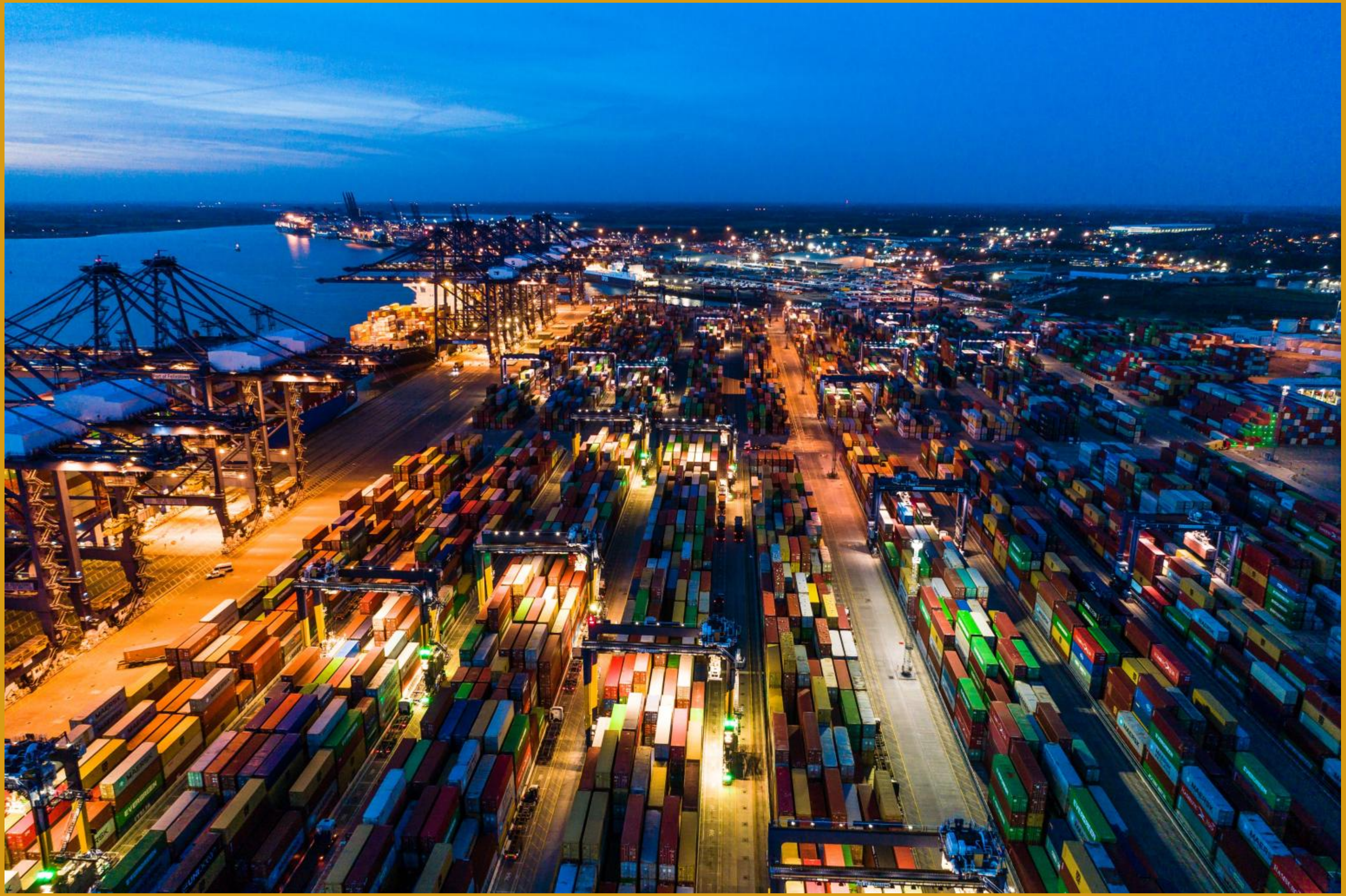
FREEPORT EAST ANNUAL REPORT 2024-2025



FREEPORT EAST | FELIXSTOWE GATEWAY 14 HARWICH

A GLOBAL FREEPORT FOR A GLOBAL BRITAIN

Purpose of this document

Our Annual Report covers the period from 1st April 2024 through to end of March 2025.

This covers the second full year of operation of Freeport East Ltd and an increasing breadth of activity and impacts.

Our Annual Report is designed to give a high-level summary of the types of activities being undertaken in the relevant period, including some of the early developments in relation to delivering infrastructure projects, attracting new inward investment and pursuing some of our ambitions around net zero, skills and innovation.

Freeport East Ltd also publishes an Annual Business Plan and Work Programme. Our Business Plan and Work Programme for 2025/26 can be found on our website under the Governance tab. Current information and news on all our activities can also be found on our website.

If you have any comments on our Annual Report, please let us know at enquiries@freeporteast.co.uk

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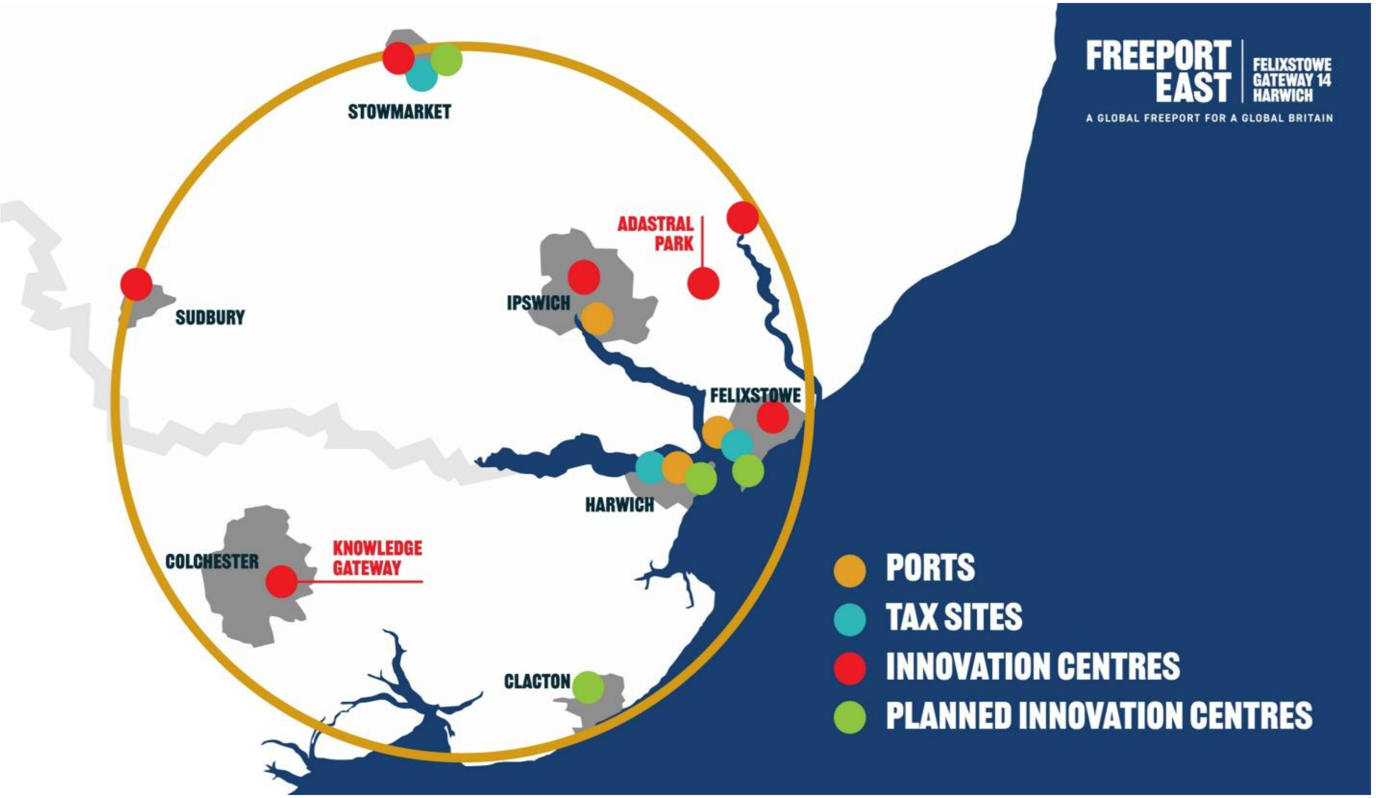
1.0 INTRODUCTION

Freeport East is designed to be a key driver in creating opportunities for all across Suffolk and Essex, as well as the wider East of England – helping to tackle those inequalities and barriers that impact on job opportunities, access to education, health outcomes and more.

A full test of the success of Freeport East will not only be judged in terms of inward investment and job creation figures, but also our ability to impact on these inequalities and specific areas of deprivation.

We endeavour to retain a balance between our focus on the collective economic strengthening of the freeport region, whilst targeting change in known areas of deprivation to ensure our impact is felt in places of greatest need.



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2.0 OUR VISION

Freeport East aspires to be the UK's leading centre for trade, green energy and innovation.

A Global Freeport for a Global Britain.

3.0 COMPANY OVERVIEW

Freeport East Ltd is a Company Limited by Guarantee which was incorporated on 6 December 2022.

We have nine members; including the Port of Felixstowe, Gateway 14 Ltd, Harwich International Port, University of Essex, Essex County Council, Suffolk County Council, East Suffolk Council, Tendring District Council and Mid Suffolk District Council.

Our company does not own any assets, such as land, buildings or port infrastructure, but we work in partnership with landowners, developers, port operators, Universities, education providers and other local stakeholders to deliver on the aspirations of Freeport East.

We operate on behalf of Government to ensure the objectives of the freeport policy are adhered to and any related public funds are managed efficiently and effectively.

Freeport East is staffed by a small number of employees and is supported by a range of other partners for various delivery activities. Through the course of this Annual Report period we grew to having a total staff complement of 9 FTE.

East Suffolk Council acts as our Accountable Body.

4.0 OUR AMBITIONS

Freeport East aims to deliver:

3 new development sites designed to influence wider **economic change**

275 hectares of new business, innovation and employment space

13,500 Higher Level Jobs created

Greater access for **everyone** to employment and education opportunities

New centres and resources for **innovation** and **skills** delivery

£5.5 billion in economic growth

Up to **£300m** of business rates over 25 years ploughed into the local economy

New **economic opportunities** For our whole region

5.0 PROGRESS TO DATE

We are making good progress against our ambitions. Highlights of our achievements to date are as follows:

Our Ambitions	Progress to Date
3 new development sites in Felixstowe, Harwich & Stowmarket designed to influence wider economic change	One site nearly 50% complete with £250m of private sector investment to date. Other sites under development
275 hectares of new business, innovation and employment space in Gateway 14, Port of Felixstowe & Bathside Bay	Over 40 hectares of new high quality highly sustainable business and innovation and employment space created
13,500 Jobs created	Attracted nearly 2,000 direct job opportunities, as well as facilitating growth in indirect opportunities such as in construction and logistics supply chains
Up to £300m of business rates over 25 years ploughed into the local economy	Nearly £20m of funding already allocated across skills, innovation and local business growth with further sizeable investment funds in the pipeline
New centres and resources for innovation and skills delivery	Brand new £18m Skills and Innovation Centre being developed at Gateway 14 and new cluster emerging in Harwich with dedicated new innovation space.
Greater access for everyone to employment and education opportunities	New job opportunities created on Freeport East tax sites for surrounding towns and villages, as well as employees in Ipswich, Clacton and Stowmarket. Skills programmes supporting others into work.

5.0 PROGRESS TO DATE (cont...)

Our Ambitions	Progress to Date
New economic opportunities for our whole region	Freeport East is working with a range of partners to drive new economic opportunities in green hydrogen, clean energy, transport decarbonisation, sustainable building and digital innovation, whilst also building on established strengths such as in ports and logistics.
£5.5 billion in economic growth	With over £250m of private investment, over £30m of enabling public sector investment and almost £20m of freeport funds allocated to date, Freeport East is already driving significant figures in investment which are expected to translate into sizeable economic benefits for the region.

6.0 DELIVERY PRIORITIES FOR 2024/25

We identified the following four priority work areas for 2024-25:

Priority 1 (P1)
Develop Freeport East Ltd as a high performing organisation

Priority 3 (P3)
Deliver investment

Priority 2 (P2)
Deliver an ambitious vision for Freeport East

Priority 4 (P4)
Make the most of our visibility and voice

The following slides provide a high-level snapshot of our achievements against these priorities in our first year.

7.1 P1 – DEVELOP FREEPORT EAST LTD AS A HIGH PERFORMING ORGANISATION

- Governance frameworks and key operating policies developed and implemented

- Business Plan for 2025/26 approved by our Board and published on our website

- Increased executive team by 4 new team members in accordance with the approved Resources Plan

- Developed our new Freeport East Head Office and Innovation Centre in Harwich in partnership with Tendring District Council and Volunteer it Yourself

- Integration of Monitoring and Evaluation requirements across our tax sites in line with our Memorandum of Understanding with Government

- To aid transparency, published Board Agendas and Minutes on our website together with range of key governance documents including our Business Plan and agreements with Government and local partners

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7.2 P2 - DELIVER AN AMBITIOUS VISION

- Created the new Harwich Clean Energy and Maritime Innovation Cluster
- Launch of our new Green Freight Corridor Initiative in partnership with East Midlands Freeport
- Drove forward initiatives to deliver more investment capital options to support business enterprises across the region, such as through our partnership with greenCrowd.
- Publication of our grid connectivity report, conducted on our behalf by the Renewable Energy Association (REA) and targeting 500MW of new power connections in our local region
- Published plans for a new Green Energy Hub at Bathside Bay in Harwich, with full planning consents in place and designed to support continued growth of the offshore wind sector
- New partnership cemented with Innovating for Transport Energy Systems (ITES) to advance innovation in UK & India in clean transport technologies

7.3 P3 – DELIVER INVESTMENT

- Continued delivery across our tax sites with new investors bringing the total of private sector investment to over **£250m** including:
  - Turkish Company **Assan Panel** kick-starting construction of their new manufacturing facility at Gateway 14
  - Eco-friendly roofing firm **Bauder** progressing development of their new distribution centre at Gateway 14
  - A transformational state-of-the-art new **Skills and Innovation Centre** at Gateway 14 (the "Stowmarket Innovation Gateway")
  - **Rux Energy** from Australia opened its first overseas office in Harwich
  - Wider investment in new logistics capacity including the opening of **Centurion Park** near Harwich and Colchester
  - Helped attract millions of pounds in innovation grant funding for new clean maritime and energy applications

- Launched our new grant funding schemes for **Innovation and Skills** and **Clean Growth** unlocking **over £940k** in private investment through:
  - Backing innovators in digital healthcare, ag-robotics, clean hydrogen and advanced composite materials
  - Supporting skills investments and access to employment, such as through our partnership with Road to Logistics

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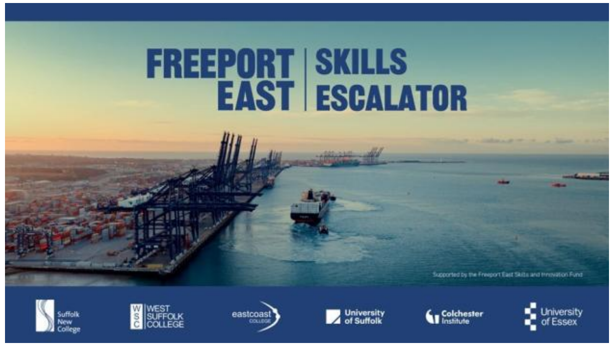
7.4 P4 - MAKE THE MOST OF OUR VISIBILITY AND VOICE



- Held a successful **clean energy and maritime summer reception in** Harwich with over 100 local businesses attending alongside local MPs
- Launched our **"From the Rooftops"** campaign in association with Ipswich.co.uk, targeting an increase in commercial rooftop solar investments and supply chain developments in our region
- Launched our **Clean Growth Pre-Accelerator Programme** to drive regional innovation in collaboration with the University of Suffolk and Tech East.
- Helped our region and Freeport East partners engage with Government, such as the **UK Ministerial meeting held** with new Turkish Investor, Assan Panel and the Turkish Ambassador
- Launched our **Skills Escalator programme** in collaboration with local colleges and universities – an ambitious programme designed to engage with thousands of businesses, students and employees.
- Represented the East of England and local partners at a number of **high-profile investment events** including UKREiFF, World Hydrogen Summit (Rotterdam), Global Offshore Wind and various UK events on ports and innovation

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8.0 DETAILED DELIVERY

The following slides provide further detail against delivery of our four key priorities

8.1 P1: DEVELOP FREEPORT EAST LTD AS A HIGH PERFORMING ORGANISATION

HIGH LEVEL OUTCOME

- Freeport East Ltd is recognised as a high-performing, well-respected and productive organisation that builds and capitalises on strong collaborative partnerships with a wide range of organisations. Freeport East is considered as a leader amongst UK freeports and deploys models of delivery that are used as templates by others.

BACKGROUND

- Freeport East Ltd was incorporated as a company limited by guarantee in December 2022. It has an effective Board of Directors with an Independent Chair. It has an established relationship with East Suffolk Council as the Accountable Body. As a direct counterpart to Government under the Industrial Strategy and a platform for local partnerships, it is central to successful delivery of the Freeport East vision.

What we said we would do:	What we delivered in 2024/25
Develop Freeport East Ltd as a high performing organisation which is: • Effective at making and executing critical decisions • Adaptable in the face of change • Has clearly defined roles and sufficient resources in place to execute and deliver its vision and objectives	• Published our second set of audited company financial accounts, following appointment of independent financial auditors and completed our first financial audit. • Embedded effective **Monitoring and Evaluation** arrangements across the freeport to ensure we continue to deliver against our objectives. • Appointed four new employees to the Executive Team in line with our approved Resources Plan. • Published our Board agendas and minutes alongside the minutes of our Finance and Audit Committee meetings in line with our Transparency Policy before it became a mandatory requirement by Government. • Led our second **Annual General Meeting** in September 2025 and subsequently published our second annual report. • Received positive feedback from Government following our Annual Performance and Assurance Review held in March 2025. Recognition from Government that we are developing into a *'mature organisation with a strong and suitable resourced core team and a good working relationship with our Accountable Body'.* • **Awarded Tax Site extensions for a further 10 years** and created a Skills Levy in partnership with our tax site owners to ensure Freeport East is able to maximise value for money for taxpayers. • Governance frameworks and key operating policies developed and implemented • **Business Plan for 2025/26 approved** by our Board and published on our website • Developed our new **Freeport East Head Office and Innovation Centre in Harwich** in partnership with Tendring District Council and Volunteer it Yourself

8.2 P2: DELIVER AN AMBITIOUS VISION

HIGH LEVEL OUTCOME

- Deliver an ambitious yet coherent and focused vision and strategy for Freeport East that is widely communicated and understood, and builds momentum, interest and opportunities for our economic area, whilst complementing other programmes and initiatives already underway across the wider freeport area.

BACKGROUND

- Our proposals to government provide the basis for a more widely communicated vision and strategy. Our emergent work on a Green Hydrogen Hub have demonstrated the value of our platform and positioning to build productive and collaborative partnerships to deliver.

What we said we would do:	What we delivered in 2024/25:
Establish and deliver on an ambitious vision for Freeport East and primary areas of focus	• **Created the new** Harwich Clean Energy and Maritime Innovation Cluster– a new partnership including Freeport East, University of Essex and Tendring District Council to support developing businesses in the area • Successfully launched a new Innovation Hub in Harwich, which continues to attract new tenants. • New partnerships created and MoUs in place with **Rux Energy** for low carbon hydrogen, supporting FPE's ambitions to become the greenest freeport in the country; **East Midlands Freeport** for development of a Green Freight Corridor Initiative ; **Greencrowd**, a financial investment firm, targeting creation of a New Impact Investment Fund that could support SMEs in the Freeport East area as well as other regions where access to investment capital remains a general challenge • New partnership cemented between Freeport East and leading UK-India Innovation Initiative **Innovating for Transport Energy Systems (ITES)** to advance innovation in clean transport technologies and boost bilateral trade. • **Published** plans for a new Green Energy Hub at Bathside Bay in Harwich, targeting the offshore wind sector in line with planning consents secured in • **Publication** of our grid connectivity report, conducted on our behalf by the Renewable Energy Association (REA) and targeting 500MW of new power connections in our local region • Freeport East's evolution to a **'Green Transport Hub'** is bringing opportunities to innovate and exploit new technologies along with significant economic benefits to the area and the wider UK economy

8.3 P3: DELIVER INVESTMENT

HIGH LEVEL OUTCOME

- Demonstrable progress on delivering of each of the three tax sites including infrastructure works and new inward investment;
- A pipeline and delivery plan for wider investment priorities to deliver on Freeport East vision and how retained business rate model and other funding sources can be utilised to support their delivery.

BACKGROUND

- Following final approvals and agreements in place with DLUHC, we now have a mandate to progress seed capital delivery and strengthen marketing of all our site opportunities, through our own mechanisms and in partnership with the Department for Business & Trade.

What we said we would do:	What we delivered in 2024/25
Implement effective mechanisms for planning and delivery of investments across the Freeport and wider area.	• Further development of our Gateway 14 Tax Site, with three more investments joining The Range, with eco-friendly **Bauder** (£20m), Turkish Building Materials manufacturer **Assan Panel** (£45m) and the **Skills and Innovation Gateway** (£18.8m) all under construction and bringing a total investment of over £250m. • **Rux Energy**, an innovator in hydrogen storage solutions based in Sydney, Australia, opened its first UK office in Harwich, Essex, marking a significant milestone in Rux Energy's mission. • Subsequently, Rux Energy and a range of UK partners including Freeport East were awarded **£3m in innovation grants** to explore novel green hydrogen-based refuelling of vessels in ports. • Freeport East commenced the delivery of **£25m in seed capital funding** from Government including investments in new grid connections and site enabling works in at our tax sites in Felixstowe, Gateway 14 and Harwich. • We continued to work on plans to bring forward new infrastructure to support electric freight transport as part of our Green Freight Corridor initiative. • Wider investment in new logistics capacity including the opening of Centurion Park near Harwich and Colchester • **RoboK** project awarded £1 million to revolutionise AI-powered Logistics in UK ports and warehouses, being delivered in partnership with the University of Essex, Freeport East and The Finishing Line. • Launched our new **Innovation and Skills and Clean Growth grant funding schemes**, investing nearly £1m to grow local businesses and skills in high-growth sectors and unlocking over £940k in private sector investment for the region. • Developed and successfully launched the **new Innovation Centre in Harwich**.

8.4 P4: MAKE THE MOST OF OUR VISIBILITY & VOICE

HIGH LEVEL OUTCOME

- Awareness of Freeport East has increased across a range of stakeholder groups that provide basis for investment and partnership opportunities and ensure strong local buy-in
- Freeport East speaks as a strong and respected voice, alongside and in support of key partners to make the case for investment in our area and to build high-value private and public sector partnerships

BACKGROUND

- Following final approvals from Government, we started the process of building awareness through increase social media activity, onboarding of specialist comms & marketing resources and initial successful events and external engagement (such as Westminster launch and Green Hydrogen events)

What we said we would do:	What we delivered in 2024/25:
Increase our visibility and voice across the region and internationally	• We hosted a second successful Clean Energy and Maritime Innovation Cluster event in Harwich • Hosted a range of **ministerial and government visits** to Freeport East and attended a wide range of other events at national and local levels with politicians, businesses, education providers and communities. • Continued to engage **regional MPs** and showcase Freeport East through the East of England All Party Parliamentary Group (APPG). • Continued to **expand our reach** in terms of publicity, regularly being covered in all media and on socials, providing a consistent flow of news and updates for all those wanting to learn about / engage with Freeport East. • Worked closely with **local partners** such as Transport East, local authorities and Chambers of Commerce to make the case for key infrastructure investments, most notably to increase rail network capacity at Ely/Haughley Junction. • Launched our Skills Escalator programme in collaboration with local colleges and universities – an ambitious programme designed to engage with thousands of businesses, students and employees • Hosted a successful **Summer Reception** in Harwich with Ministers, MPs, local businesses and key stakeholders. • Launched our ‘**From the Rooftops’ Solar Campaign**, in conjunction with Ipswich.co.uk, to position the region as a leader in the commercial rooftop solar market. • Raised our profile at a wide range of local, national and international events designed to reach out to investors, including UKREiiF – the UK’s Real Estate Investment & Infrastructure Forum, World Hydrogen Summit in Rotterdam, Global Offshore Wind and various UK events on ports and innovation.

9.0 GOVERNANCE

Our Supervisory Board sets the strategic direction of Freeport East and approves the Company’s strategic decisions, including setting our annual operational budget, business plan and longer-term strategy.

Our Board also retains responsibility for risk and performance.

Our Board’s membership includes a nominated director from each of our 9 members, an independent chair and the CEO of Freeport East Ltd.

We have a Members Agreement in place which sets out the arrangements and membership of the Supervisory Board and how Board meetings should be managed.

10.0 COMPANY ACCOUNTS

The following slides provide detail of our Company Accounts for the period ending 31 March 2025

10.1 Income and Expenditure Account

For the period ending 31 March 2025

	2025	2024 Restated
	£	£
Turnover	0	0
Cost of Sales	0	0
Gross Profit	0	0
Administrative Expenses	-906,275	-875,288
Other Income	906,275	864,174
Operating deficit	0	-11,114
Interest payable and similar charges	0	0
Other Interest Receivable and similar income	0	11,114
Profit on ordinary activities before taxation	**0**	**0**
Tax on profit on ordinary activities	0	0
Profit on ordinary activities after taxation	**0**	**0**

The income and expenditure account has been prepared on the basis that all operations are continuing operations.

10.2 Balance Sheet as at 31 March 2025

	2025		2024 Restated	
	£	£	£	£
Fixed Assets		0		0
Tangible Assets		0		0
Current Assets				
Debtors	915,891		1,328	
Cash at bank and in hand	42,628		330,689	
	958,519		332,017	
Creditors: amounts falling due within a year	-958,519		-332,017	
Net current assets		0		0
Total assets less current liabilities		0		0
Provisions for liabilities and charges		0		0
Net assets		0		0
Capital and reserves				
Income and Expenditure account		0		0
Shareholders' funds		0		0