

**Willow Holdco 2 Limited**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2025**

Willow Holdco 2 Limited  
Registered in Jersey: Number 100174  
Registered Office: 2nd Floor Gaspé House, 66 - 72 Esplanade, St Helier, JE1 1GH, Jersey,

## Willow Holdco 2 Limited

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## **Willow Holdco 2 Limited**

### **OFFICERS AND INDEPENDENT AUDITORS**

**Directors:**

J. Marsh  
K. Chen  
R. Py  
F. Feghoul

**Company secretary:**

IQEQ Secretaries (Jersey) Limited

**Registered office:**

2nd Floor Gaspé House  
66 - 72 Esplanade  
St Helier  
Jersey  
JE1 1GH

**Independent auditors:**

PricewaterhouseCoopers LLP  
Chartered Accountants  
7 More London Riverside  
London  
SE1 2RT

Registered in Jersey: Number 100174.

**Willow Holdco 2 Limited**  
**STRATEGIC REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2025**

The directors present their strategic report on Willow Holdco 2 Limited (the 'Company') for the year ended 31 December 2025.

**REVIEW OF THE BUSINESS**

The principal activity of the Company is an intermediary holding company.

A comprehensive business review is carried out at a group level by the ultimate parent company, Willow Group Holdings Limited ("the Group")

The directors are satisfied with the Company's performance in the year. The Company will be guided by its ultimate parent company in seeking further opportunities for growth. A comprehensive business review is carried out at a group level by the ultimate parent company, Willow Group Holdings Limited and its subsidiary undertakings.

The Company's financial performance is presented in the Income Statement on page 9. The profit for the year was £111,085,000 (2024: £71,359,000) and this was transferred to reserves. £111,050,000 (2024:97,000,000) dividends were paid in 2025, as disclosed in the directors' report. At the end of the year, the financial position showed total assets of £659,174,000 (2024: £693,160,000).

The directors do not anticipate any material change in either the type or level of activities of the Company.

**KEY PERFORMANCE INDICATORS**

Given the straightforward nature of the Company's activities, the directors believe that performance indicators specific to the Company are not necessary or appropriate for an understanding of the development, performance or position of the business.

**STRATEGY**

The strategy of the Company is to ensure its Group's objectives are executed, which are primarily to manage its asset risk profile and maintain the long-term profitability of the Group.

**LOOKING FORWARD**

The Company's role is to support the critical objective of the Group in the short to medium term of re-leasing successfully all the vehicles that are coming towards the end of their current lease at rates that meet the expectations of the shareholders.

**PRINCIPAL RISKS AND UNCERTAINTIES**

The Company's portfolio of financial instruments principally comprises of loans and payables. Applying International Financial Reporting Standards (IFRS), 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's financial instrument portfolio. Risk management policies are detailed in note 19.

**Willow Holdco 2 Limited**  
**STRATEGIC REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2025 (continued)**

**PRINCIPAL RISKS AND UNCERTAINTIES (continued)**

From the perspective of the Company, except for the above, the principal risks and uncertainties are integrated with the principal risks of the Group and are not managed separately. The Group has an Internal Control Framework that is designed to monitor its risks, including financial, operational, regulatory, credit and reputational risks. The Framework includes processes to review 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.

**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.

*Feriel Feghoul*

Feriel Feghoul

**Director**

16 April 2026

**Willow Holdco 2 Limited**  
**DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2025**

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

**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.

Companies (Jersey) Law 1991 requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union.

Under Companies (Jersey) Law 1991, 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 IFRSs as adopted by the European Union 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 also 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 (Jersey) Law 1991.

The directors are responsible for the maintenance and integrity of the company's website. Legislation in Jersey 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.

**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. The Directors having made appropriate enquiries, have a reasonable expectation the Company has adequate resources to continue in operational existence for the foreseeable future.

**Willow Holdco 2 Limited**  
**DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2025**

**STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS (CONTINUED)**

**GOING CONCERN (CONTINUED)**

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.

**DIVIDENDS**

An interim dividend of £111,050,000 was paid during the year (2024: £97,000,000). The directors do not propose the payment of a final dividend (2024: £nil).

The directors do not anticipate a change in the ordinary course of business of the Company. A looking forward review of the Company is undertaken in the Strategic Report.

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.

<b>Directors</b>	<b>Appointed</b>	<b>Resigned</b>
James Marsh	29 August 2025	
Kai Chen	22 September 2025	
Suyu Wu		26 June 2025
Christopher Morgan		29 August 2025

**DIRECTORS INDEMNITY COVER**

No director has been granted Qualifying Third Party Indemnity Provisions.

**FINANCIAL RISK MANAGEMENT**

The major risks associated with the Company's business are market risk, credit risk and liquidity risk. The management of these risks is carried out at a Group level by the ultimate parent company. 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. Risk management policies are detailed in note 19.

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

*Feriel Feghoul*

Feriel Feghoul  
**Director**

16 April 2026

## Willow Holdco 2 Limited

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WILLOW HOLDCO 2 LIMITED

#### Report on the audit of the financial statements

##### Opinion

In our opinion, Willow Holdco 2 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 International Financial Reporting Standards as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies (Jersey) Law 1991.

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 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.

##### Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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.

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.

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WILLOW HOLDCO 2 LIMITED (continued)**

### **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, 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.

### **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.

#### **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 (Jersey) Law 1991, 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.

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WILLOW HOLDCO 2 LIMITED (continued)**

### **Auditors' responsibilities for the audit of the financial statements (continued)**

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;
- 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.

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](http://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 Article 113A of the Companies (Jersey) Law 1991 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.

### **Other required reporting**

#### **Companies (Jersey) Law 1991 exception reporting**

Under the Companies (Jersey) Law 1991 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
- proper accounting records have not been kept by the company, or proper returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Jessica Miller  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants  
London  
17 April 2026

**Willow Holdco 2 Limited**  
Registered Number 100174  
**INCOME STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2025**

		Year ended 31 December 2025	Year ended 31 December 2024
	Note	£'000	£'000
<b>Revenue</b>	2	111,050	97,000
Administrative expenses	6	(53)	(46)
<b>Operating profit</b>		110,997	96,954
Finance income	3	9,366	38,771
Other gains/(losses)	4	-	(25,700)
Finance costs	5	(9,266)	(38,647)
<b>Profit before income tax</b>		111,097	71,378
Tax charge	7	(12)	(19)
<b>Profit attributable to the owners</b>		111,085	71,359

There is no other comprehensive income for the year (2024: £nil).

The notes on pages 13 to 28 form an integral part of these financial statements.

**Willow Holdco 2 Limited**

Registered Number 100174

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2025**

	Called up share capital	Capital reserve	Retained earnings	Total Equity
	£'000	£'000	£'000	£'000
<b>At 1 January 2024</b>	<b>112</b>	<b>25,700</b>	<b>105</b>	<b>25,917</b>
Profit for the year	-	-	71,359	71,359
Capital Contribution	-	(25,700)	25,700	-
Dividends paid	-	-	(97,000)	(97,000)
<b>At 31 December 2024</b>	<b>112</b>	<b>-</b>	<b>164</b>	<b>276</b>
Profit for the year	-	-	111,085	111,085
Capital Contribution	-	-	-	-
Dividends paid	-	-	(111,050)	(111,050)
<b>At 31 December 2025</b>	<b>112</b>	<b>-</b>	<b>199</b>	<b>311</b>

The notes on pages 13 to 28 form an integral part of these financial statements.

**Willow Holdco 2 Limited**

Registered Number 100174

**BALANCE SHEET AS AT 31 DECEMBER 2025**

		31 December 2025	31 December 2024
	Note	£'000	£'000
<b>Assets</b>			
<b>Non-current assets</b>			
Investments	8	12	12
Loan Receivable	10	656,362	689,711
		<u>656,374</u>	<u>689,723</u>
<b>Current Assets</b>			
Trade and other receivables	10	2,404	2,968
Cash and cash equivalents	10	396	469
		<u>2,800</u>	<u>3,437</u>
<b>Current Liabilities</b>			
Trade and other payables	13	(2,313)	(2,977)
Current tax liabilities	14	(11)	(19)
		<u>(2,324)</u>	<u>(2,996)</u>
<b>Net current assets</b>		<u>476</u>	<u>441</u>
<b>Total assets less current liabilities</b>		<u>656,850</u>	<u>690,164</u>
<b>Non-current liabilities</b>			
Loans payable	12	656,539	689,888
		<u>656,539</u>	<u>689,888</u>
<b>Equity attributable to owners of the parent</b>			
Called up share capital	11	112	112
Retained earnings		199	164
<b>Total equity</b>		<u>311</u>	<u>276</u>
<b>Total equity and non-current liabilities</b>		<u>656,850</u>	<u>690,164</u>

The notes on pages 13 to 28 form an integral part of these financial statements.

The financial statements on pages 9 to 28 were approved by the board of directors and authorised for issue on 1 April 2026.

They were signed on its behalf by:

*Periel Feghoul*

**Director**

16 April 2026

**Willow Holdco 2 Limited**

Registered Number 100174

**STATEMENT OF CASH FLOWS****FOR THE YEAR ENDED 31 DECEMBER 2025**

	Year ended 31 December 2025	Year ended 31 December 2024
	£'000	£'000
<b>Cash flows from operating activities:</b>		
Dividends received	111,050	97,000
Net cash paid to suppliers or group companies	(54)	(47)
Cash generated from operations	110,996	96,953
Income tax payments	(19)	(27)
Interest paid to group companies	(9,725)	(15,257)
<b>Net cash generated from operating activities</b>	<b>101,252</b>	<b>81,669</b>
<b>Cash flows from investing activities:</b>		
Interest received from group companies	9,725	15,381
<b>Net cash generated from investing activities</b>	<b>9,725</b>	<b>15,381</b>
<b>Cash flows from financing activities:</b>		
Dividends paid	(111,050)	(97,000)
Repayment of loans to group Companies	(33,000)	(58,000)
Receipt of loans from group Companies	33,000	58,000
<b>Net cash used in financing activities</b>	<b>(111,050)</b>	<b>(97,000)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(73)</b>	<b>50</b>
Cash and cash equivalents at beginning of year	469	419
<b>Cash and cash equivalents at end of year</b>	<b>396</b>	<b>469</b>

The notes on pages 13 to 28 form an integral part of these financial statements.

## Willow Holdco 2 Limited

### NOTES TO FINANCIAL STATEMENTS - 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

Willow Holdco 2 Limited is a limited Company and is incorporated and domiciled in Jersey. The address of the registered office is on page 1.

These financial statements have been prepared in accordance with European Union ("EU") endorsed International Financial Reporting Standards ("IFRS") and IFRIC interpretations and the Companies (Jersey) Law 1991 applicable to companies reporting under IFRS.

The financial statements are prepared under the historical cost convention and on the going concern basis. The principal accounting policies adopted are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Where fair value is required for disclosure purposes, measurements are in accordance with IFRS 13 (IFRS 13 Fair Value Measurement). In accordance with IFRS 13, fair value measurements are categorised according to the inputs used in valuation techniques into three levels within a fair value hierarchy. The different levels have been defined as follows:

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

These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. The directors consider that the carrying amount of the Group's variable rate borrowings approximates to their fair value.

##### Critical accounting estimates and judgements

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 period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

There are no critical judgements and estimates that the directors have made in the process of applying the Company's accounting policies.

## Willow Holdco 2 Limited

### NOTES TO FINANCIAL STATEMENTS - YEAR ENDED 31 DECEMBER 2025 (continued)

#### 1. Significant accounting policies (continued)

##### Adoption of the new and revised Standards

At the date of authorisation of these financial statements the following amended standards were effective for the accounting year 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 periods 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

Classification and measurement of financial instruments

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.

##### 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 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.

Dividends are payable when declared by the directors and rights to income are established.

##### Dividend income

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

##### Taxation

The Company is resident in the United Kingdom for tax where the applicable tax rate is 25.00%.

Tax charge represents the sum of the tax currently payable.

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 tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

##### Finance costs

All borrowing costs are recognised in the income statement in the period in which they are incurred and accrued using the effective interest rate.

## Willow Holdco 2 Limited

### NOTES TO FINANCIAL STATEMENTS - YEAR ENDED 31 DECEMBER 2025 (continued)

#### 1. Significant accounting policies (continued)

##### **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. The Company classifies financial assets and liabilities in the following measurement categories: those to be measured at amortised cost, and those to be subsequently measured at fair value (either through OCI or through profit or loss).

##### Financial assets

The Company recognises its financial assets in the following categories: Investments and loans and receivables. The classification is determined on initial recognition.

##### Investment

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.

##### Financial assets at amortised cost

Loans payable, trade and other receivables are measured at initial recognition at fair value and are subsequently measured at amortised cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts are recognised in the income statement when there is objective evidence that the asset is impaired. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

##### 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.

##### Loans payable

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 loans payable in accordance with the Company's accounting policy for borrowing costs.

##### 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.

## Willow Holdco 2 Limited

### NOTES TO FINANCIAL STATEMENTS - YEAR ENDED 31 DECEMBER 2025 (continued)

#### 1. Significant accounting policies (continued)

##### 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.

#### 2. Revenue

	<b>Year ended 31 December 2025</b>	<b>Year ended 31 December 2024</b>
	<b>£'000</b>	<b>£'000</b>
Dividend income	111,050	97,000
All revenue relates to United Kingdom operations.		

#### 3. Finance income

	<b>Year ended 31 December 2025</b>	<b>Year ended 31 December 2024</b>
	<b>£'000</b>	<b>£'000</b>
Interest from group undertakings	9,366	38,771

#### 4. Other gains/(losses)

	<b>Year ended 31 December 2025</b>	<b>Year ended 31 December 2024</b>
	<b>£'000</b>	<b>£'000</b>
Other gains/(losses)	-	(25,700)

Other gains/(losses) mainly relate to fair value adjustments made during the year on interest free borrowings from the parent company.

## Willow Holdco 2 Limited

### NOTES TO FINANCIAL STATEMENTS - YEAR ENDED 31 DECEMBER 2025 (continued)

#### 5. Finance costs

	Year ended 31 December 2025	Year ended 31 December 2024
	£'000	£'000
Interest for group undertakings	9,266	12,947
Effective interest on interest free loan from parent	-	25,700
	9,266	38,647
	9,266	38,647

#### 6. Administrative expenses

	Year ended 31 December 2025	Year ended 31 December 2024
	£'000	£'000
Management fees	33	24
Other expenses	20	22
<b>Total administration expenses</b>	<b>53</b>	<b>46</b>
	<b>53</b>	<b>46</b>

Auditors' remuneration for audit services to the Company during the year was £9,744 excluding VAT (2024: £9,460). The auditors did not provide any non-audit services during the year (2024: £nil).

#### 7. Tax charge

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

	Year ended 31 December 2025	Year ended 31 December 2024
	£'000	£'000
<b>Current tax</b>		
Current tax charge on profits for the year	12	19
<b>Total current tax charge</b>	<b>12</b>	<b>19</b>
	<b>12</b>	<b>19</b>

## Willow Holdco 2 Limited

### NOTES TO FINANCIAL STATEMENTS - YEAR ENDED 31 DECEMBER 2025 (continued)

#### 7. Tax charge (continued)

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	Year ended 31 December 2024
	£'000	£'000
Profit before income tax	111,097	71,378
Expected tax charge at 25.00% (2024: 25.00%)	27,774	17,845
Other tax adjustments	-	6,424
Dividends received - non taxable	(27,762)	(24,250)
Total taxation charge for the year	12	19

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

#### 8. Investments

	Shares in group undertaking
	£'000
<b>Cost and net book value</b>	
At 1 January 2024	25,712
Capital contribution	(25,700)
At 31 December 2024	12
At 31 December 2025	12

## Willow Holdco 2 Limited

### NOTES TO FINANCIAL STATEMENTS - YEAR ENDED 31 DECEMBER 2025 (continued)

#### 8. Investments (continued)

Details of the Company's direct subsidiary at 31 December 2025 are as follows:

Entity	Business	Country of registration/place of business	Holding of investment	Percentage of interest %
Angel Trains Group Limited	Holding	Jersey	Direct holding of 12,360 ordinary shares of £1	100

The directors believe that the carrying value of the investments is supported by their underlying net assets.

The details of the indirect subsidiary undertakings are as follows:

Entity	Principal Activity	Place of business	Percentage interest %
Angel Trains Group Limited	Holding	Jersey	100
Angel Trains Group Limited	Dormant	England & Wales	100
Angel Trains Limited	Leasing	England & Wales	100
The Great Rolling Stock Company Limited (formerly The Great Rolling Stock Company PLC)	Financing	England & Wales	100
Angel Locomotive Leasing Limited	Dormant	England & Wales	100
Angel Leasing Company Limited	Leasing	England & Wales	100
Angel Trains Consulting Limited	Dormant	England & Wales	100
Angel Infrastructure Limited	Financing	England & Wales	100
Angel Trains Rolling Stock Limited	Leasing	Jersey	100
Readypower Group Limited	Rail infrastructure services	England & Wales	100
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	Scotland	100
Readypower Canada Limited	Rail infrastructure services & equipment	Canada	100
Total Rail Solutions Limited	Liquidation	England & Wales	100

## Willow Holdco 2 Limited

### NOTES TO FINANCIAL STATEMENTS - YEAR ENDED 31 DECEMBER 2025 (continued)

#### 8. Investments (continued)

The details of the indirect joint venture undertaking are as follows:

Entity	Principal Activity	Place of business	Percentage of interest %
Mithras Rail Holdings Limited	Leasing	England & Wales	50

Financial statements for these direct and indirect subsidiaries as well as the joint venture can be requested from the Head Office at 123 Victoria Street, London, SW1E 6DE.

#### 9. Financial instruments by category

##### 31 December 2025

##### Note

##### Financial assets at amortised cost

£'000

##### Financial assets

Loans receivable	10	656,362
Trade and other receivables	10	2,404
Cash and cash equivalents	10	396
<b>Total</b>		<b>659,162</b>

##### Financial liabilities at amortised cost

£'000

##### Financial liabilities

Loans payable	12	656,539
Trade and other payables	13	2,313
<b>Total</b>		<b>658,852</b>

##### 31 December 2024

##### Financial assets at amortised cost

£'000

##### Financial assets

Loans receivable	10	689,711
Trade and other receivables	10	2,967
Cash and cash equivalents	10	469
<b>Total</b>		<b>693,147</b>

## Willow Holdco 2 Limited

### NOTES TO FINANCIAL STATEMENTS - YEAR ENDED 31 DECEMBER 2025 (continued)

#### 9. Financial instruments by category (continued)

31 December 2024	Note	Financial liabilities at amortised cost  £'000
<b>Financial liabilities</b>		
Loans payable	12	689,888
Trade and other payables	13	2,977
<b>Total</b>		692,865

#### 10. Financial assets

##### Loans Receivable

	31 December 2025	31 December 2024
	£'000	£'000
<b>Amounts falling due after more than one year</b>		
Loans to wholly-owned subsidiaries	656,711	689,711
Less unamortised loan fees to subsidiary company	(349)	-
	656,362	689,711

As at 31 December 2025, the Company has the following loans issued to Angel Trains Group Limited.

The subordinated shareholder loan amounts to £481,711,000 (2024: £481,711,000) and is unsecured, interest free and has no fixed maturity date. The directors have confirmed that there is currently no intention that the loan will be called for repayment within the next 12 months.

As at 31 December 2025, the Company had loans issued to Angel Trains Group Limited totalling £175,000,000 (2024: £208,000,000). This comprises of a loan amount of £50,000,000 which is unsecured and bears interest at the floating rate plus a margin and has no fixed maturity date; and a loan amount of £125,000,000 is unsecured and bears interest at the fixed coupon rate plus a margin and has no fixed maturity date.

The loans receivable includes fees of £349,000 (2024: £nil) which are amortised over the loan term.

##### Trade and other receivables

	31 December 2025	31 December 2024
	£'000	£'000
<b>Amounts falling due within one year</b>		
Amounts owed by group companies	2,404	2,967
	2,404	2,967

## Willow Holdco 2 Limited

### NOTES TO FINANCIAL STATEMENTS - YEAR ENDED 31 DECEMBER 2025 (continued)

#### 10. Financial assets (continued)

##### Trade and other receivables (continued)

The directors consider that the carrying amount of trade and other receivables approximates to their fair value and is comprised mainly of interest accrued on the unsecured loans receivable.

The directors consider that the carrying amount of the Company's variable rate loans 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.

#### 11. Called up share capital

	<b>31 December 2025</b>	<b>31 December 2024</b>
	<b>£</b>	<b>£</b>
<b>Authorised:</b>		
100,000,000 (2024: 100,000,000) Ordinary shares of £1 each	100,000,000	100,000,000
<b>Issued and fully paid:</b>		
112,360 (2024: 112,360) Ordinary shares of £1 each	112,360	112,360

#### 12. Loans payable

	<b>31 December 2025</b>	<b>31 December 2024</b>
	<b>£'000</b>	<b>£'000</b>
<b>Amounts falling due after one year</b>		
Loans from parent company	656,888	689,888
Less unamortised loan fees from parent company	(349)	-
	656,539	689,888

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

	<b>31 December 2025</b>	<b>31 December 2024</b>
Loans from group undertakings	4.63%	2.51%

The directors consider that the carrying amount of the Company's variable rate loans approximates to their fair value.

## Willow Holdco 2 Limited

### NOTES TO FINANCIAL STATEMENTS - YEAR ENDED 31 DECEMBER 2025 (continued)

#### 12. Loans payable (continued)

As at 31 December 2025 the Company has the following loans from the immediate parent company Willow Holdco 1 Limited.

The subordinated shareholder loan amounts to £481,888,000 (2024: £481,888,000) and is unsecured, interest free and has no fixed maturity date. The directors have received confirmation from the lender that there is currently no intention that the interest free loans will be called for repayment within the next 12 months.

During 2017, the Company entered into a £100,000,000 subordinated shareholder loan which bears interest at the floating coupon rate plus a margin. The amount outstanding up to 31 December 2025 is nil (2024: £33,000,000).

During 2019, the Company entered into a £50,000,000 subordinated shareholder loan which bears interest at the floating coupon rate plus a margin. The amount outstanding up to 31 December 2025 is £50,000,000 (2024: £50,000,000). The loan is unsecured and has no fixed maturity date.

During 2020, the Company entered into a £125,000,000 subordinated shareholder loan which bears interest at the fixed coupon rate plus a margin. The amount outstanding up to 31 December 2025 is £125,000,000 (2024: £125,000,000). The loan is unsecured and has no fixed maturity date.

The loans receivable includes fees of £349,000 (2024: £nil) which are released over the loan term.

#### 13. Trade and other payables

	<b>31 December 2025</b>	<b>31 December 2024</b>
	<b>£'000</b>	<b>£'000</b>
Interest payable on loans from group undertakings	2,313	2,977

Trade and other payables comprise amounts outstanding for ongoing costs and accruals for intercompany expenses.

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

#### 14. Current tax liabilities

	<b>31 December 2025</b>	<b>31 December 2024</b>
	<b>£'000</b>	<b>£'000</b>
Amounts owed to other group companies	11	19

At 31 December 2025, the Company had current tax liabilities of £11,000 (2024: £19,000) payable to other group companies. The amounts owed to other group companies are unsecured and will be settled within the next 12 months.

#### 15. Contingent liabilities

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

The Great Rolling Stock Company Limited, Angel Trains Group Limited and Angel Trains 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 2 Limited

### NOTES TO FINANCIAL STATEMENTS - YEAR ENDED 31 DECEMBER 2025 (continued)

#### 15. Contingent liabilities (continued)

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, (formerly The Great Rolling Stock Company PLC), entered into a £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.

#### 16. Parent companies

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

The Company's ultimate 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.

The Willow Group Holdings Limited consolidated financial statements are available from the registered office, 2nd Floor Gaspé 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

#### 17. Related party transactions

In addition to the subsidiaries listed in note 8 and the parent companies noted in note 16 and the directors, the Company has related party relationships with the following Group members:

Angel Trains Holdings Limited \*

Willow Group Midco Limited\*

Willow Group Limited

Willow Topco Limited

Willow International Limited \*

Willow Europe Holdco 1 DAC \*\*\*\*

Willow Europe Holdco 2 DAC \*\*\*\*

Angel Trains Europe DAC \*\*\*\*

Willow Charitable Trust (Jersey) \*\*

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 3rd Floor (South), 200 Aldersgate Street, London, EC1A 4HD.

\*\*\*\* The Greenway-Suite 307, The Greenway, Ardilaun Court (Block C), St Stephens Green, Dublin 2, Ireland.

## Willow Holdco 2 Limited

### NOTES TO FINANCIAL STATEMENTS - YEAR ENDED 31 DECEMBER 2025 (continued)

#### 17. Related party transactions (continued)

##### Trading transactions

During the year, the Company had the following transactions with related parties:

#### 31 December 2025

	Income	Purchases	Finance Income	Finance Cost	Amounts owed by related parties	Amounts owed to related parties
	£'000	£'000	£'000	£'000	£'000	£'000
Parent	-	-	-	9,266	-	658,843
Subsidiaries	111,050	42	(9,366)	-	658,767	-
<b>Total</b>	<b>111,050</b>	<b>42</b>	<b>(9,366)</b>	<b>9,266</b>	<b>658,767</b>	<b>658,843</b>

#### 31 December 2024

	Income	Purchases	Interest received	Interest paid	Amounts owed by related parties	Amounts owed to related parties
	£'000	£'000	£'000	£'000	£'000	£'000
Parent	-	-	-	38,647	-	692,578
Subsidiaries	97,000	33	(38,771)	-	692,401	-
<b>Total</b>	<b>97,000</b>	<b>33</b>	<b>(38,771)</b>	<b>38,647</b>	<b>692,401</b>	<b>692,578</b>

The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received, in respect of the related party transactions. During the year ending 31 December 2025 there were dividends received of £111,050,000 (2024: £97,000,000) and dividends paid of £111,050,000 (2024: £97,000,000).

#### Compensation of key management personnel

None of the directors received any emoluments for their services to the Company during the year ended 31 December 2025 (2024: £nil). Accordingly, the financial statements include no remuneration in respect of the directors. The Company itself has no employees (2024: none).

## Willow Holdco 2 Limited

### NOTES TO FINANCIAL STATEMENTS - YEAR ENDED 31 DECEMBER 2025 (continued)

#### 18. Dividends paid

	Year ended 31 December 2025	Year ended 31 December 2024	Year ended 31 December 2025	Year ended 31 December 2024
	Pence per share	Pence per share	£'000	£'000
<b>Dividends</b>	98,834.10	86,329.65	111,050	97,000

Dividends of £111,050,000 (2024: £97,000,000) were paid by the Company during the year to 31 December 2025.

#### 19. Risk management

The major risks associated with the Company's business are market risk, credit risk and liquidity risk. The management of these risks are carried out on 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.

The Company is not exposed to currency risk as all its assets and liabilities are UK based.

The Company's activities expose it primarily to the financial risks of changes in interest rates. The Company manages the market risk through its risk framework, which is continually evolving as business activities change.

The Company's sensitivity to interest rates are neutral due to the financial assets variable rate debt instruments offsetting the financial liabilities variable rate debt.

##### *Interest rate sensitivity analysis*

The sensitivity analysis below has been determined based on the exposure to interest rates for both derivative and non-derivative instruments at the balance sheet date. For floating rate financial assets and liabilities, the analysis is prepared assuming the amount of financial asset/liability outstanding at the balance sheet date was outstanding for the whole year. A 1% increase or decrease is used as it represents management's assessment of the reasonably possible change in interest rates.

As at balance sheet date, the company is in a net £nil floating rate asset/liabilities position and is therefore not impacted with change in interest rates.

		2025	2024
	Variability	£'000	£'000
Interest rates	+1%	-	-
Interest rates	-1%	-	-

## Willow Holdco 2 Limited

### NOTES TO FINANCIAL STATEMENTS - YEAR ENDED 31 DECEMBER 2025 (continued)

#### 19. Risk management (continued)

##### Credit risk

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

The Company's principal financial assets are cash and cash equivalents, 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. 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-rating agencies.

The credit risk on group undertakings is limited because the undertakings are solvent, under common control and the directors are confident of them continuing as going concerns. The credit on group undertakings £659,115,000 (2024: £692,677,000) is not past due. Trade and other receivables are not past due.

##### 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 12, cash and cash equivalents and equity attributable to equity holders of the Company.

##### 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 undrawn commitments and other contingent obligations. For loans payable refer to note 12. For trade and other payables refer to note 13. The Company's 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.

	Within one year £'000	Between two and five years £'000	Over five years £'000	Total £'000
<b>2025</b>				
Trade and other payables	2,313	-	-	2,313
Interest payable	8,956	-	-	8,956
Loans from group undertakings	-	656,539	-	656,539
<b>Total</b>	11,269	656,539	-	667,808
	Within one year £'000	Between two and five years £'000	Over five years £'000	Total £'000
<b>2024</b>				
Trade and other payables	2,977	-	-	2,977
Interest payable	12,532	-	-	12,532
Loans from group undertaking	-	689,888	-	689,888
<b>Total</b>	15,509	689,888	-	705,397

## Willow Holdco 2 Limited

### NOTES TO FINANCIAL STATEMENTS - YEAR ENDED 31 DECEMBER 2025 (continued)

#### 19. Risk management (continued)

For details of loans from group undertakings refer to note 12.

#### 20. Reconciliation of liabilities arising from financing activities

	Loans payable (note 12)
	£'000
<b>At 1 January 2024</b>	<b>721,543</b>
Financing cash flows	(58,000)
Non-cash changes*	645
Capital contribution adjustment	25,700
	<b>689,888</b>
<b>At 31 December 2024</b>	<b>689,888</b>
Financing cash flows	(33,000)
Non-cash changes*	(349)
	<b>656,539</b>
	<b>656,539</b>

\*Non-cash changes include interest accruals.

#### 21. Non-cash transactions

During the year ended 31 December 2025, the Company entered into the following non-cash financing and investing activities which are not reflected in the statement of cash flows:

- Loans receivable increased by £349,000 (2024: £26,043,093): by way of interest receivable being capitalised to loans receivable and amortisation of loans fees.
- Loans payable increased by £349,000 (2024: £26,043,093) by way of interest payable being capitalised to loans payable and amortisation of loan fees.

#### 22. 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.