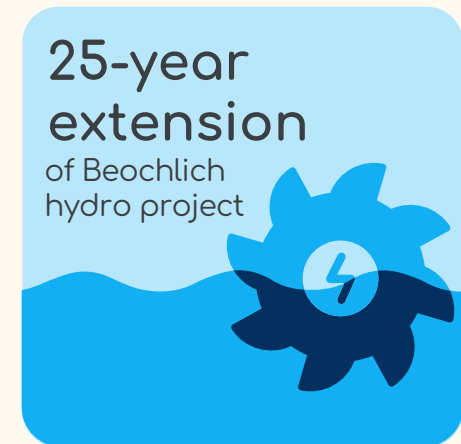
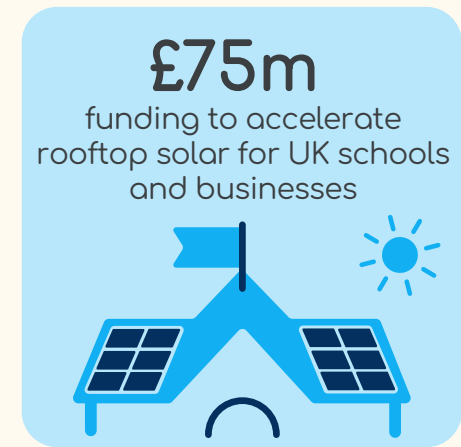
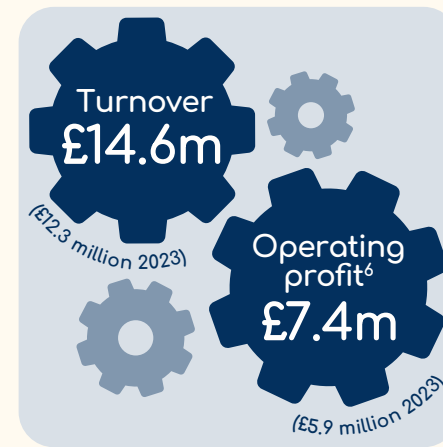
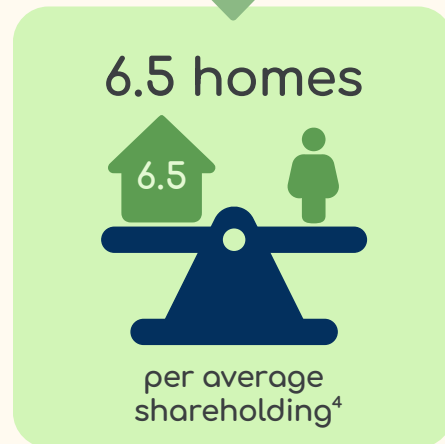
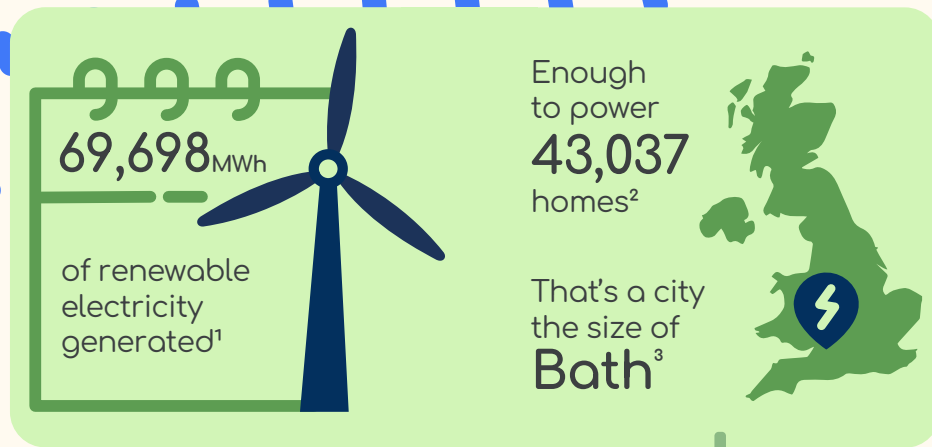




Thrive  
Renewables plc

# Half-year report

To 30 June 2024



<sup>1</sup> Refers to Thrive's impact portfolio – total electricity generation of the portfolio adjusted for Thrive's proportion of ownership, plus the projects Thrive is funding.  
<sup>2</sup> Calculated using the most recent statistics from the Department for Energy Security and Net Zero (DESNZ) showing that UK average domestic household consumption is 3,239kWh per annum (1,620kWh for a half year) <https://www.renewableuk.com/page/UKWEExplained>  
<sup>3</sup> Average residents per household is 2.4 (<https://www.ons.gov.uk/peoplepopulationandcommunity/>)

birthsdeathsandmarriages/families/bulletins/familiesandhouseholds/2020), Population of Bath is 101,106 (<https://www.thegeographist.com/uk-cities-population-1000/>)  
<sup>4</sup> Thrive Renewables average shareholding of 4,287 shares as of June 2024. Total shares in issue were 28,267,755 and total number of shareholders were 6,594.  
<sup>5</sup> Calculated using DESNZ's "all non-renewable fuels" emissions statistic of 424 tonnes of carbon dioxide per GWh of electricity supplied in the Digest of UK Energy Statistics (July 2023).  
<sup>6</sup> Including the contribution from investments

# Operational review

Despite lower wind resource than expected in the first half of the year, our portfolio of assets generated 69,698 MWh of clean electricity – a 10% increase on H1 2023 – and avoided the emission of 31,335 tonnes of CO<sub>2</sub>e.

There has been good progress with life extension work during the first half of the year, with our 1 MW Beochlich hydro project extended for another 25 years. The project, which has been operating since 1998, is located on the south-east side of Loch Awe in Argyll, Scotland, an area recognised as one of the best locations for small scale hydro-electric generation in the country. The project generates roughly 4.5GWh of renewable electricity a year – enough to power 1,126 average UK homes – and the extension ensures it can continue generating clean power for years to come.

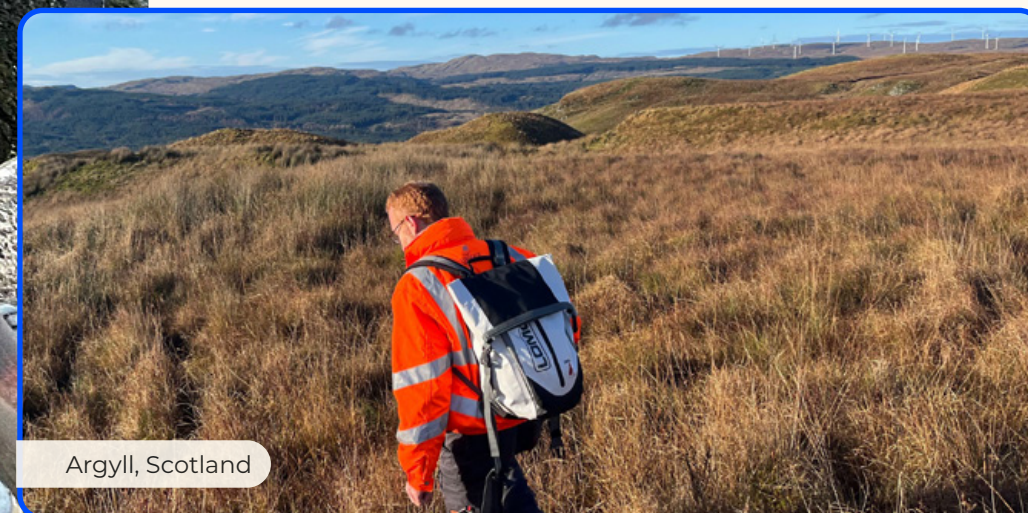
Operational issues at Ness Point wind turbine have continued. We are committing a significant investment in an overhaul which will see upgrades and refurbishments made to the nacelle and blades at the top of the tower in the Autumn. We are confident that this will allow the turbine to run more reliably into the future.

In light of continued growth, we have made two new appointments to the operations team. Both the Asset and Portfolio Manager roles will be instrumental in operating our larger and increasingly diverse portfolio of projects.

There were no reportable health and safety incidents at any of our operational projects or those under construction during this period.



Beochlich hydro project



Argyll, Scotland

# Financial summary

Consolidated operating statement - half year ended 30 June 2024

	Half year to 30 June 2024 £	Half year to 30 June 2023 £	Full year to 31 Dec 2023 £	Half year to 30 June 2022 £	Full year to 31 Dec 2022 £
<b>Turnover</b>	<b>14,578,852</b>	<b>12,342,683</b>	<b>29,000,571</b>	<b>8,383,230</b>	<b>17,458,857</b>
Cost of sales	(5,636,185)	(5,102,686)	(8,270,164)	(3,752,935)	(7,162,400)
<b>Gross profit</b>	<b>8,942,667</b>	<b>7,239,997</b>	<b>20,730,407</b>	<b>4,630,295</b>	<b>10,296,457</b>
Other operating income	157,768	27,867	191,288	42,341	194,341
Other gains and losses	(750,000)	–	(2,221,034)	–	–
Administrative expenses	(2,639,251)	(2,227,478)	(5,095,264)	(1,889,171)	(3,840,587)
<b>Operating profit</b>	<b>5,711,184</b>	<b>5,040,386</b>	<b>13,605,397</b>	<b>2,783,465</b>	<b>6,650,211</b>
Share of associates and mezzanine arrangements	1,666,149	902,247	917,468	624,407	693,367
<b>Operating profit including investments</b>	<b>7,377,333</b>	<b>5,942,633</b>	<b>14,522,865</b>	<b>3,407,872</b>	<b>7,343,578</b>

The Group achieved a half year operating profit of £7.4 million on a turnover of £14.6 million (50.6%), including the contribution from investments. This is compared to an operating profit of £5.9 million on a turnover of £12.3 million (48.1%) in the first half of 2023. A copy of Thrive Renewables' Annual Report and Financial Statements 2023 can be reviewed by scanning the QR code.



The increase in turnover is the result of raised electricity prices and the addition of the Feeder Road battery to our portfolio, which has now been operational since December 2023. We've also achieved a 10% increase on the same period in 2023 for generation of our owned portfolio, despite modest wind speeds and operational issues at Caton Moor and Ness Point.

In line with our revenue strategy, power prices for most sites for 2024 were locked in last year and are therefore higher than current market prices. We expect to see these prices trending towards pre-pandemic levels for 2025 and beyond.

The cost of sales have increased due to higher revenues and the incorporation of Feeder Road into the portfolio; some of our costs, such as land rent, are proportional to our revenues. Administration costs have also increased due to continued investment in the development of new projects and expanding the team to generate further business growth.

In the full year financial statements for 2023 we saw a £2.2 million impairment cost related to the Wicken project due to lower revenue forecasts for UK battery storage projects. An impairment is when the expected future value of an asset is less than the value listed on a company's balance sheet.

In 2024, short term forecasted battery revenues have reduced further and this is likely to cause an impairment to the Feeder Road project in 2024. The half year financial statements therefore include an estimate of this impairment cost of £750,000.

Share of associates and mezzanine loan arrangements for the half year, which is the income from our joint ventures and funding bridges, have increased to £1.7m from £0.9m last year as a result of new arrangements and further drawdowns from the ACE and Ethical Power projects.

## Funding

In March 2024, the Thrive PLC bond was repaid as planned after the conclusion of its seven-year term. The bond offer, which was the first to be available as an Innovative Finance ISA (IFISA), raised a total of £9.9 million. The bond helped fund new projects including a milestone community wind project in Cumbria in 2017.

To support our ambitious growth strategy, we're pleased to announce a new joint venture with TopCashback Sustainability Ltd that will unlock up to £80 million in additional capital, helping us fund the next phase of the UK's transition. Deployed collaboratively with Thrive's own capital over four years, the funding will allow us to build new wind, solar and other renewable assets that clean up the UK energy system, reduce carbon emissions and ultimately help tackle the climate crisis.

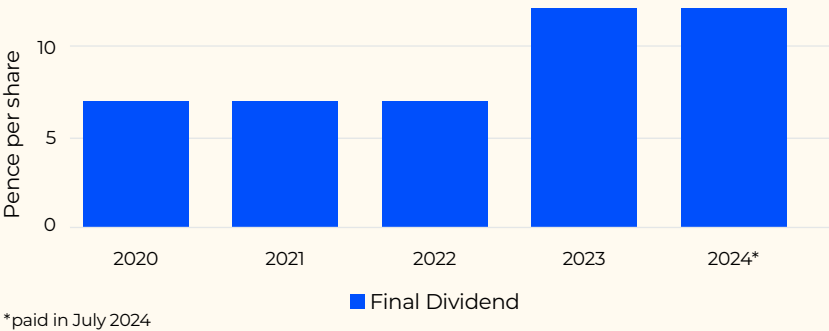
We are also finalising debt arrangements which will inject a further £17 million of funding into the business and welcomed a £200k investment from another impact investor in the first half of 2024.

Thrive will be looking to raise capital in early 2025 to support our long-term growth goals, with ambitions to double our generation capacity within the next five years.

## Dividends

At the Annual General Meeting on 28 June 2024, shareholders approved a final dividend of 12p per share for 2023, which was paid in July 2024. This represents a 5% return based on the current Directors' Valuation of £2.43. Many shareholders have signed up to the SCRIP dividend reinvestment scheme and more than £0.5 million will be reinvested into new projects as a result.

## Thrive Renewables plc - Dividends paid history

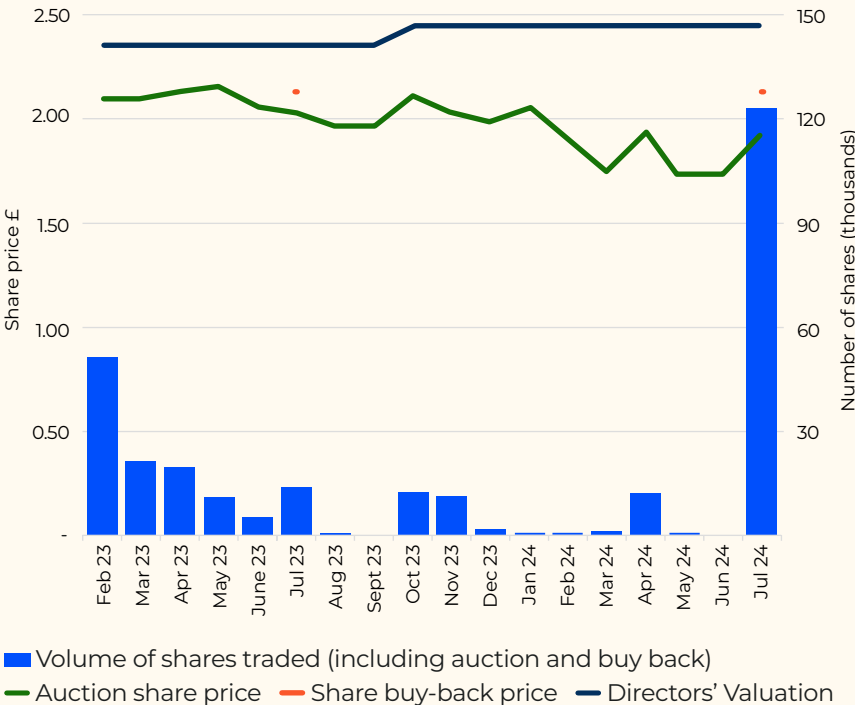


Past performance is not a reliable indicator of future performance.

## Share trading

A total of 15,799 shares traded on the monthly share auction at an average price of £1.92 during the first half of 2024

## Thrive Renewables plc - monthly share trading



Past performance is not a reliable indicator of future performance.

At the AGM on 28th June, a resolution was passed that allowed Thrive to buy back 95,650 shares at a price of £2.19, 90% of the current Directors' Valuation of £2.43.

# Investment Report

We continue to deploy capital into projects that are consistent with our long-term growth strategy, focusing on further diversifying the pipeline so that we can grow our impact and resilience. This includes extending and repowering our older projects, as well as building new onshore wind, rooftop and ground mount solar, community-owned and direct wire projects.

Ransonmoor



Rooftop solar



## Forest of Dean

At the start of the year, we invested £1 million into two 500KW community-owned wind turbines in Gloucestershire, ensuring that local people can continue benefiting from the project for years to come.

Working alongside Energy4All, which is the commercial manager of the project, Thrive's refinancing loan was combined with capital from Energy Prospects Co-operative to enable the community benefit society, Resilient Energy Forest of Dean (REFD), to retain ownership.

As well as delivering clean electricity to the grid, revenues generated by the turbines will help support local projects in the Forest of Dean, with a wide range of community buildings and schools already having benefitted.

The addition of this project to Thrive's portfolio brings the total we have invested in community projects to over £21 million.

## Eden Sustainable

Thrive is providing experienced solar developer and construction company, Eden Sustainable, with up to £75 million in funding to accelerate the roll out of private wire solar PPA projects for schools, businesses, and other organisations across the UK.

The first round of investment has been made into 15 schools, including phase 1 of the Oasis Community Learning portfolio, which will save an estimated 8,000 tCO<sub>2</sub> emissions and £3 million in electricity bills over the lifetime of the project.

A project is designated as 'direct wire' when a renewable energy project, such as a rooftop solar array, is built on site with the host organisation benefitting from a direct supply of clean electricity. With no upfront capital investment required, the host will purchase the energy directly from the renewable project they host through a long-term Power Purchase Agreement (PPA).

## Drumduff extension

We were pleased to announce that our partner, GreenPower, has secured planning consent to extend the three-turbine wind farm that we co-own and operate, situated on the site of an old open cast coal mine in West Lothian, Scotland.

The extension will add three turbines with an expected generation capacity of 12-15MW, bringing the overall Drumduff Wind Farm to six turbines and potentially tripling the combined onsite generation capacity. Located primarily in a commercial Sitka spruce forest, the project plan includes substantial 'forest to bog' restoration of peatland, bringing considerable ecological and biodiversity gains.

## Kilbirnie

Works at the ATTIX CIC site in Kilbirnie, Scotland, are well underway – with construction of the turbine expected to be completed by the end of this year.

The 2.5MW wind project – which will be Scotland's first subsidy free, 100% community-owned onshore wind turbine – will have the capacity to generate 7,839 MWh of clean electricity per year, the equivalent of powering 2,234 average UK homes, and deliver 3,324 tonnes of carbon emissions reductions once complete. Profits from electricity sales will be reinvested back into the local area.



## United Downs

With generation expected to start in early 2025, significant progress has been made at the UK's first deep geothermal production plant in Cornwall, with the turbine that will

convert geothermal steam into renewable electricity now successfully installed.

It is powered by fluid heated by geothermal brine several miles below the Earth's surface. This rotates the turbine which is connected to a generator that converts kinetic energy into electricity.

Having provided the first commercial funding for the project in 2020 and with a

further investment in 2023, it's been exciting to see the first infrastructure being built above ground. This equipment will enable the clean power, sourced purely from Earth's natural resources, to be connected to the grid for domestic use.



## Ethical Power

In 2023, we announced a multimillion-pound deal with Ethical Power to help the company fund part of its renewable pipeline of ground mount solar and battery storage projects across the UK. The first of these projects is now in construction, with a 37.6 MW solar farm in Strichen, Scotland. Ethical Power is also constructing another 26.8 MW ground mount solar farm in Staffordshire, with both projects due to be completed by the end of this year. The loan agreement allows Thrive to contribute to the development and construction of these larger scale solar projects.

# Impact Report

Home grown renewables are the UK's route to greater energy security and have the potential to benefit communities. We're committed to using our business as a force for good, working with government, business, the communities close to our sites and you – our investors – to empower and enable people to take action to address the climate emergency.



Nursery school visit to Feeder Road battery

## Community engagement

Climate change can feel like an overwhelming problem, too big and complex to solve. But we believe that, by taking direct local action, we can start to tackle this global problem, offering tangible solutions which meet the needs of communities and create meaningful change.

In the first half of 2024, we're proud to have supported a number of community focused initiatives. This includes the Centre for Sustainable Energy (CSE)'s Green Match Fund, which aims to provide more communities with the tools and resources they need to create sustainable, resilient places to live – from improving the energy efficiency of houses and community buildings to preserving natural spaces and setting up social enterprises for community energy. Thrive pledged £5,000 match funding to the appeal, with the final total standing at over £16,000.

With our Feeder Road battery project commissioned at the end of last year, we were thrilled to welcome local nursery children to the site to enjoy some themed arts and crafts and nature spotting.

The community in St Phillips Marsh played a pivotal role in the project's story, with local group Residents Against Dirty Energy (RADE) stopping it become a polluting diesel plant back in 2017. The plant, which would have seen 48 diesel engines installed only a matter of metres from St Phillips Marsh Nursery School, would have produced noise and air pollution equivalent to 96 bus engines.

The team had a great time showing the children and nursery staff around the grounds, including information on the biodiversity measures we've introduced at the site – from hedgehog houses and bug hotels to the wildflower area we have established.



## Community Benefit Programme

It's been great to see the impact our Community Benefit Programme continues to have across the UK, with the majority of works from round seven now complete.

One of these grantees was the Stromness Museum in Orkney, a charitable trust and one of the oldest independent museums in Scotland. The museum wanted to improve the energy efficiency of their building to address rising energy costs and used Thrive's funding to triple the depth of its loft insulation, bringing it up to current building regulation guidance.



“Improving our insulation had an instant effect — we had to turn down all the thermostats! The building is now noticeably warmer, and we hope to see a marked reduction in our heating costs and environmental impact. The funding has also helped us maintain stabler temperature which is essential to the care of our collections.”

Gareth Squire,  
Administrator, Stromness Museum

Round eight of our Community Benefit Programme launched in July 2024, with projects to be picked in the Autumn.

## Annual General Meeting (AGM) and reporting



We were pleased to invite shareholders to our home city for this year's AGM, taking place in person and online at The Station – Bristol's Central Youth Hub. There were 52 participants in total, with all resolutions passed with a significant majority.

The official business was followed by presentations from Thrive's management team and a fireside chat with Professor Nick Robins from the Grantham Research Institute on Climate Change and the Environment. Nick explored how we can navigate a just transition before answering questions from the audience.

After the meeting, we invited shareholders to visit the Ambition Community Energy (ACE) wind project in Avonmouth, which we invested £4 million into to fund construction in 2022. Mark Pepper, Development Manager at Ambition Lawrence Weston, the charity that formed ACE, shared the inspiring story behind the project, which is 100% owned by the local community.

“We hear a lot about this just transition – in the community centre we're talking to education providers and local businesses to develop a renewable energy skills academy in our local community so that, if a just energy transition does come about, our residents are in the best place to take advantage of those highly paid, highly skilled jobs.”

Mark Pepper,  
Development Manager,  
Ambition Lawrence Weston



# Winds of change

What does the new Labour government mean for energy?

The UK elected a new government in July. It made swift work on announcing its priorities in the King's Speech, where there was an emphasis on green policies recognising the "urgency of the global climate challenge". The speech put radical planning reform at the heart of the government's economic strategy, as well as announcing the creation of a new £7.3 billion National Wealth Fund to help catalyse important projects in partnership with private investment.

We summarise some of the key energy policies announced following the election and what they could mean for the future of the UK energy system.



“ Onshore wind will no longer face unique planning restrictions and instead be treated the same as any other infrastructure project. ”

## Unlocking onshore wind

Within days of the election, the Chancellor announced plans for radical planning reform, including fulfilling the promise to lift the de facto ban on new onshore wind farms in England. As one of the cheapest and cleanest ways to produce electricity, it means onshore wind will no longer face unique planning restrictions and instead be treated the same as any other infrastructure project – something we have been calling for since 2015. In order to scale up onshore wind in line with targets, the government has also announced the creation of an Onshore Wind Industry Taskforce, which will see it work collaboratively with the industry,

regulatory and other relevant bodies to help overcome the barrier developers are currently facing.

It's worth noting that the removal of the ban doesn't mean new onshore wind farms will be popping up everywhere. New developments will need to undergo the usual robust planning process and delays with grid connection are still a major challenge. It is, however, a huge stride forward and we see great potential for the repowering of existing sites – replacing turbines that have come to the end of their life with more modern and efficient machines – which could go a long way in meeting the government's 2030 targets, without increasing the total number of turbines.

## Planning reform

After announcing plans for radical planning reform that would make building energy infrastructure easier, the government launched a new consultation: 'Proposed reforms to the National Planning Policy Framework and other changes to the planning system'.

Suggested amendments to the existing National Planning Policy Framework (NPPF) include instructing planning officers and local authorities to consider the benefits of renewable projects, as well as an expectation that they will proactively identify potential project sites when developing plans. The aim is that these changes will help establish a much stronger presumption in favour of approving new renewables projects, supporting the UK's ambitious net zero goals.

As well as removing the ban on onshore wind, Labour has challenged the previous government's decision to add a separate footnote to the NPPF giving more consideration to the availability of agricultural land when making planning decisions on new solar farms.



## Great British Energy

A key part of Labour's election manifesto was its plans for Great British Energy (GBE), a publicly owned energy company designed to drive clean energy deployment. GBE will work with and alongside the private sector to develop, own and operate clean energy assets with ambitions to double onshore wind, triple solar power, and quadruple offshore wind by 2030.

While we wait to see how exactly GBE will interact with the industry, we're hopeful that this renewed focus on working together – alongside communities – is what is needed to decarbonise our energy system.

“ Ambitions to double onshore wind, triple solar power, and quadruple offshore wind by 2030. ”

## Local Power Plan

Recognising that local power generation is an essential part of the energy mix, GBE will also help the government to deliver on its Local Power Plan, enabling local authorities and communities to become owners and stakeholders in local clean energy projects.

In GBE's Founding Statement, it states that 'through partnering with and providing funding and support to Local and Combined Authorities and Community Energy Groups, the Local Power Plan will roll out small and medium scale renewable energy projects, using established technologies to develop up to 8GW of cheaper, cleaner power. This will include shared ownership projects in partnership with private developers.'

As big supporters of community energy, it's positive to see legislation that prioritises local people, ensuring they will 'benefit directly' from any increase in generation. Thrive will continue working with community energy groups, helping them build and own projects – giving local people a chance to benefit socially and financially from renewables.

“ Legislation that prioritises local people, ensuring they will 'benefit directly'. ”

## Rooftop solar revolution

As part of its ambition to triple solar power by 2030, the Government has outlined plans for a rooftop solar "revolution", introducing measures that will help more homes to be fitted with solar panels to bring down domestic energy bills and tackle the climate crisis.

Thrive recognises the importance of rooftop solar when it comes to decarbonising the UK's energy system and have already invested just over £3 million in rooftop solar arrays for businesses across the country. Not only does this help them to lower the carbon intensity of their operations, but means they can directly benefit from cheaper clean power generated on site. We see this as a key technology as we continue our diversification strategy, investing in a range of renewable assets that will work together.



## Contracts for Difference

The budget allocation for round six of the government's Contracts for Difference (CfD) scheme has risen by over 50%. CfD auctions support investment in energy generation projects (over 5MW), which have a high upfront cost, by guaranteeing stable prices for the first 15 years of operation.

We believe that smaller (sub 5MW), localised clean energy projects are also important, which means developers will need to continue seeking additional routes to market. At Thrive, we also work with other business models, such as corporate power purchase agreements and 'direct wire' arrangements where solar and wind projects are installed on site, providing the industrial host with a direct supply of clean electricity.



Bilbo solar farm

Building on a series of positive announcements from government, we have and will always prioritise action – doing what's necessary to get new projects built. We'll also continue working with industry bodies such as RenewableUK to help inform and steer policy so that it ensures people are at the heart of a cleaner, fairer energy system in the UK.



Saïd Business School students at Avonmouth





## Stay in touch



Be part of the clean energy movement - sign up to our newsletter to be one of the first to hear about new projects, events and industry insight.

[www.thriverenewables.co.uk](http://www.thriverenewables.co.uk)

You can also follow us on LinkedIn, Twitter, Facebook or Instagram for the latest industry news and views.

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