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FOR IMMEDIATE RELEASE

20 May 2025

CASH OFFER UPDATE

for

HARMONY ENERGY INCOME TRUST PLC ("HEIT")

by

DRAX BESS HOLDCO LIMITED ("DRAX BIDCO")

No Increase Statement

Further to the announcement made by Drax BESS Holdco Limited, a wholly-owned subsidiary undertaking of Drax Group plc ("**Drax Bidco**"), and HEIT on 25 March 2025 setting out the terms of a recommended acquisition of the entire issued share capital of HEIT (the "**Acquisition**"), Drax provides an update on the terms of the Drax Offer (defined below).

A scheme document was published or otherwise made available to HEIT Shareholders on 15 April 2025 (the "**Scheme Document**"). On 7 May 2025, HEIT announced that the Scheme Court Meeting and the General Meeting which had been convened in connection with the Drax Offer and the Scheme has been adjourned indefinitely. On 16 May 2025, the Panel published a Panel Statement regarding the competitive situation between Drax Bidco and PP Bidco Limited (a newly formed company indirectly and wholly controlled by two funds within the portfolio of funds managed by Foresight Group LLP) ("**Foresight**") in relation to the Acquisition.

Today, Drax Bidco confirms that it will not be increasing the financial terms of its offer for the entire issued share capital of HEIT at a price of 88p per HEIT ordinary share (the "**Drax Offer**"). Accordingly, the Drax Offer is now final.

Furthermore, Drax Bidco confirms that it intends to invoke condition 2.1(a)(ii) of the Scheme on 29 May 2025, and therefore that the Drax Offer and the Scheme is expected to lapse on that date.

Drax continues to take a disciplined approach to acquisitions with respect to capital allocation in order to maximise shareholder value. Drax views battery storage as complementary to its existing FlexGen portfolio and will continue to evaluate opportunities for investment in this space.

Capitalised terms in this announcement, unless otherwise defined have the same meanings as set out in Part X of the Drax Bidco Scheme Document.

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