actual benefit payments	(2.6)	(2.0)
Administration costs	(0.1)	(0.1)
	75.5	72.9
Closing fair value of plan assets	75.5	72.9

The Reconciliation of Defined Benefit Obligation (DBO) and Reconciliation of Value of Assets tables above show the movement in the assets and DBO of the Section as a whole. Some of the figures therefore differ from those in the other disclosures, which reflect the Company's share of the costs and DBO associated with the Section.

Angel Trains Limited

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (continued)

27. Retirement benefit scheme (continued)

DBO sensitivity analysis to significant actuarial assumptions

	Sensitivity	Year ended	Year ended
		31 December	31 December
		2025	2024
		Approximate change in DBO	Approximate change in DBO
		£'m	£'m
Discount rate	-0.25% p.a.	2.4	2.4
	+0.25% p.a.	(2.3)	(2.3)
Price inflation (CPI measure)	-0.25% p.a.	(2.3)	(2.3)
	+0.25% p.a.	2.4	2.4
Salary increases	-0.25% p.a.	(0.3)	(0.3)
	+0.25% p.a.	0.3	0.3
Life expectancy	-1 year	(1.8)	(1.9)
	+1 year	1.9	1.8

The sensitivity figures as at 31 December 2025 are based on the Defined Benefit Obligation shown in the 'Reconciliation of defined benefit obligation' table above. These scenarios do not represent the ultimate upper and lower bounds. The sensitivity figures are based on indicative calculations and therefore may not be sufficiently accurate for use in any actuarial calculations.

28. Dividends

	Year ended	Year ended	Year ended	Year ended
	31 December	31 December	31 December	31 December
	2025	2024	2025	2024
	Pence per share	Pence per share	£'m	£'m
Dividends	-	56.28	-	97.0

Interim dividends of £nil (2024: £97.0m) were paid by the Company during the year to 31 December 2025.

29. Parent companies

The Company's immediate parent company is Angel Trains Group Limited and it is the parent undertaking of the smallest group of undertakings to consolidate these financial statements. The consolidated financial statements of Angel Trains Group Limited can be obtained from 2nd Floor Gaspé House, 66 - 72 Esplanade, St Helier, JE1 1GH, Jersey.

The Company's ultimate holding parent of the largest group into which the Company is consolidated is Willow Group Holdings Limited (acquired Willow Topco Limited and its subsidiaries on 14 November 2024), which is incorporated and registered in Jersey. The registered office is 2nd Floor Gaspé House, 66 - 72 Esplanade, St Helier, JE1 1GH, Jersey.

Angel Trains Limited

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (continued)

30. Related party transactions

In addition to the subsidiaries listed in note 17 and parent companies listed in note 29, the Company had related party relationships with the directors and the following members of the Group:

Willow Group Midco Limited*
 Willow Group Limited*
 Willow International Limited*
 Willow Europe Holdco 1 DAC***
 Willow Europe Holdco 2 DAC***
 Angel Trains Europe DAC***
 Willow Holdco 1 Limited*
 Willow Holdco 2 Limited*
 Angel Trains Group Limited (dormant)**
 Angel Trains Infrastructure Limited**
 Angel Trains Holdings Limited (dormant)*
 The Great Rolling Stock Company Limited (formerly The Great Rolling Stock Company PLC)**
 Angel Leasing Company Limited**
 Angel Trains Consulting Limited (dormant)**
 Mithras Rail Holdings Limited**
 Cambrian Rail Leasing No.1 Limited**
 Cambrian Rail Leasing No.2 Limited**
 Valley Rail Leasing No 1 Limited**
 Valley Rail Leasing No 2 Limited**
 Cambrian Rail Partnership No.1 LLP****
 Cambrian Rail Partnership No.2 LLP****
 Valley Rail Partnership No.1 LLP****
 Valley Rail Partnership No.2 LLP****
 Caledonian Rail Leasing Limited**
 345 Rail Leasing Limited****
 London Rail Leasing Limited**

* The registered office is 2nd Floor Gaspé House, 66 - 72 Esplanade, St Helier, JE1 1GH, Jersey.

** The registered office is 123 Victoria Street, London, SW1E 6DE.

*** The registered office is The Greenway-suite 307, The Greenway, Ardilaun Court (Block C), St Stephens Green, Dublin 2, Ireland.

**** The registered office is 3rd Floor (South), 200 Aldersgate Street, London, EC1A 4HD

Trading transactions

During the year and as at the year end, the Company had the following transactions with related parties:

31 December 2025

	Income/ Interest received	Purchases/ Interest paid	Amounts owed by related parties	Amounts owed to related parties
	£'m	£'m	£'m	£'m
Parent	0.8	36.1	1.1	692.4
Fellow subsidiaries	11.3	33.1	36.9	364.6
Total	12.1	69.2	38.0	1,057.0

Angel Trains Limited

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (continued)

30. Related party transactions (continued)

31 December 2024

	Income/ Interest received	Purchases/ Interest paid	Amounts owed by related parties	Amounts owed to related parties
	£'m	£'m	£'m	£'m
Parent	0.6	31.2	-	655.7
Fellow subsidiaries	8.9	35.2	74.7	394.5
Total	<u>9.5</u>	<u>66.4</u>	<u>74.7</u>	<u>1,050.2</u>

The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received in respect of the trading transactions.

Directors' emoluments

	Year ended 31 December 2025 £'m	Year ended 31 December 2024 £'m
Aggregate emoluments (including deferred payment incentive plan)	<u>2.2</u>	<u>2.2</u>

The directors are directors of the Company as well as other subsidiaries within the group. During the year, the Group has implemented a measure to apportion director's remuneration and the amounts shown represent remuneration for their services to the Company. Remuneration relating to services provided to other entities within the Group were recharged accordingly. In prior years, it was not possible to make an accurate apportionment of the director's remuneration in respect of each of the subsidiaries and no recharge was made.

Retirement benefits are accruing to 2 directors (2024: 2) under a defined benefit scheme. Retirement benefits are accruing to 2 directors (2024: 2) under a money purchase pension scheme.

Highest paid director

	Year ended 31 December 2025 £'m	Year ended 31 December 2024 £'m
Total emoluments and amounts (excluding shares) receivable under deferred payment incentive plan	<u>0.7</u>	<u>0.7</u>

The Company's highest paid director's total remuneration includes an element of deferred payment incentive plan of £360,000, paid during the year. The deferred payment incentive plan for other entities within the Group is paid by the Company.

For the year, the highest paid director had contributed £34,171 to a defined contribution scheme (2024: £30,423).

Angel Trains Limited

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (continued)

31. Non-cash transactions

During the year, the Company entered into the following non-cash investing and financing activities which are not reflected in the Statement of Cash Flows.

The Company received interest of £1.5m by way of increasing loans receivable by £1.5m.
The Company incurred finance cost of £41.3m by way of increasing loans payable by £41.3m.

Reconciliation of liabilities arising from financing activities

	1 January 2025	Financing cash flows	Other changes	31 December 2025
	£'m	£'m	£'m	£'m
Loans from related parties	655.7	(1.2)	41.3	695.8
Lease liabilities	451.1	(34.7)	3.8	420.2
	1,106.8	(35.9)	45.1	1,116.0

	1 January 2024	Financing cash flows	Other changes	31 December 2024
	£'m	£'m	£'m	£'m
Loans from related parties	624.6	(2.1)	33.2	655.7
Lease liabilities	479.8	(28.4)	(0.3)	451.1
	1,104.4	(30.5)	32.9	1,106.8

'Other changes' include interest accrual and other non cash settlements during the year.

32. Events after the balance sheet date

There have been no significant events between the year end and the date of approval of the financial statements which would require a change or an additional disclosure in the financial statements.