Urenco Limited

Interim Financial Statements

FOR THE 6 MONTHS ENDED 30 JUNE 2024

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This release may include certain forward-looking statements, beliefs or opinions, including statements with respect to the business, financial condition and results of operations of Urenco Limited or other members of the Urenco Group. These statements, which may contain the words “anticipate”, “believe”, “intend”, “estimate”, “expect” and words of similar meaning, reflect the Directors’ beliefs and expectations and involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. No representation is made that any of these statements or forecasts will come to pass or that any forecast results will be achieved. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by these statements or forecasts. Past performance of Urenco Limited and the other members of the Urenco Group cannot be relied on as a guide to future performance. Any forward-looking statement is based on information available as of the date of the statement. All forward-looking statements contained in this release are qualified by this caution. Urenco Limited expressly disclaims any obligations or undertaking to release any update of, or revisions to, any forward-looking statements in this release. No statement in this release is intended to be a profit forecast and, as a result, any person reviewing this release should not rely on such forward-looking statements.

The Urenco Group

Urenco is an international supplier of enrichment services and fuel cycle products with sustainability at the core of its business. Operating in a pivotal area of the nuclear fuel supply chain for more than 50 years, Urenco facilitates zero carbon electricity generation for consumers around the world.

With its head office near London, UK, Urenco's global presence ensures diversity and security of supply for customers through enrichment facilities in Germany, the Netherlands, the UK and the USA. Through our technology and the expertise of our people, the Urenco Group provides safe, cost effective and reliable services, operating within a framework of high environmental, social and governance standards, complementing international safeguards.

Urenco is committed to continued investment in the responsible management of nuclear materials; innovation activities with clear sustainability benefits, such as nuclear medicine, industrial efficiency and research; and nurturing the next generation of scientists and engineers.

For more information, please visit www.urenco.com

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CORPORATE INFORMATION

Board of Directors

Non-executive Directors

Stephen Billingham	Chairman (resigned 30 June 2024)
Justin Manson	Chairman (appointed 1 July 2024, previously Non-executive director to 30 June 2024)
Mel Kroon	Non-executive
Frank Weigand	Non-executive
Alan Bevan	Non-executive
Renee Jones-Bos	Non-executive
Michael Harrison	Non-executive

Executive Directors

Boris Schucht	Chief Executive Officer
Ralf ter Haar	Chief Financial Officer

Registered Office

Urenco Limited
Urenco Court
Sefton Park, Bells Hill
Stoke Poges
Buckinghamshire
SL2 4JS

Registered No.1022786

Website:
www.urenco.com

Auditor

Deloitte LLP
Statutory Auditor
2 New Street Square
London
EC4A 3BZ

Summary

- Revenue at €649.3 million, although lower than the first six months of 2023, remains in line with full-year expectations, with deliveries more typically weighted towards the second half of the year.
- EBITDA at €209.1 million is lower than the first half of 2023, driven primarily by lower customer deliveries of enrichment and uranium volumes and higher operating expenses.
- Net income at €0.8 million, largely due to decreased EBITDA.
- Cash generated from operating activities during the period impacted by lower customer deliveries combined with increased operating expenses and working capital movements, as the business repositions itself for growth.
- Order Book continues to grow, now at €16.2 billion, a 10.2% increase since the start of the year.
- Announced the construction of Urenco Advanced Fuels Facility in Capenhurst, UK, jointly funded with the UK Government.

Financial Highlights

	Six months to 30 June 2024 (unaudited) €m	Re-stated(iii) Six months to 30 June 2023 (unaudited) €m
Revenue	**649.3**	700.3
EBITDA(i)	**209.1**	298.5
EBITDA margin - % (ii)	**32.2%**	42.6%
Income from operating activities	**35.7**	107.7
Net income	**0.8**	32.7
Capital expenditure (iii)	**129.7**	73.0
Cash generated from operating activities	**(105.5)**	268.5

(i) EBITDA is defined as earnings before exceptional items, interest (including other finance costs), taxation, depreciation and amortisation and results of joint venture and other investments. Depreciation and amortisation are adjusted to remove elements of such charges included in changes to inventories and SWU assets and net costs of nuclear provisions. EBITDA is reconciled to income from operating activities on page 19.

(ii) EBITDA margin - % is defined as EBITDA divided by revenue.

(iii) Capital expenditure includes net cash flows on the purchases of property, plant and equipment and intangible assets of €152.3 million (2023: €97.0 million) less the reduction in capital accruals of €22.6 million (2023: €24.0 million). Capital expenditure for the first six months of 2023 has been re-stated from €97.0 million to €73.0 million, to include the impact of the reduction in capital accruals of €24.0 million.

Boris Schucht, Chief Executive of Urenco Group, commenting on the half year results, said:

“Urenco’s half year results for 2024 are lower than in 2023, although in line with expectations.

Revenue stands at €649.3 million (H1 2023: €700.3 million) due to reduced volumes of enrichment and uranium sales in this period. This is impacted by the timing of deliveries to customers, which, as in previous years, tends to be weighted towards the second half of the year. EBITDA of €209.1 million is down on 2023 (H1 2023: €298.5 million) due to the reduction in revenue, increased headcount and inflationary pressures. Net income of €0.8 million is lower than 2023 (H1 2023: €32.7 million), driven primarily by the decrease in EBITDA. Net cash is €592.4 million at the end of June 2024, seasonally down €439.8 million from 31 December 2023 (€1,032.2 million).

Our capital expenditure plan is progressing at pace with confirmed capacity investments of 1.8 million SWU in total. The first new centrifuges will come online in 2025. In the six months to June this year, we broke ground on the capacity extension in Almelo, the Netherlands, and committed to additional new centrifuges being installed in Gronau, Germany. These developments will keep our capacity stable to ensure we can continue to meet customer requirements in the mid and long term. As a result of more supportive government policies and longer-term customer orders at sustainable pricing levels, we intend to further expand capacity at our US site. In order to meet our additional demand for centrifuges, we have taken the first steps to further increase the manufacturing capacity of our joint venture: Enrichment Technology Company (ETC).

Our work on next generation fuels also gained momentum this half year, with the UK Government having agreed to co-fund a civil advanced fuels facility at our site in Capenhurst, UK. This facility will produce high-assay low enriched uranium (HALEU) which is a critical resource needed by next-generation reactor developers in North America and Europe. The facility will be ideally positioned to serve a broad market. We are also continuing to work closely with the US Department of Energy, which is looking to develop a supply of advanced fuels.

Sustainability is integral to Urenco. Our goal is to achieve a 90% reduction in carbon emissions by 2030 for scopes 1 and 2 – a near-term target which has been approved by the Science Based Targets initiative (SBTi). This contributes to our wider objective to become a net zero business by 2040. I am pleased to say that in the past six months we have taken steps to reduce our scope 2, or indirect, carbon emissions by changing our electricity supply to our site in the Netherlands. We have also launched a solar park installation at our German site, which could supply the equivalent of around 1,400 four-person households with electricity.”

Outlook and Order Book

An increasing acceptance of the role nuclear has to play in mitigating climate change, combined with geopolitical developments which have brought domestic energy security to the forefront, are positively impacting on several Government policies for nuclear.

The ‘Prohibiting Russian Uranium Imports Act’ passed by the US Congress, has provided confidence and clarity to the market, creating the opportunity for further investment in new nuclear fuel cycle facilities for current and advanced reactors, subject to robust anti-circumvention measures being in place. Similar discussions continue in Europe, where there have also been positive signals on future commitment to nuclear energy.

The market remains encouraging. SWU (enrichment) spot prices are increasing, as reported by UxC, from $159/SWU at the end of 2023 to $174/SWU in June 2024. We are extending existing contracts and signing new ones, such as with the nuclear operators in North America, Asia and Europe, thereby maintaining and expanding our customer base. This also applies to the advanced fuels market, where we will be making our first delivery in 2025. We have good visibility on future cash flows through the long-term nature of our order book. Extending to the 2040s, our order book value as of 30 June 2024 is €16.2 billion, based on €/$ of 1:1.07 (31 December 2023: €14.7 billion, based on €/$ of 1:1.10).

The principal risks for the Group for the six months ended 30 June 2024 are consistent with those in the consolidated financial statements of the Group for the year ended 31 December 2023. Our strategy remains focused on ensuring we continue to be a flexible, innovative supplier, helping to further energy security and net zero goals globally.

Board changes

Stephen Billingham stepped down as a director and Chairman of the Urenco Board on 30 June, 2024 and was succeeded by Justin Manson, who was previously a Urenco Board non-executive director from 2016. Stephen served on Urenco’s Board for almost 15 years, from 2016 as Chairman, and prior to that, as a non-executive director. He has been one of the longest serving directors in the company’s history. The Board of Urenco greatly appreciates and thanks Stephen for the significant contribution he has made.

REVIEW OF FINANCIAL RESULTS

Income Statement for the period ended 30 June 2024

Revenue for the six months ended 30 June 2024 was €649.3 million, a decrease of €51.0 million (7.3%) compared to the same period last year (H1 2023: €700.3 million). The decrease in revenue was mainly due to lower SWU revenue (€61.0 million) as a result of the timing of deliveries to customers.

EBITDA for the first half of 2024 was €209.1 million, a decrease of €89.4 million (29.9%) from the same period last year (H1 2023: €298.5 million). The decrease in EBITDA reflects the reduced volumes of enrichment and uranium sales in the period, coupled with increasing headcount, as we reposition the business for growth, and the continuing effect of inflationary pressures.

€ million (periods ended 30 June)	**2024**	**2023**	Movement
Income from operating activities	**35.7**	**107.7**	(66.8)%
Adjustment for depreciation in inventories, SWU assets and nuclear provisions	(48.0)	(40.6)	
Add: depreciation and amortisation	221.4	233.0	
Adjustment for share of results of joint venture and other investments	-	(1.6)	
EBITDA	**209.1**	**298.5**	(29.9)%
EBITDA Margin	**32.2%**	**42.6%**	

The net costs of nuclear provisions were €118.3 million for the six months ended 30 June 2024, a decrease of €0.1 million (H1 2023: €118.4 million). The net costs for tails provisions in the first half of 2024 were €4.8 million lower than those for the same period last year due to higher volumes of deconversion partially offset by an increase in tails created. Net decommissioning provision costs were €1.1 million higher than the same period last year and provisioned costs for the re-enrichment of low assay feed were €3.6 million higher due to a lower quantity of Low Assay Feed utilised during the period relative to the amount of Low Assay Feed generated.

Depreciation and amortisation for the six months ended 30 June 2024 was €221.4 million, compared to €233.0 million for the half year 2023, with the decrease primarily driven by the extension of useful economic life of some of our centrifuges.

Net finance costs for the six months ended 30 June 2024 were €26.2 million, compared to €50.5 million for H1 2023, reflecting a net foreign exchange gain on financing activities and increased investment income on cash and investments.

In H1 2024 the tax expense was €8.7 million (H1 2023: €24.5 million). The decrease in tax expense arose primarily due to the reduced level of income before tax generated in H1 2024.

In the first six months of 2024 net income was €0.8 million, a decrease of €31.9 million compared to net income of €32.7 million in the same period of 2023. The decrease in net income reflects the lower income from operating activities.

The net income margin for H1 2024 was 0.1% (H1 2023: 4.7%).

REVIEW OF FINANCIAL RESULTS continued

Cash Flow Statement for the period ended 30 June 2024

Operating cash flow before movements in working capital was €357.2 million (H1 2023: €451.4 million) and cash outflow from operating activities was €105.5 million (H1 2023: €268.5 million inflow). The cash outflow from operating activities was driven by working capital movements relating to higher SWU assets and receivables reflecting the timing of customer deliveries during the year and lower payables resulting from the settlement of some large uranium purchases at the end of 2023.

Tax paid in the period was €81.6 million (H1 2023: €40.4 million) due to the timing and phasing of cash payments which spans multiple years. Accordingly, net cash outflow from operating activities after tax was €187.1 million compared to €228.1 million inflow in H1 2023.

In the first six months of 2024 the Group's capital investments were €129.7 million, an increase of €56.7 million on H1 2023, reflecting the implementation of the capital expenditure plan.

Net cash outflow from financing activities in H1 2024 was €192.0 million, broadly in line with €187.2 million in H1 2023.

Statement of Financial Position as at 30 June 2024

Property, plant and equipment increased by €49.3 million in the first half of the year to €5,134.1 million. The key movements were €159.9 million of additions, €113.2 million of foreign exchange translation gains, and depreciation charges of €217.0 million.

Inventories increased in the six months ended 30 June 2024 by €124.9 million to €477.8 million (31 December 2023: €352.9 million). SWU assets increased in the six months ended 30 June 2024 by €211.6 million to €628.3 million (31 December 2023: €416.7 million). Both inventories and SWU assets have increased in the period as production and purchases have exceeded deliveries.

Total provisions as at 30 June 2024 were €3,569.3 million (31 December 2023: €3,343.7 million) of which €94.3 million (31 December 2023: €83.1 million) was included in current liabilities. In H1 2024, additional provisions and the unwinding of discounts were €278.9 million, while utilisation and release of provisions (including exchange differences) were €53.3 million. Nuclear liabilities and the associated provisions have increased in line with additional tails generated during the period and unwinding at the nominal discount rate.

As at 30 June 2024, the Group held cash and cash equivalents of €722.8 million (31 December 2023: €884.6 million) and short term deposits of €495.4 million (31 December 2023: €809.9 million). Net cash, including lease liabilities of €30.5 million (31 December 2023: €28.4 million), was €592.4 million (31 December 2023: net cash of €1,032.2 million). The reduction in net cash is primarily driven by net cash outflows from operating activities.

The Group has a €500.0 million sustainability linked revolving credit facility which was signed in October 2021 and runs until 2028. As at 30 June 2024 the facility was undrawn. The Company's debt rating by Moody's was reconfirmed in October 2023 (Baa1/Stable) and upgraded by S&P Global Ratings from (BBB+/Stable) to (A-/Stable) in June 2023.

Total equity decreased by €97.0 million with retained earnings decreasing by €151.6 million in the period since 31 December 2023. This is primarily due to the net income for H1 2024 of €0.8 million being lower than the dividend paid in March 2024 in respect of 2023 (€150.0 million). The hedging reserve (including cost of hedging reserve) decreased by €23.6 million to €30.7 million of cumulative hedging gains (31 December 2023: gains of €54.3 million). The foreign currency translation reserve increased by €78.8 million to €418.2 million principally due to foreign exchange movements on US assets, and the investments revaluation reserve decreased by €0.6 million to €(0.3) million (31 December 2023: €0.3 million).

Events after the Statement of Financial Position date

There are no events after the statement of financial position date that require disclosure.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors of the Company as listed on page 4 hereby confirm that to the best of their knowledge the unaudited interim condensed consolidated set of financial statements has been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting" as adopted by the UK and gives a true and fair view of the assets, liabilities, financial position and profit and loss of the Urenco Group.

On behalf of the Board

Boris Schucht
Chief Executive Officer

Ralf ter Haar
Chief Financial Officer

8 August 2024

INDEPENDENT REVIEW REPORT TO URENCO LIMITED

Conclusion

We have been engaged by the Company to review the condensed set of consolidated financial statements in the half-yearly financial report for the six months ended 30 June 2024 which comprises the condensed consolidated income statement, the condensed consolidated statement of comprehensive income, the condensed consolidated statement of financial position, the condensed consolidated statement of changes in equity, the condensed consolidated cash flow statement and related notes 1 to 17.

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2024 is not prepared, in all material respects, in accordance with United Kingdom adopted International Accounting Standard 34.

Basis for Conclusion

We conducted our review in accordance with International Standard on Review Engagements (“ISRE”) (UK) 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Financial Reporting Council for use in the United Kingdom. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

As disclosed in Note 2, the annual financial statements of the group are prepared in accordance with United Kingdom adopted international accounting standards and International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB). The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with United Kingdom adopted International Accounting Standard 34, “Interim Financial Reporting”.

Conclusion Relating to Going Concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for Conclusion section of this report, nothing has come to our attention to suggest that the Directors have inappropriately adopted the going concern basis of accounting or that the Directors have identified material uncertainties relating to going concern that are not appropriately disclosed.

This conclusion is based on the review procedures performed in accordance with this ISRE (UK), however future events or conditions may cause the entity to cease to continue as a going concern.

Responsibilities of the Directors

In preparing the half-yearly financial report, the Directors are responsible for assessing the Group’s ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor’s Responsibilities for the review of the financial information

In reviewing the half-yearly financial report, we are responsible for expressing to the Company a conclusion on the condensed set of consolidated financial statements in the half-yearly financial report. Our conclusion, including our Conclusions Relating to Going Concern, are based on procedures that are less extensive than audit procedures, as described in the Basis for Conclusion paragraph of this report.

Use of our report

This report is made solely to the company in accordance with ISRE (UK) 2410. Our work has been undertaken so that we might state to the company those matters we are required to state to it in an independent review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our review work, for this report, or for the conclusions we have formed.

Deloitte LLP
Statutory Auditor
London, United Kingdom
8 August 2024

INTERIM CONDENSED CONSOLIDATED INCOME STATEMENT

		Six months ended 30 June		Year ended 31 December
		2024	2023	2023
		Unaudited	Unaudited	Audited
	Notes	**€m**	€m	€m
Revenue	3	**649.3**	700.3	1,922.3
Changes to inventories of work in progress, finished goods and SWU assets		**68.8**	63.6	(285.8)
Costs of raw materials and consumables used		**(12.1)**	(15.0)	(31.4)
Net costs of nuclear provisions	12	**(118.3)**	(118.4)	(87.2)
Employee costs		**(142.5)**	(119.4)	(250.3)
Depreciation and amortisation	4	**(221.4)**	(233.0)	(465.1)
Other expenses		**(188.1)**	(172.0)	(386.8)
Results of joint venture and other investments		**-**	1.6	26.1
Income from operating activities		**35.7**	107.7	441.8
Finance income		**99.6**	126.9	124.4
Finance costs		**(125.8)**	(177.4)	(217.4)
Income before tax		**9.5**	57.2	348.8
Income tax expense	5	**(8.7)**	(24.5)	(79.0)
Net income for the period / year attributable to the owners of the Company		**0.8**	32.7	269.8
Earnings per share:		**€**	€	€
Basic earnings per share		**-**	0.2	1.6

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Six months ended 30 June 2024 Unaudited	2023 Unaudited	Year ended 31 December 2023 Audited
	€m	€m	€m
Net income for the period/year attributable to the owners of the Company	**0.8**	32.7	269.8
Other comprehensive income:			
Items that may be reclassified subsequently to the income statement			
Cash flow hedges – (gains)/losses recycled in relation to hedges of revenue	**(1.1)**	16.3	42.9
Cash flow hedges – losses recycled in relation to hedges of debt	**22.3**	28.9	23.4
Cash flow hedges – mark to market (losses)/gains on hedges of revenue	**(37.4)**	47.0	42.7
Cash flow hedges – mark to market losses on hedges of debt	**(19.1)**	(11.7)	(25.1)
Movements on cost of hedging reserve [(i)]	**0.4**	(6.7)	4.1
Deferred tax income/(expense) on financial instruments	**10.0**	(19.3)	(23.8)
Current tax income on financial instruments	**-**	0.2	0.2
Exchange differences on hedging reserves [(ii)]	**1.3**	-	0.7
Total movements to hedging reserves	**(23.6)**	54.7	65.1
Exchange differences on foreign currency translation of foreign operations	**62.8**	(62.2)	(62.8)
Net investment hedges – mark to market gains	**16.6**	34.7	48.9
Deferred tax (expense)/income on financial instruments	**(1.4)**	1.8	(2.8)
Current tax income/(expense) on financial statements	**0.8**	(5.7)	(6.0)
Share of joint venture exchange difference on foreign currency translation of foreign operations	**-**	-	(0.1)
Total movements to foreign currency translation reserve	**78.8**	(31.4)	(22.8)
Fair value (loss)/gain on investments in debt instruments measured at FVTOCI	**(0.8)**	(1.9)	0.6
Deferred tax income/(expense) on investments in debt instruments measured at FVTOCI	**0.2**	0.4	(0.1)
Exchange differences on investment revaluation reserve	**-**	0.1	-
Total movements to investments revaluation reserve	**(0.6)**	(1.4)	0.5
Items that will not be reclassified subsequently to the income statement			
Actuarial losses on defined benefit pension schemes	**(2.7)**	(18.6)	(20.8)
Deferred tax income on actuarial losses	**0.2**	4.2	4.9
Current tax income on actuarial losses	**0.4**	0.4	0.3
Share of joint venture actuarial losses on defined benefit pension schemes	**(0.4)**	(1.7)	(1.7)
Share of joint venture deferred tax income on actuarial losses on defined benefit pension schemes	**0.1**	0.4	0.4
Total movements to retained earnings	**(2.4)**	(15.3)	(16.9)
Other comprehensive income	**52.2**	6.6	25.9
Total comprehensive income relating to the period/year attributable to the owners of the Company	**53.0**	39.3	295.7

(i) The movements on cost of hedging reserve relate to both Cash Flow and Net Investment Hedges.
(ii) Exchange differences on the hedging reserves arise as a result of the effects of translating the hedging reserves from the functional currency of the entities in which the hedging reserves are held to the Group's presentational currency.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	**30 June 2024 Unaudited €m**	31 December 2023 Audited €m	30 June 2023 Unaudited €m
ASSETS				
Non-current assets				
Property, plant and equipment	7	**5,134.1**	5,084.8	5,116.6
Investment property		**4.5**	4.6	5.1
Intangible assets		**43.5**	42.8	37.2
Investments including joint venture		**53.7**	53.4	28.0
Nuclear decommissioning trust fund	13	**517.6**	490.9	483.2
Retirement benefit assets		**34.3**	36.1	35.1
Restricted cash		**0.4**	0.4	0.4
Trade and other receivables		**75.0**	39.8	26.9
Derivative financial instruments	11	**37.3**	53.7	49.5
Deferred tax assets		**92.1**	70.9	78.0
Contract assets		**27.1**	24.0	22.9
		6,019.6	5,901.4	5,882.9
Current assets				
Inventories		**477.8**	352.9	335.2
SWU assets		**628.3**	416.7	467.3
Contract assets		**-**	5.4	8.8
Trade and other receivables		**301.3**	267.9	185.7
Derivative financial instruments	11	**18.6**	25.9	20.1
Income tax recoverable		**137.7**	81.7	90.8
Short term deposits	8	**495.4**	809.9	696.6
Cash and cash equivalents	9	**722.8**	884.6	593.5
		2,781.9	2,845.0	2,398.0
TOTAL ASSETS		**8,801.5**	8,746.4	8,280.9
EQUITY AND LIABILITIES				
Equity attributable to owners of the Company				
Share capital		**237.3**	237.3	237.3
Additional paid in capital		**16.3**	16.3	16.3
Investments revaluation reserve		**(0.3)**	0.3	(1.6)
Retained earnings		**2,169.8**	2,321.4	2,235.9
Hedging reserves	10	**30.7**	54.3	43.9
Foreign currency translation reserve		**418.2**	339.4	330.8
Total equity		**2,872.0**	2,969.0	2,862.6
Non-current liabilities				
Interest bearing loans and borrowings	11	**613.1**	625.3	1,123.0
Trade and other payables		**296.7**	248.5	143.4
Lease liabilities		**27.1**	25.2	26.0
Provisions	12	**3,475.0**	3,260.6	3,203.0
Contract liabilities		**237.5**	208.3	178.2
Derivative financial instruments	11	**51.1**	38.6	52.1
Deferred tax liabilities		**286.9**	267.0	264.2
Retirement benefit obligations	14	**24.9**	26.5	24.5
		5,012.3	4,700.0	5,014.4
Current liabilities				
Interest bearing loans and borrowings		**499.8**	499.5	-
Trade and other payables		**255.8**	404.2	225.3
Lease liabilities		**3.4**	3.2	2.1
Provisions	12	**94.3**	83.1	68.9
Contract liabilities		**18.7**	44.4	59.6
Derivative financial instruments	11	**45.2**	21.1	27.5
Income tax payable		**-**	21.9	20.5
		917.2	1,077.4	403.9
Total liabilities		**5,929.5**	5,777.4	5,418.3
TOTAL EQUITY AND LIABILITIES		**8,801.5**	8,746.4	8,280.9

Registered Number 01022786
The financial statements were approved by the Directors and authorised for issue on 8 August 2024.

Boris Schucht
Chief Executive Officer

Ralf ter Haar
Chief Financial Officer

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital €m	Additional paid in capital €m	Investments revaluation reserve €m	Retained earnings €m	Hedging reserves[(i)] €m	Foreign currency translation reserve €m	Attributable to the owners of the Company €m
As at 31 December 2023 (Audited)	**237.3**	**16.3**	**0.3**	**2,321.4**	**54.3**	**339.4**	**2,969.0**
Income for the period	**-**	**-**	**-**	**0.8**	**-**	**-**	**0.8**
Other comprehensive income/(loss)	**-**	**-**	**(0.6)**	**(2.4)**	**(23.6)**	**78.8**	**52.2**
Total comprehensive income/(loss)	**-**	**-**	**(0.6)**	**(1.6)**	**(23.6)**	**78.8**	**53.0**
Equity dividend paid	**-**	**-**	**-**	**(150.0)**	**-**	**-**	**(150.0)**
As at 30 June 2024 (Unaudited)	**237.3**	**16.3**	**(0.3)**	**2,169.8**	**30.7**	**418.2**	**2,872.0**

	Share capital €m	Additional paid in capital €m	Investments revaluation reserve €m	Retained earnings €m	Hedging reserves[(i)] €m	Foreign currency translation reserve €m	Attributable to the owners of the Company €m
As at 31 December 2022 (Audited)	237.3	16.3	(0.2)	2,368.5	(10.8)	362.2	2,973.3
Income for the period	-	-	-	32.7	-	-	32.7
Other comprehensive income/(loss)	-	-	(1.4)	(15.3)	54.7	(31.4)	6.6
Total comprehensive income/(loss)	-	-	(1.4)	17.4	54.7	(31.4)	39.3
Equity dividend paid	-	-	-	(150.0)	-	-	(150.0)
As at 30 June 2023 (Unaudited)	237.3	16.3	(1.6)	2,235.9	43.9	330.8	2,862.6

(i) The hedging reserves are comprised of a cash flow hedging reserve and a cost of hedging reserve. The analysis for the reconciliation between opening and closing balances for each component is provided in note 10.

INTERIM CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	Notes	**Six months ended 30 June 2024**	Six months ended 30 June 2023	Year ended 31 December 2023
		Unaudited	Unaudited	Audited
		€m	€m	€m
Income before tax		**9.5**	57.2	348.8
Adjustments to reconcile Group income before tax to net cash inflows from operating activities:				
Results of joint venture and other investments		**-**	(1.6)	(26.1)
Depreciation and amortisation	4	**221.4**	233.0	465.1
Finance income	4	**(99.6)**	(126.9)	(124.4)
Finance costs	4	**125.8**	177.4	217.4
Loss on write off of property, plant and equipment		**1.1**	6.7	9.9
Other non-cash operating items		**(5.9)**	(4.9)	(8.1)
Increase in provisions		**104.9**	110.5	108.8
Operating cash flows before movements in working capital		**357.2**	451.4	991.4
(Increase)/decrease in inventories		**(45.8)**	(50.4)	75.5
Increase in SWU assets		**(205.6)**	(115.9)	(63.9)
(Increase)/decrease in receivables and other debtors		**(61.3)**	16.2	(80.8)
(Decrease)/increase in payables and other creditors		**(150.0)**	(32.8)	126.7
Cash generated from operating activities		**(105.5)**	268.5	1,048.9
Income taxes paid		**(81.6)**	(40.4)	(82.3)
Net cash flow from operating activities		**(187.1)**	228.1	966.6
Investing activities				
Interest received		**42.9**	10.5	46.9
Maturity of short term deposits		**814.6**	302.5	818.5
Placement of short term deposits		**(499.9)**	(426.3)	(1,055.6)
Purchases of property, plant and equipment		**(151.2)**	(96.4)	(276.9)
Purchase of intangible assets		**(1.1)**	(0.6)	(1.5)
Dividends received from investments and joint venture		**-**	10.0	10.2
Net cash flow used in investing activities		**205.3**	(200.3)	(458.4)
Financing activities				
Interest paid		**(33.8)**	(28.5)	(56.0)
(Payments)/receipts on maturing forwards and swaps		**(6.3)**	(7.8)	7.8
Dividends paid to equity holders		**(150.0)**	(150.0)	(300.0)
Repayment of lease liabilities		**(1.9)**	(0.9)	(2.9)
Net cash flow from financing activities		**(192.0)**	(187.2)	(351.1)
Net (decrease)/increase in cash and cash equivalents		**(173.8)**	(159.4)	157.1
Cash and cash equivalents at beginning of period/year		**884.6**	737.6	737.6
Effect of foreign exchange rate changes		**12.0**	15.3	(10.1)
Cash and cash equivalents at end of the period/year[(i)]	9	**722.8**	593.5	884.6

(i) Additionally, the Group held short term deposits of €495.4 million at 30 June 2024 (31 December 2023: €809.9 million, 30 June 2023: €696.6 million).

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

Urenco Limited is a limited company incorporated in the United Kingdom and registered in England and Wales with company number 01022786. The address of the registered office is given on page 4. Urenco Limited is the ultimate holding company of the Urenco Group. The nature of the Group's operations and its principal activities are set out in note 4.

The Unaudited Interim Condensed Consolidated Financial Statements of the Group were authorised for issue by the Audit Committee on 8 August 2024, under an authority granted by the Board.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

Basis of preparation

The annual financial statements of Urenco Limited are prepared in accordance with United Kingdom adopted international accounting standards and International Financial Reporting Standards ("IFRSs") as issued by the International Accounting Standards Board (IASB). The condensed set of financial statements included in this half-yearly financial report for the six months ended 30 June 2024 have been prepared in accordance with United Kingdom adopted International Accounting Standard ("IAS") 34 "Interim Financial Reporting".

The interim condensed consolidated financial statements do not include all of the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's 2023 Annual Report and Accounts.

The financial information contained in this report is unaudited. The Interim Condensed Consolidated Income Statement, the Interim Condensed Consolidated Statement of Comprehensive Income, the Interim Condensed Consolidated Statement of Financial Position, the Interim Condensed Consolidated Statement of Changes in Equity and the Interim Condensed Consolidated Cash Flow Statement for the interim period to 30 June 2024 have been reviewed by the auditor. Their report to Urenco Limited is set out on page 11. The information for the year ended 31 December 2023 does not constitute statutory accounts within the meaning of Section 434 of the Companies Act 2006 and has been extracted from the statutory accounts for the year ended on that date, which have been filed with the Registrar of Companies. The report of the auditor on the statutory accounts for the year ended 31 December 2023 was unqualified and did not contain a statement under Section 498(2) or 498(3) of the Companies Act 2006.

Significant accounting policies

The accounting policies adopted in the preparation of the Group's interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2023.

The nature of the critical accounting judgements and key sources of estimation uncertainty made by management of the Group and applied in the accompanying condensed consolidated interim financial statements for the six months ended 30 June 2024 are consistent with those applied in the preparation of the consolidated financial statements of the Group for the year ended 31 December 2023.

Going concern

The Directors have assessed the latest forecast future cash flows, including appropriate sensitivities, which indicate that available cash and committed financing facilities in place are sufficient to cover the Group's cash needs for at least twelve months after the date of approval of these interim financial statements. They are satisfied that the Group has adequate resources to continue in operational existence for the foreseeable future, and thus they continue to adopt the going concern basis of accounting in accordance with IAS 34 in preparing the interim financial statements.

3. REVENUES AND SEASONALITY OF OPERATIONS

The large majority of the Group's revenue arises from enrichment services for customers. Deliveries of separative work do not accrue evenly throughout the year. Demand for SWU is mainly driven by the reload demand patterns of the nuclear power plants, which often stretch beyond a year and to some extent can be viewed as seasonal.

The Group's revenues are denominated in euros and dollars. Revenues largely relate to the sale of enrichment services, feed and EUP. Sales are predominantly in accordance with long-term fixed price contracts and therefore the order book of existing contracts is not significantly impacted by changes in the market prices.

4. SEGMENT INFORMATION

The Urenco Group's principal activity is the provision of a service to enrich uranium to provide fuel for nuclear power utilities, by enriching uranium provided by customers.

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision makers. The chief operating decision makers have been identified as the Executive Directors. Operating segments have been identified based on the risk and returns of the Group's major operations. The risks and returns of the Group's operations are primarily determined by the nature of the different activities that the Group engages in, rather than by the geographical location of these operations.

The Group's operating segments and reportable segments under IFRS 8 are therefore as follows:

- for the enrichment business: the provision of enrichment, associated services, uranium sales and commodity contracts for the nuclear power industry and the construction and operation of the Tails Management Facility at the UK site for deconversion of depleted UF_6 into U_3O_8.
- other relates to Head Office based holding and financing companies, Group accounting consolidation adjustments and other entities not forming part of the enrichment business, including Urenco Nuclear Stewardship Limited (UNS), which provides uranium handling services at the Capenhurst facility and the joint venture in ETC, which performs activities relating to research, development, manufacturing and installation of plant and equipment for the provision of enrichment services.

Segment performance is evaluated based on net income or loss before tax which is calculated on the same basis as income or loss from operating activities in the consolidated financial statements. Finance costs and finance income are allocated to the segments in accordance with underlying liabilities and assets. The accounting policies for the reportable segments are the same as the Group's accounting policies. Transactions between reportable segments are charged at arm's length prices.

Urenco also measures and discloses EBITDA, which is a non-IFRS defined financial measure, to assess the Group's overall and segment performance. EBITDA is also used by investors and analysts to evaluate the financial performance of Urenco and its peer companies. EBITDA is reconciled to the relevant IFRS financial measure, Income/(loss) from operating activities in this note.

4. SEGMENT INFORMATION continued

Segment information for these businesses for the six months ended 30 June 2024 and 2023 respectively, and for the year ended 31 December 2023, is presented below:

Six months ended 30 June 2024 – Unaudited	**Enrichment business €m**	**Other [(i)] €m**	**Consolidated €m**
Revenue			
External sales	**634.8**	**14.5**	**649.3**
Total external revenue	**634.8**	**14.5**	**649.3**
Result			
Income/(loss) from operating activities[(iii)]	**45.6**	**(9.9)**	**35.7**
Finance income	**68.2**	**31.4**	**99.6**
Finance costs	**(66.0)**	**(59.8)**	**(125.8)**
Income/(loss) before tax[(iii)]	**47.8**	**(38.3)**	**9.5**
Other information			
Total depreciation and amortisation[(iii)]	**216.4**	**5.0**	**221.4**
Add: depreciation recognised in increased inventories and SWU assets	**(52.6)**	**-**	**(52.6)**
Add: depreciation expenses within net costs of nuclear provisions	**4.6**	**-**	**4.6**
Depreciation and amortisation for EBITDA calculation	**168.4**	**5.0**	**173.4**
Income/(loss) from operating activities[(iii)]	**45.6**	**(9.9)**	**35.7**
Depreciation and amortisation for EBITDA calculation	**168.4**	**5.0**	**173.4**
Results of joint venture and other investments	**-**	**-**	**-**
EBITDA[(ii)]	**214.0**	**(4.9)**	**209.1**
Capital additions:			
Property, plant and equipment	**156.5**	**3.6**	**160.1**
Intangible assets	**0.4**	**-**	**0.4**
Segment assets	**7,300.8**	**1,500.7**	**8,801.5**
Segment liabilities	**4,257.8**	**1,671.7**	**5,929.5**

(i) Other relates to Head Office based holding and finance companies, Group accounting consolidation adjustments and other entities not forming part of the enrichment business, including Urenco Nuclear Stewardship Limited and the share of the results and assets of the ETC joint venture.

(ii) EBITDA is defined as earnings before exceptional items, interest (including other finance costs), taxation, depreciation and amortisation and results of joint venture and other investments. Depreciation and amortisation are adjusted to remove elements of such charges already included in changes to inventories and SWU assets and net costs of nuclear provisions.

(iii) The extension of the estimated useful life of centrifuges and associated equipment from 1 January 2024 had a positive impact of €8.0 million on income from operating activities. The following line items in the above table were impacted:

	Enrichment Business €m	Other €m	Consolidated €m
Income from operating activities	8.2	(0.2)	8.0
Income before tax	8.2	(0.2)	8.0
Total depreciation and amortisation	17.7	(1.0)	16.7

The extension of the useful life of centrifuges and associated equipment is forecast to reduce depreciation by approximately €136 million cumulatively over the next 5 years. This is a timing difference which is expected to reverse thereafter. This assumes that there are no further changes in the useful lives of centrifuges and associated equipment. Any further increase in the useful life would have had a positive impact on income from operating activities in the 6 months period ended 30 June 2024 and any reduction in the useful life would have reduced income from operating activities in this period.

4. SEGMENT INFORMATION continued

Six months ended 30 June 2023 – Unaudited	Enrichment business Re-presented (iv) €m	Other Re-presented (i), (iv) €m	Consolidated €m
Revenue			
External sales	693.7	6.6	700.3
Total external revenue	693.7	6.6	700.3
Result			
Income/(loss) from operating activities	131.4	(23.7)	107.7
Finance income	63.9	63.0	126.9
Finance costs	(67.2)	(110.2)	(177.4)
Income/(loss) before tax(ii)	128.1	(70.9)	57.2
Other information			
Total depreciation and amortisation	230.1	2.9	233.0
Add: depreciation recognised in increased inventories and SWU assets	(42.3)	-	(42.3)
Add: depreciation expenses within net costs of nuclear provisions	1.7	-	1.7
Depreciation and amortisation for EBITDA calculation	189.5	2.9	192.4
Income/(loss) from operating activities	131.4	(23.7)	107.7
Depreciation and amortisation for EBITDA calculation	189.5	2.9	192.4
Results of joint venture and other investments	-	(1.6)	(1.6)
EBITDA(iii)	320.9	(22.4)	298.5
Capital additions:			
Property, plant and equipment	83.1	4.3	87.4
Intangible assets	0.7	-	0.7
Segment assets(iv)	6,808.4	1,472.5	8,280.9
Segment liabilities(iv)	3,235.1	2,183.2	5,418.3

(i) Other re-presented relates to Head Office based holding and finance companies, Group accounting consolidation adjustments and other entities not forming part of the enrichment business, including Urenco Nuclear Stewardship Limited and the share of the results and assets of the ETC joint venture. From year ended 31 December 2023 ETC has been reported within Other, while previously this was reported in a separate segment. For the reason of consistency the segment Other has been re-presented for the six months ended 30 June 2023 to also include the amounts relating to ETC.

(ii) From year ended 31 December 2023 segment performance is evaluated based on Income/(loss) before tax, while previously this was based on Net income/(loss). For consistency reasons the rows on the Income tax and Net income/(loss) have been removed for the six months ended 30 June 2023.

(iii) EBITDA is defined as earnings before exceptional items, interest (including other finance costs), taxation, depreciation and amortisation and results of joint venture and other investments. Depreciation and amortisation are adjusted to remove elements of such charges already included in changes to inventories and SWU assets and net costs of nuclear provisions.

(iv) Segment assets have been reclassified between segments with a €332.6 million decrease in the Enrichment business segment and a €332.6 million increase in the Other segment. Segment liabilities have been reclassified with a €24.8 million increase in the Enrichment business and a €24.8 million decrease in the Other segment. The reclassifications were in relation to allocations of tax balances between segments.

4. SEGMENT INFORMATION continued

Year ended 31 December 2023 – Audited	Enrichment business €m	Other [i] €m	Consolidated €m
Revenue			
External sales	1,896.4	25.9	1,922.3
Total external revenue	1,896.4	25.9	1,922.3
Result			
Income/(loss) from operating activities	426.7	15.1	441.8
Finance income	137.0	(12.6)	124.4
Finance costs	(124.4)	(93.0)	(217.4)
Income/(loss) before tax	439.3	(90.5)	348.8
Other information			
Depreciation and amortisation	460.7	4.4	465.1
Depreciation recognised in increased inventories and SWU assets	6.5	-	6.5
Depreciation expenses within net costs of nuclear provisions	(0.6)	-	(0.6)
Depreciation and amortisation for EBITDA calculation	466.6	4.4	471.0
Income/(loss) from operating activities	426.7	15.1	441.8
Depreciation and amortisation for EBITDA calculation	466.6	4.4	471.0
Results of joint venture and other investments	(0.1)	(26.0)	(26.1)
EBITDA[ii]	893.2	(6.5)	886.7
Capital additions:			
Property, plant and equipment	350.5	12.0	362.5
Intangible assets	1.7	-	1.7
Segment assets	6,781.6	1,964.8	8,746.4
Segment liabilities	3,521.3	2,256.1	5,777.4

(i) Other comprises Head Office based holding and finance companies, Group accounting consolidation adjustments and other entities not forming part of the enrichment business, including Urenco Nuclear Stewardship Limited and the share of the results and assets of the ETC joint venture.

(ii) EBITDA is defined as earnings before exceptional items, interest (including other finance costs), taxation, depreciation and amortisation and results of joint venture and other investments. Depreciation and amortisation are adjusted to remove elements of such charges included in changes to inventories and SWU assets and net costs of nuclear provisions.

5. INCOME TAX

The major components of income tax expense in the consolidated income statement are:

	Six months ended 30 June		Year ended 31 December
	2024 Unaudited €m	2023 Unaudited €m	2023 Audited €m
Current tax			
UK corporation tax	**(19.9)**	(7.9)	(1.3)
Foreign income tax	**26.3**	43.5	92.2
Adjustments in respect of prior periods	**(0.3)**	1.7	(2.2)
Total current tax expense	**6.1**	37.3	88.7
Deferred tax			
Origination and reversal of temporary differences	**3.3**	(12.5)	(8.5)
Adjustments in respect of prior periods	**-**	(0.3)	(1.2)
Impact of change in tax rate on deferred tax	**(0.7)**	-	-
Total deferred tax income	**2.6**	(12.8)	(9.7)
Income tax expense reported in the consolidated income statement	**8.7**	24.5	79.0

The tax charged in the interim period has been calculated by applying the effective tax rate which is expected to apply to each Group member in the year ending 31 December 2024 to their respective results for the interim period, using rates substantively enacted by the reporting date.

The Group's ETR for the 2024 interim period is 91.6%, which is higher than the 2023 interim period rate of 42.8%. Included within the results are foreign exchange financing gains and losses that are permanently excluded from tax under the UK Disregard Regulations, which have increased the current interim ETR by 47.4% (H1 2023: 4.7%). Consistent with the approach adopted in prior interim periods these permanent adjusting items have been included as a component of the Annual Effective Tax Rate calculations which are applied to the interim profits in accordance with IAS34. In the event that the permanently disregarded foreign exchange financing gains and losses had instead been treated as a discrete component of the tax charge, as also permitted by IAS34, the tax charge for the current interim period would be reduced by €3.7m (H1 2023: €8.2m) and the adjusted interim ETR would be 52.6% (H1 2023: 28.5%).

The UK corporation tax income of €19.9 million compares favourably to the €7.9 million income in the prior interim period. This €12.0 million favourable movement arises predominately due to differences in the phasing of profits generated across the various UK group entities during the first half of 2024. The foreign income tax expense has decreased by €17.2 million to €26.3 million (H1 2023: €43.5 million) predominately as a result of a decrease in the level of foreign profits.

During H1 2024 the German City of Gronau increased the Trade Tax rate leading to an increase in the headline German tax rate payable on Group's German activities to 31.19% (H1 2023: 30.42%). Revaluing the Group's German deferred tax assets and liabilities from 30.42% to 31.19% resulted in a €0.7 million credit to the income statement (H1 2023: €nil).

During 2021, an increase in the mainstream rate of UK corporation tax from 19.0% to 25.0%, effective 1 April 2023, was enacted. The average annual UK corporation tax rate for the year ending 31 December 2024 will be 25.0% (2023: 23.5%). The Group’s UK deferred tax assets and liabilities have been valued using a 25.0% tax rate (H1 2023: 25.0%).

5. INCOME TAX continued

The Group first came within scope of the OECD Pillar Two rules in the current financial year, and has applied the temporary exception to recognising and disclosing information about deferred tax assets and liabilities arising from Pillar Two income taxes. The Group has material operations in four jurisdictions, each of which have a headline tax rate in excess of 15%. Based on its assessment using recent financial performance information, and forecast financial performance information for the year ending 31 December 2024, the Group continues to expect to meet one or more of the temporary safe harbours in each of its four material jurisdictions, and as such it does not expect a potential exposure to Pillar Two top-up taxes to arise for the foreseeable future. Consequently, no top-up taxes have been included in the effective tax rates used during the period. The Group is continuing to assess the impact of the Pillar Two income taxes legislation on its future financial performance.

Urenco assesses its liabilities and contingencies for all tax years open to audit based upon the latest information available. For those matters where it is probable that an adjustment will be made, the Group records its best estimate of these tax liabilities. Inherent uncertainties exist in estimates of tax contingencies due to the complexities of interpretation and changes in tax laws. Whilst Urenco believes it has adequately provided for the outcome of these matters, future results may include favourable or unfavourable adjustments to these estimated tax liabilities in the period the assessments are made, or resolved. The final outcome of tax examinations may result in a materially different outcome than assumed in the tax liabilities.

6. DIVIDENDS PAID AND PROPOSED

	Six months ended 30 June		Year ended 31 December
	2024 Unaudited €m	2023 Unaudited €m	2023 Audited €m
Amounts recognised as distributions to equity holders in the period:			
Final dividend for the year ended 31 December 2023: 89.29 cents per share, €150.0 million paid in March 2024	**150.0**	-	-
Interim dividend for the year ended 31 December 2023: 89.29 cents per share, €150.0 million paid in October 2023	**-**	-	150.0
Final dividend for the year ended 31 December 2022: 89.29 cents per share, €150.0 million paid in March 2023	**-**	150.0	150.0
Total	**150.0**	150.0	300.0

The final proposed dividend of €150.0 million for the year ended 31 December 2023 was approved by shareholders on 13 March 2024 and was paid to shareholders on 19 March 2024. No Interim dividend for the year ending 31 December 2024 has been proposed or paid.

7. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2024, the Group acquired assets and capitalised costs with a value of €160.1 million (six months ended 30 June 2023: €87.4 million; year ended 31 December 2023: €362.5 million), relating to property, plant and equipment. The majority of this cost relates to assets for the enrichment plants.

See also note 15 for capital commitments.

8. SHORT TERM DEPOSITS

	At 30 June		At 31 December
	2024	2023	2023
	Unaudited	Unaudited	Audited
	€m	€m	€m
Short term deposits	**495.4**	696.6	809.9

Short term bank deposits comprise deposits with an original maturity of more than three months and with an end date less than 12 months from the date of the statement of financial position.

9. CASH AND CASH EQUIVALENTS

	At 30 June		At 31 December
	2024	2023	2023
	Unaudited	Unaudited	Audited
	€m	€m	€m
Cash	**414.6**	193.4	509.1
Cash equivalents	**308.2**	400.1	375.5
Cash and cash equivalents	**722.8**	593.5	884.6

Cash comprises cash at bank and in hand. Cash at bank earns or pays interest at floating rates based on the banks' current account rates. Cash equivalents comprise on demand deposits, together with short-term highly liquid investments that are readily convertible to a known amount of cash and that are subject to an insignificant risk of changes in value. The carrying amount of these assets approximates to their fair value.

The Group has pledged as collateral several bank accounts to banks that have provided standby letters of credit in favour of the NRC to provide assurance that funds are available when needed to pay for decommissioning and tails liabilities of LES.

The carrying value of the collateral accounts at 30 June 2024, which earn interest at a variable rate, was €141.9 million (30 June 2023: €89.1 million; 31 December 2023: €139.7 million).

10. RESERVES

The reserves outlined in the consolidated statement of changes in equity on page 15 are as follows:

Investments revaluation reserve
This reserve is used to record the cumulative unrealised fair value gains or losses on investments held in the Nuclear Decommissioning Trust Fund.

Foreign currency translation reserve
The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries and the parent entity into the euro presentational currency and the fair value movements on net investment hedges. Net investment hedges (after tax) of €276.1 million (31 December 2023: €285.4 million) are carried forward as at 30 June 2024 as an offset against the surplus carried forward in the foreign currency translation reserve.

Hedging reserves
This is a combination of the cash flow hedging reserve and the cost of hedging reserve

Cash flow hedging reserve - summary

	Period ended 30 June		Year ended 31 December
	2024 Unaudited	2023 Unaudited	2023 Audited
	€m	€m	€m
As at 1 January	**67.4**	4.8	4.8
Other comprehensive income/(loss):			
Cash flow hedges – (gains)/losses recycled in relation to hedges of revenue	**(1.1)**	16.3	42.9
Cash flow hedges – losses recycled in relation to hedges of debt	**22.3**	28.9	23.4
Cash flow hedges – mark to market (losses)/gains on hedges of revenue	**(37.4)**	47.0	42.7
Cash flow hedges – mark to market losses on hedges of debt	**(19.1)**	(11.7)	(25.1)
Deferred tax income/(expense) on financial instruments	**10.1**	(21.1)	(22.6)
Current tax income on financial instruments	**-**	0.2	0.2
Exchange differences	**1.6**	0.5	1.1
Other comprehensive (loss)/income	**(23.6)**	60.1	62.6
Carried forward as at 30 June/31 December	**43.8**	64.9	67.4

Cost of hedging reserve - summary

	Period ended 30 June		Year ended 31 December
	2024 Unaudited	2023 Unaudited	2023 Audited
	€m	€m	€m
As at 1 January	**(13.1)**	(15.6)	(15.6)
Other comprehensive income/(loss):			
Movements before tax	**0.4**	(6.7)	4.1
Deferred tax (expense)/income	**(0.1)**	1.8	(1.2)
Exchange differences	**(0.3)**	(0.5)	(0.4)
Other comprehensive (loss)/income	**-**	(5.4)	2.5
Carried forward as at 30 June/31 December	**(13.1)**	(21.0)	(13.1)

Hedging reserves - totals

Carried forward as at 30 June/31 December	**30.7**	43.9	54.3

11. OTHER FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Hedging activities and derivatives

Revenue related hedges

The Group maintains a rolling portfolio of forward foreign exchange contracts (“FFECs”) designated as cash flow hedges against forecast revenues receipted in foreign currencies. This is in order to hedge contracts denominated in euros and US dollars to the underlying European enrichment entities’ functional currencies, which are split between sterling and euro.

As at 30 June 2024, the net liability of the FFECs was €0.1 million (31 December 2023: net asset of €36.2 million), with the movement driven by the strengthening of USD to Euro. The vast majority of FFECs are designated as cash flow hedges, with the gains and losses deferred in the hedge reserve and the cost of hedging reserve within equity.

During the period, €1.1 million of hedging gains (H1 2023: losses of €16.3 million) were recycled to revenues due to the maturing of contracts in effective hedging relationships.

Borrowing related hedges

The Group uses Cross Currency Interest Rate Swaps (“CCIRSs”) to hedge its euro and yen debt instruments into sterling as they are held by Urenco Limited, a sterling functional currency entity. The Group’s portfolio of CCIRSs help to manage the foreign exchange volatility which would be recognised through the income statement.

The CCIRSs are split into two legs, the first leg swaps foreign currency denominated debt into sterling, and is designated as a cash flow hedge, and the second leg swaps sterling into US dollar and is designated as a net investment hedge of the Group’s investment in US subsidiaries (Urenco USA Inc. and Louisiana Energy Services LLC).

As at 30 June 2024, the Group’s portfolio of CCIRSs was held at a liability of €37.2 million (31 December 2023: liability of €21.9 million).

The notional value of currency swaps in a net investment hedge detailed above, total $0.5 billion (31 December 2023: $0.5 billion) and hedge the Group's investment in US subsidiaries (Urenco USA Inc. and Louisiana Energy Services LLC). Also included in loans at 30 June 2024 were borrowings of €0.6 billion (31 December 2023: €0.6 billion), which have been designated as hedges of the net investment in the Group's European subsidiaries. Gains or losses on the retranslation of these borrowings are transferred to other comprehensive income to offset any gains or losses on translation of the net investment in subsidiaries.

Uranium commodity contracts

Uranium commodity contracts are contracts to buy or sell uranium commodities that do not meet the own use exemption under IFRS 9. The fair value of such contracts was a net liability of €3.1 million as at 30 June 2024 (31 December 2023: net asset of €5.6 million). The fair value has changed from asset to liability due to deals maturing in 2024 and an increase in market prices during the period increasing the liability value of the sell contracts.

Borrowing

The Group has an undrawn €500.0 million medium term revolving credit facility which matures in 2028.

As at 30 June 2024, total current interest bearing loans and borrowings were €499.8 million (31 December 2023: €499.5 million) and total non-current interest bearing loans and borrowings were €613.1 million (31 December 2023: €625.3 million).

11. OTHER FINANCIAL ASSETS AND FINANCIAL LIABILITIES continued

Borrowing continued

The calculation of net cash as at 30 June 2024 and 31 December 2023 is set out below:

	At 30 June 2024 €m	At 31 December 2023 €m
Short term deposits	**495.4**	809.9
Cash and cash equivalents	**722.8**	884.6
Nuclear decommissioning trust fund	**517.6**	490.9
Less: Non-current interest bearing loans and borrowings	**(613.1)**	(625.3)
Less: Current interest bearing loans and borrowings	**(499.8)**	(499.5)
Less: Non-current lease liabilities	**(27.1)**	(25.2)
Less: Current lease liabilities	**(3.4)**	(3.2)
Net cash	**592.4**	1,032.2

Fair values

The carrying value of all financial assets and financial liabilities is approximately equal to their fair values, except for the interest bearing loans and borrowings. The carrying value and fair value of these interest bearing loans are set out in the following table.

	Period ended 30 June 2024		Year ended 31 December 2023	
	Book value €m	**Fair value €m**	Book value €m	Fair value €m
Financial liabilities measured at amortised cost	**1,112.9**	**1,133.9**	1,124.8	1,162.2

Fair value disclosures

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: Techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

Derivative financial instruments are initially recognised at fair value and categorised as Level 2 then subsequently re-measured at fair value. The fair value on initial recognition is the transaction price unless part of the consideration given or received is for something other than the instrument itself. The fair value of derivative financial instruments is subsequently calculated using discounted cash flow techniques or other appropriate pricing models. The chosen method is used consistently for similar types of instruments. All valuation techniques take into account assumptions based upon market data. The fair value of forward contracts is the present value of the expected settlement amount, which is the present value of the difference between the contract rate and the current forward rate multiplied by the notional foreign currency amount. Fair value of interest rate swaps is the net present value of all expected future cash flows based on current market rates taking due account of counterparty credit risk and own credit risk. Fair value of commodity contracts is the risk adjusted present value of the difference between the contract price and the current forward price multiplied by the volume of the agreed sales or purchases.

11. OTHER FINANCIAL ASSETS AND FINANCIAL LIABILITIES continued

As at 30 June 2024, the investments in the nuclear decommissioning trust fund were measured at fair value using level 1 hierarchy inputs and the Group's derivative financial instruments were measured at fair value (recurring measurement) using level 2 hierarchy inputs:

	At 30 June 2024 €m	At 31 December 2023 €m
Financial assets at fair value		
Nuclear decommissioning trust fund	**517.6**	490.9
Forward Foreign Exchange Contracts – hedged	**40.1**	63.0
Forward Foreign Exchange Contracts – non hedged	**1.3**	0.6
Cross Currency Interest Rate Swaps – hedged	**2.6**	5.7
Commodity contracts at fair value– non hedged	**11.9**	10.3
Total assets measured at fair value	**573.5**	570.5
Financial liabilities at fair value		
Forward Foreign Exchange Contracts – hedged	**(41.3)**	(27.4)
Forward Foreign Exchange Contracts – non hedged	**(0.2)**	-
Cross Currency Interest Rate Swaps – hedged	**(39.8)**	(27.6)
Commodity contracts at fair value– non hedged	**(15.0)**	(4.7)
Total liabilities measured at fair value	**(96.3)**	(59.7)
Nuclear decommissioning trust fund	**517.6**	490.9
Net FFEC (liability)/asset	**(0.1)**	36.2
Net CCIRS liability	**(37.2)**	(21.9)
Net commodity assets at fair value	**(3.1)**	5.6
Total net assets	**477.2**	510.8

12. PROVISIONS

Six months ended 30 June 2024	**Tails €m**	**Decommissioning of plant and machinery €m**	**Re-enrichment of low assay feed €m**	**Other €m**	**Total €m**
As at 1 January 2024 – Audited	**1,903.9**	**1,168.3**	**204.9**	**66.6**	**3,343.7**
Additional provision	**119.3**	**24.6**	**75.0**	**3.2**	**222.1**
Unwinding of discount	**35.0**	**19.8**	**1.9**	**0.1**	**56.8**
Utilisation of provision	**(19.2)**	**(4.4)**	**(54.8)**	**(6.5)**	**(84.9)**
Release of provision	**(5.0)**	**(3.3)**	**-**	**(3.8)**	**(12.1)**
Exchange difference	**29.6**	**11.1**	**2.3**	**0.7**	**43.7**
As at 30 June 2024 – Unaudited	**2,063.6**	**1,216.1**	**229.3**	**60.3**	**3,569.3**
Included in current liabilities					**94.3**
Included in non-current liabilities					**3,475.0**
					3,569.3

12. PROVISIONS continued

Six months ended 30 June 2023	Tails €m	Decommissioning of plant and machinery €m	Re-enrichment of low assay feed €m	Other €m	Total €m
As at 1 January 2023 – Audited	1,778.1	1,083.6	185.7	31.5	3,078.9
Additional provision	116.1	11.3	106.2	2.3	235.9
Unwinding of discount	31.2.	17.7	1.7	0.1	50.7
Utilisation of provision	(11.3)	(3.3)	(89.6)	(5.6)	(109.8)
Release of provision	(3.3)	(3.0)	-	(0.9)	(7.2)
Exchange difference	16.0	7.0	-	0.4	23.4
As at 30 June 2023 – Unaudited	1,926.8	1,113.3	204.0	27.8	3,271.9
Included in current liabilities					68.9
Included in non-current liabilities					3,203.0
					3,271.9

	Tails	**Decommissioning of plant and machinery**	**Re-enrichment of low assay feed**	**Other**	**Total**
Year ended 31 December 2023	€m	€m	€m	€m	**€m**
As at 1 January 2023 - Audited	1,778.1	1,083.6	185.7	31.5	3,078.9
Additional provision	248.1	66.0	209.7	44.7	568.5
Unwinding of discount	62.8	35.7	3.5	0.3	102.3
Utilisation of provision	(23.9)	(11.0)	(193.0)	(7.4)	(235.3)
Release of provision	(164.9)	(8.4)	-	(2.6)	(175.9)
Exchange difference	3.7	2.4	(1.0)	0.1	5.2
As at 31 December 2023 - Audited	1,903.9	1,168.3	204.9	66.6	3,343.7
Included in current liabilities					83.1
Included in non-current liabilities					3,260.6
					3,343.7

The net costs of nuclear provisions of €118.3 million (H1 2023: €118.4 million, FY 2023: €87.2 million) recognised in the income statement are set out below:

Six months ended 30 June 2024

	Tails disposal €m	**Decommissioning of plant and machinery €m**	**Re-enrichment low assay feed €m**	**Total €m**
Additional provision for the period	**119.3**	**2.0**	**75.0**	**196.3**
Release of provision	**(5.0)**	**(1.0)**	**-**	**(6.0)**
Utilisation of provision[(i) (ii)]	**(17.2)**	**-**	**(54.8)**	**(72.0)**
Charged/(credited) to income statement H1 2024	**97.1**	**1.0**	**20.2**	**118.3**

Six months ended 30 June 2023

	Tails disposal €m	Decommissioning of plant and machinery €m	Re-enrichment low assay feed €m	Total €m
Additional provision for the period	116.1	1.1	106.2	223.4
Release of provision	(3.3)	(1.2)	-	(4.5)
Utilisation of provision[(i) (ii)]	(10.9)	-	(89.6)	(100.5)
Charged/(credited) to income statement H1 2023	101.9	(0.1)	16.6	118.4

12. PROVISIONS continued

Year ended 31 December 2023	Tails disposal €m	Decommissioning of plant and machinery €m	Re-enrichment low assay feed €m	Total €m
Additional provision in the year	248.1	17.7	209.7	475.5
Change in discount rates	(151.7)	(4.7)	-	(156.4)
Release of provision	(13.2)	(3.7)	-	(16.9)
Utilisation of provision (i) (ii)	(22.0)	-	(193.0)	(215.0)
Charged to income statement 2023	61.2	9.3	16.7	87.2

(i) The utilisation of the tails provision is recognised in the income statement within 'net costs of nuclear provisions'. This is credited to the income statement to reverse the tails processing costs consolidated within the Group as the income statement charge for these costs was incurred when the tails was created.

(ii) The utilisation of the provision for re-enrichment of the low assay feed is recognised in the income statement within 'net costs of nuclear provisions'. The expenditure incurred in re-enriching the low assay feed is initially recognised in the income statement (e.g. employee costs, energy costs, depreciation and tails provisions). The utilisation is credited to the income statement to reverse the costs of re-enrichment as the income statement charge for these costs was incurred when the material was produced through the creation of the re-enrichment of low asset feed provision.

Discount rates for tails and decommissioning provisions

The inflation rate and the risk free discount rate have been calculated on a jurisdiction specific basis. The outcome for the calculation for the 2024 half year was that the real discount rates applied at 31 December 2023 remain within the acceptable ranges determined as at 30 June 2024. The applicable rates for both the 2024 half year and 2023 year end are as follows:

	Inflation Rate	Nominal Discount Rate	Real Discount Rate
	30 Jun 2024	**30 Jun 2024**	**30 Jun 2024**
USA	2.20%	4.00%	1.76%
UK	2.10%	4.00%	1.86%
Germany	2.10%	2.70%	0.59%
The Netherlands	2.10%	2.70%	0.59%

Provision for tails

The enrichment process generates depleted uranium ('tails'). Provision has been made on a discounted basis for the eventual safe disposal of the tails. The costs take account of conversion to a different chemical state, intermediate storage, transport and safe disposal and include the depreciation of capital cost of the facility that will perform these tasks.

The final amount of the provision is currently uncertain but is evaluated based upon the planned operational activity involved in successfully achieving safe disposal in accordance with regulatory requirements. The planned costs are based on historic experience, operational assumptions, internal cost forecasts and third party contract prices for the relevant parts of the disposal cycle. A key area of uncertainty remains the unit cost of deconversion in Europe which will remain uncertain until such time that all future kilns to be commissioned are operational. The TMF has entered into operation and the amount deconverted is ramping up. The availability and cost of a repository suitable for the final disposal of depleted U_3O_8 is a key judgement and the level of uncertainty varies widely across the four countries in which Urenco operates. These costs are escalated where appropriate based on current expectations of inflation and discounted to provide a present value cost per unit, or tails rate, which is applied to the quantity of tails held at the statement of financial position date.

During the period the tails provision increased by €119.3 million (year to 31 December 2023: €248.1 million) due to tails generated in that period and an increase in the applied tails rate. Expenditure incurred during the period for the safe deconversion, storage and disposal of tails of €19.2 million (year to 31 December 2023: €23.9 million) have been utilised against the provision. A provision release of €5.0 million (year to 31 December 2023: €164.9 million) was recorded reflecting the impact of a review of various key underlying assumptions, an optimisation of operations and the impact of the reduction in higher assay tails, associated with enrichment service contracts.

12. PROVISIONS continued

It is expected that €977.9 million of the tails provision will be used within the next 10 years, €801.6 million of the provision will be used within the next 10 to 30 years and €284.1 million will be used within the next 30 to 100 years. The tails provisions held at 30 June 2024 comprised €1,896.3 million (31 December 2023: €1,743.0 million) of discounted future cash flows and €167.3 million (31 December 2023: €160.9 million) of discounted future depreciation of assets currently at cost held for the purpose of meeting tails liabilities.

Provision for decommissioning of plant and machinery

The Directors intend to decommission plant and machinery as soon as practicably possible after it is taken out of use. The enrichment plants will be disassembled, declassified, decommissioned and the sites returned to 'greenfield' or 'brownfield' status. Uranium containers will be cleaned, dismantled and scrapped. To meet these eventual costs of decommissioning, provisions are recognised in the financial statements, for all plant and machinery in operation, at amounts considered to be adequate for the purpose.

The final amount of the provision is currently uncertain but is evaluated based upon the planned operational activity involved in successfully achieving full decommissioning of any plant or equipment used in enrichment activities, in accordance with the Directors' intention and regulatory requirements. The planned costs are based on historic experience and price estimates for the relevant activities and processes of the decommissioning cycle, which include deconstruction, decontamination and disposal of all materials involved in the enrichment process. These costs are escalated based on current expectations of inflation and discounted to provide a present value cost based on the expected useful life of the asset in use and timing of subsequent decommissioning activity.

During the period the decommissioning provision increased by €24.6 million (year to 31 December 2023: €66.0 million) due to the installation of additional plant and machinery of €1.4 million (year to 31 December 2023: €4.0 million), additional container purchases of €14.4 million (year to 31 December 2023: €23.3 million) and €8.8 million due to revised assumptions surrounding the decommissioning of plant and machinery (year to 31 December 2023: €38.7 million). Of the €24.6 million (year to 31 December 2023: €66.0 million) addition to the decommissioning provision, €2.0 million (year to 31 December 2023: €17.7 million) has been expensed to the Income Statement and €22.6 million (year to 31 December 2023: €21.0 million) has been recognised in decommissioning assets. A provision release of €3.3 million (year to 31 December 2023: €8.4 million) was recorded reflecting the disposal of some cylinders previously used for storage of uranium and a change in costing assumptions within the decommissioning models.

It is expected that this provision will be used over the next 50 years.

Re-enrichment of low assay feed

Provisions for the future re-enrichment of low assay feed are calculated using assumptions on the amount of separative work that will be required in the future and the cost of providing enrichment capacity to perform that work. This cost includes the safe disposal of any resultant tails material. During the period, the provisions relating to the future re-enrichment of low assay feed increased by €75.0 million (year to 31 December 2023: €209.7 million) due to the creation of low assay feed and reduced by €54.8 million (year to 31 December 2023: €193.0 million) due to expenditure incurred on the re-enrichment of low assay feed. Both the increase and reduction are reported within net nuclear provision movements.

Other provisions

These comprise provisions relating to personnel provisions, restoration provisions and restructuring provisions.

The majority of the other provisions will be utilised over the next ten years and are not materially sensitive to discount rates.

13. NUCLEAR DECOMMISSIONING TRUST FUND

The Group, via its subsidiary LES, established a Nuclear Decommissioning Trust fund (“NDT”) in November 2022, in order to satisfy the requirements of the US Nuclear Regulatory Commission (“NRC”) that it provides financial assurance relating to its decommissioning and tails obligations. The objective of the NRC’s financial assurance requirements is to ensure that a suitable mechanism for financing the decommissioning of licensed facilities is in place in the event that a licensee is unable or unwilling to complete decommissioning. Previously this was achieved through a combination of letters of credit and a surety bond. In order to reduce its reliance on short-term financial instruments for providing assurance on long-term liabilities and given the increasing requisite level of financial assurance associated with increasing nuclear liabilities, LES decided to establish the NDT.

The NDT has been established under a Trust agreement entered into between LES and the Huntington National Bank as the Trustee. The Trustee is required to hold funds in the NDT and to maintain the necessary records. Contributions to the NDT can be made by LES in the form of cash, securities or other liquid assets acceptable to the Trustee. There are restrictions regarding both the use of the assets in, and the withdrawal of funds, from the NDT.

The Trust shall be irrevocable and shall continue until terminated, in whole or in part, at the written agreement of LES, the Trustee and the NRC that the Trust is no longer needed under the NRC Licence, or by the Trustee and the NRC if LES ceases to exist. Upon termination of the Trust all remaining funds less final trust administration fees and expenses shall be delivered to LES or its successor.

LES has signed an engagement letter with an Investment manager, setting out their role and responsibilities regarding investment advisory services. The investment manager needs to abide with the Investment policy statement issued by LES, which sets out the roles of LES and the investment manager, the investment objectives, risk tolerance, permitted and non-permitted investments by the NDT and activities relating to investment monitoring and control. The initial investment strategy is to invest solely in low-risk US government backed securities. All investments are made in US dollar to match the currency of the decommissioning and tails liabilities. The long-term investment strategy is under consideration and may be updated in the future.

The fair value of the funds held in the NDT as at 30 June 2024 was €517.6 million (31 December 2023: €490.9 million) and was comprised of debt securities of €517.4 million (31 December 2023: €467.4 million) and other investments of €0.2 million (31 December 2023: €23.5 million).

The movements in the fair value of the funds in the NDT were are as follows:

	Period ended 30 June 2024 Unaudited €m	Period ended 30 June 2023 Unaudited €m	Year ended 31 December 2023 Audited €m
As at 1 January	**490.9**	482.1	482.1
Contributions	**-**	-	-
Interest income	**12.4**	12.2	23.0
Unrealised fair value (losses)/gains	**(0.8)**	(1.9)	0.6
Exchange differences	**15.1**	(9.2)	(14.8)
As at 30 June/31 December	**517.6**	483.2	490.9

14. RETIREMENT BENEFIT OBLIGATIONS

The Group operates pension schemes in the UK, Germany, the Netherlands and the USA. Some are defined benefit schemes (two in total); others are defined contribution schemes and are funded externally. The defined benefit schemes comprise both funded and unfunded schemes. No other post-retirement benefits are currently provided by the Group. ETC forms part of the Urenco's defined benefit pension schemes. Assets and liabilities are allocated on a notional basis by employee to enable correct accounting across the subsidiaries.

There was a €0.2 million decrease in the overall Group net pension surplus during the six month period ended 30 June 2024 (30 June 2023: €15.4 million decrease; 31 December 2023: €16.4 million decrease). This decrease in the overall Group net pension surplus was driven by a decrease of the UK retirement benefit assets due to a reduction in the fair value of investments, largely offset by a reduction of pension liabilities in the UK and Germany due to higher discount rates.

During the period, Group companies contributed €12.2 million (30 June 2023: €11.3 million) for the benefit of employees into post-employment benefit plans.

The most recent actuarial assessments for the UK defined benefit scheme were carried out at 5 April 2021. The Group made the last deficit repair payment of £6.6 million in H1 2022. It is anticipated that no further deficit repair contributions are required unless future investment conditions or actuarial assumptions will change.

The Group closed the UK defined benefit pension scheme for further accrual from 5 April 2017 for most Group employees.

15. COMMITMENTS AND CONTINGENCIES

Contingent liabilities

The Group has provided assurance to the NRC in the form of letters of credit, surety bonds and a Nuclear Decommissioning Trust Fund that funds are available when needed to pay for nuclear liabilities for LES. The total amount of these assurances at 30 June 2024 exceeds the value of the recognised nuclear liabilities of LES in the consolidated statement of financial position at the same date by €226.4 million. These assurances exceed the nuclear liabilities recognised, because they use the undiscounted decommissioning and tails costs as their base. See note 13 for details on the fair value of the investments held in the Nuclear Decommissioning Trust Fund.

The Group is subject to various claims which arise in the ordinary course of business. The Group believes that a material liability arising from these claims is remote.

Capital commitments

At 30 June 2024 the Group had capital commitments of €415.1 million (30 June 2023: €272.0 million; 31 December 2023: €350.4 million) principally relating to property, plant and equipment mainly comprised of centrifuge components, equipment and buildings.

16. RELATED PARTY TRANSACTIONS

During the period, Group companies entered into the following transactions with the following related parties who are not members of the Group. The following table provides the total amount of transactions which have been entered into with related parties during the six months ended 30 June 2024 and 30 June 2023 (both Unaudited) and the balances with related parties at 30 June 2024 (Unaudited) and at 31 December 2023 (Audited):

16. RELATED PARTY TRANSACTIONS continued

	Sales of Goods & Services Period ended		Purchases of Goods & Services Period ended		Amounts Owed by Related Parties Period ended		Amounts Owed to Related Parties Period ended	
	30/06/24 €m	30/06/23 €m	**30/06/24 €m**	30/06/23 €m	**30/06/24 €m**	31/12/23 €m	**30/06/24 €m**	31/12/23 €m
DESNZ	**14.2**	12.7	**-**	-	**2.3**	-	**-**	-
E.ON	**47.7**	-	**0.4**	4.3	**47.9**	-	**-**	-
RWE	**-**	-	**0.9**	0.2	**-**	-	**-**	-
ETC[(i)]	**-**	-	**48.2**	38.0	**16.1**	-	**-**	33.3

(i) These amounts are 100% of the sales/purchases and amounts due from/to the Enrichment Technology Company Limited.

The Department for Energy Security and Net Zero (DESNZ), E.ON SE (E.ON) and RWE AG (RWE) are related parties of the Group because of their indirect shareholdings in Urenco Limited. The amounts reported under DESNZ include transactions with the NDA. Enrichment Technology Company Limited is a related party due to the Group's 50% shareholding in the joint venture. Sales of goods and services to related parties and purchases of assets, goods and services from them were made under the Group's normal trading terms.

The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received. The amounts due by related parties represent the net amount after deduction for a loss allowance for expected credit losses.

The Enrichment Technology Company Limited pension scheme is administered as part of the Urenco UK pension scheme. Included in Urenco's results of joint venture and other investments is 50% of the Enrichment Technology Company Limited Income Statement charges and liabilities arising from retirement benefit obligations. Included in the amounts recognised in the share of results of joint venture in respect of the UK defined benefit scheme is a net income of €0.1 million relating to defined benefit schemes (30 June 2023: €0.1 million). Included in the share of net assets of the joint venture is a recognised asset of €1.9 million (31 December 2023: €2.2 million) relating to the net surplus in the UK defined benefit scheme.

During the period, Group companies contributed €12.2 million (30 June 2023: €11.3 million) for the benefit of employees into post-employment benefit plans.

Remuneration of key management personnel

The remuneration of the Directors, who are the key management personnel of the Group, is set out below in aggregate for each of the categories specified in IAS 24 Related Party Disclosures.

	Six months ended 30 June		Year ended 31 December
	2024 Unaudited €m	2023 Unaudited €m	2023 Audited €m
Short-term employee benefits	**1.7**	1.6	3.6
Long-term incentive benefits	**0.8**	0.9	1.4
	2.5	2.5	5.0

Directors' transactions

None of the directors has had a loan from the Company or any other transaction with the Company other than remuneration for their services as a Director, covered above.

17. EVENTS AFTER THE STATEMENT OF FINANCIAL POSITION DATE

There are no events after the statement of financial position date that require disclosure.

DEFINITIONS

Capital Expenditure – Reflects investment in property, plant and equipment plus the prepayments in respect of fixed asset and intangible asset purchases for the period.

EBITDA – Earnings before exceptional items, interest (including other finance costs), taxation, depreciation and amortisation and results of joint venture and other investments. Depreciation and amortisation are adjusted to remove elements of such charges already included in changes to inventories and SWU assets and net costs of nuclear provisions.

EBITDA Margin % – EBITDA as a percentage of total revenue.

EUP – Enriched Uranium Product, i.e. UF_6 enriched, typically, to between 3% and 5% ^{235}U content.

Net Costs of Nuclear Provisions – The net costs charged to the income statement associated with the creation and release of provisions for tails, decommissioning and re-enrichment of low assay feed.

Net Debt/Net Cash – Loans and borrowings (current and non-current) plus obligations under leases less cash and cash equivalents, short term deposits and investments in the nuclear decommissioning trust fund.

Net Finance Costs – Finance costs less finance income net of capitalised borrowing costs and including costs/income of non-designated hedges and charges/reversals of expected credit losses on financial assets.

Net Income – Income for the period attributable to equity holders of the parent.

NRC – The Nuclear Regulatory Commission is an independent agency of the US government established under the Energy Reorganization Act of 1974 to ensure adequate protection of the public health and safety, the common defence and security, and the environment in the use of nuclear materials in the USA.

Order Book – includes both contracted and substantially agreed business estimated on the basis of “requirements” and “fixed commitment” contracts.

Other Operating and Administrative Expenses – Expenses comprising Costs of raw materials and consumables used, Employee costs, Restructuring charges, and Other expenses, but excluding the Net costs of nuclear provisions.

Revenue – Revenue from sale of goods and services and net fair value gains/losses on commodity contracts.

Separative Work Unit (SWU) – The standard measure of the effort required to increase the concentration of the fissionable ^{235}U isotope.

Scope 1 – Direct GHG emissions originating from sources owned or controlled by the company. Includes combustion of fuels (petrol, diesel, propane, fuel oils, natural gas) and fugitive emissions, eg. loss of refrigerants.

Scope 2 – Indirect GHG emissions from the generation of purchased electricity, heat or steam.

Tails (Depleted UF_6) – Uranium hexafluoride that contains a lower concentration than the natural concentration (0.711%) of ^{235}U isotope.

Uranium related sales – Sales of uranium in the form of UF_6, U_3O_8 or the UF_6 component of EUP.