

EP GROUP

CONSOLIDATED
ANNUAL REPORT
2025



Year 2025

Group Performance

[in EUR]

66.8 billion

Consolidated revenues

5.3 billion

Underlying EBITDA

2.3 billion

Free Cash Flow

2.0×

Net Leverage Ratio

Segment Performance

[Underlying EBITDA in EUR]

3.8 billion

Energy

0.5 billion

Logistics

1.1 billion

Wholesale & Retail

Contents

Financial Highlights of the Year



Introduction by the Chairman of the Board of Directors



I. Combined Review of Operations



II. Management Statement



III. Report on Relations



IV. Consolidated Audit Report



V. Consolidated Financial Statements



VI. Statutory Audit Report



VII. Statutory Financial Statements



Financial Highlights

of the Year

Financial Highlights of the Year

		2025	2024 Restated
INCOME STATEMENT			
Revenues	€ million	66,837	27,549
Gross profit ¹	€ million	22,267	11,472
Underlying EBITDA ²	€ million	5,340	3,609
EBIT ³	€ million	4,806	1,820
Net financial income (expense)	€ million	131	(362)
Profit before income tax	€ million	5,183	1,780
Profit for the year	€ million	4,550	1,112
BALANCE SHEET			
Total assets	€ million	74,560	40,383
Equity total	€ million	20,937	12,104
Net working capital ⁴	€ million	1,773	1,833
Net financial debt (cash) ⁵	€ million	10,907	1,380
CASH FLOW STATEMENT			
Cash flow from operating activities	€ million	4,737	4,455
Cash flow used in investing activities	€ million	(2,065)	(1,561)
Cash flow used in financing activities	€ million	(1,528)	(1,809)
Change in cash and cash equivalents	€ million	1,144	1,085
Cash and cash equivalents	€ million	9,689	8,540
Capital expenditures (CAPEX) ⁶	€ million	2,199	1,041
Income tax paid	€ million	887	871
Free Cash flow (FCF) ⁷	€ million	2,254	1,697
RATIOS			
Net leverage ⁸	×	2.0×	0.4×
Cash conversion ⁹	%	42%	47%

When assessing the presented financial information, it needs to be noted that the EP Group, a.s. (“EPG” or “Company”, or together with its subsidiaries “EP Group” or “Group”) completed several major acquisitions during the year ended 31 December 2025. These included (i) the acquisition and full consolidation of METRO AG from 27 March 2025; (ii) the acquisition and full consolidation of International Distribution Services Limited (“IDS”) from 30 April 2025; and (iii) the completion of the acquisition of Enel’s remaining stake in Slovak Power Holding B.V., resulting in the full consolidation of Slovenské elektrárne, a.s. from 24 May 2025.

Control over METRO AG (“METRO”) was originally obtained in March 2025 by EP Global Commerce a.s. (“EPGC”). In December 2025, EPG subsequently

gained control over EPGC in a business combination under common control. In accordance with the Group’s accounting policy, the comparative financial information for the year ended 31 December 2024 has been restated to reflect the combined group structure, as if the EPGC and its subsidiaries, including METRO AG following the acquisition of control in March 2025, had always been part of EP Group. Accordingly, the restated comparative information for the year ended 31 December 2024 includes EPGC and its subsidiaries, including funding provided by a non-controlling shareholder outstanding as at that date, as described in the accounting policies.

These transactions significantly expanded the Group’s perimeter and materially affected the reported results for the year ended 31 December 2025.

1 Gross profit represents Revenues less Purchases and consumables.
2 Underlying EBITDA represents profit (loss) for the year from continuing operations before income tax expenses, finance expense, finance income, change in impairment on financial instruments and other financial assets, share of profit (loss) of equity accounted investees, net of tax, gain (loss) on disposal of subsidiaries, joint ventures, joint operations and associates, depreciation, amortization and impairment of tangible and intangible assets and bargain purchase gain as defined in the Note 5 to the Consolidated Financial Statements.
3 EBIT (Earnings before interest and tax) represents Profit (loss) from operations.
4 Net working capital represents Trade receivables and other assets (non-current and current), Inventories, extracted minerals and mineral products and Prepayments and other deferrals (current) less

Trade payables and other liabilities (non-current and current), excluding Liabilities to employees.
5 Net financial debt (cash) represents Loans and borrowings less Cash and cash equivalents including short-term financial investment in form of term deposits with term shorter than 12 months from reporting date.
6 Capital expenditures (CAPEX) represents additions to tangible and intangible assets plus advances paid for tangible and intangible assets less emission allowances, additions to right of use assets and goodwill.
7 Free Cash flow (FCF) is defined as Underlying EBITDA less CAPEX less Income tax paid.
8 Net leverage represents Net financial debt divided by Underlying EBITDA.
9 Cash conversion represents FCF divided by Underlying EBITDA.

Introduction

by the Chairman of the Board of Directors

Dear colleagues, partners and friends

I am delighted to introduce the 2025 annual report of EP Group (“EP Group”). The past year marked a pivotal period of diversification and growth, during which EP Group realized the benefits of its long-term, systematic investment strategy in the logistics and food wholesale sectors, while further deepening its presence in the energy and infrastructure business.

Back in December 2024, EP Group included Energetický a průmyslový holding, a.s (“EPH”) with its power generation and energy infrastructure subsidiaries EP Power Europe, a.s. and EP Infrastructure, a.s., the energy transition business under EP Energy Transition, a.s., the media investments under Czech Media Invest a.s. and the e-commerce business under EC Investments, a.s. At that time, EP Group generated around 27.6 Bn EUR revenues and 3.6 Bn EUR of EBITDA on consolidated basis.

During 2025, EP Group completed the take-private of International Distribution Services Plc (“IDS”), acquiring full control of the parent company of the global logistics operator GLS and the iconic UK postal business Royal Mail. EP Group also took private and gained control of the German based international food wholesale business METRO AG (“METRO”), and acquired a controlling stake in Slovenské elektrárne, a.s., the incumbent electricity producer in Slovakia. Finally, in November 2025, EPH signed an agreement with TotalEnergies, one of the world’s largest energy companies. Upon closing in April 2026, EPH and TotalEnergies jointly created a company owning flexible power generation assets predominantly in UK, Italy and the Netherlands, and EPH became one of TotalEnergies anchor shareholders with approximately 4.2% stake, ultimately taking EPH’s energy business to a global scale. Over the course of a single year, EP Group evolved into a diversified conglomerate comprising three strong businesses serving essential societal needs — energy, food supply and logistics — each with substantial further growth potential.



Daniel Křetínský
Chairman of the Board of EP Group, a.s.

At the end of 2025, EP Group was present in more than 45 countries of the world and, based on the 2025 consolidated financial statements, its approximately 265,000 employees generated a consolidated revenue of approximately EUR 67 Bn and Underlying EBITDA of EUR 5.3 Bn. However, as major acquisitions were realized during the year 2025 and their operating performance is therefore not included in consolidated financial statements for the whole year, the pro forma adjusted revenues were approximately EUR 81 Bn and pro forma adjusted EBITDA reached almost EUR 7 Bn.¹

Last year has been transformative not only for our business, but also for the world we all live in. The shift in the transatlantic relationship returned Europe's responsibility for its security back to its hands. Global trade flows and supply chains have become increasingly fractured, exposing Europe's vulnerability to foreign supplies of rare earths, oil, LNG and semiconductors — the foundations of modern industry and society — and underscoring the need for Europe to rationalize its policies, develop a coherent economic strategy and protect the interests of its citizens. But most importantly, the untamed global race for super-intelligence creates entirely new challenges, risks and opportunities for all people and all countries across the world. It will, without any doubt, structurally change all developed societies in the short and mid-term, with the long-term destiny of the human civilization as we know it vis-a-vis a new form of higher, albeit artificial, intelligence remaining uncertain. These changes affect each of us individually, affect our businesses and affect our society as a whole. At the same time, they happen to us, rather than us being in the driving seat. The only

rational response is to strive to become more resilient, flexible and better prepared for the unexpected.

Resilience, reliability and flexibility are the key principles we have built our energy business on. It has proven to be a successful model — EPH has been growing strongly and steadily, and even in the most challenging times of the pandemic has never failed its customers, employees or partners. I am determined to apply these principles across the whole EP Group — now a stool of three strong legs, with IDS and METRO complementing EPH. Private ownership allows for strategic leadership pursuing a long-term vision, without the need to realize short term profits or to follow erratic moods of the public markets. At EP Group, we have the vision, resources and experience to help the leadership teams of METRO and IDS on their journey, for the benefit of customers, employees, shareholders and the societies in which they operate.

EP Group is though not only EPH, IDS and METRO. We also have a strong media presence, and we continue to develop our media investments with a clear awareness of a broader societal responsibility. We recognize our commitment to ensuring access to high-quality, well-structured, and independently produced information, which is essential for the functioning of a democratic society, even more so in the challenging times we face. Our media activities are therefore guided not only by economic sustainability, but also by the support of editorial integrity and professional standards. Through this approach, we aim to strengthen a trustworthy media environment across all countries in which we are present.

EP Group shares its success with the societies it operates in. Only on account of corporate income tax, EP Group and its subsidiaries paid close to EUR 900 million during last year. If all taxes and statutory payments made by the group companies in their respective home jurisdictions — including social security, health insurance and payroll contributions — are taken into account, the Group's overall contribution to public finances would be significantly higher still.

Our EP Group Foundation distributed nearly EUR 10 million of targeted individual support of bereaved families, seniors, and families with a terminally ill parent, ranking it among the largest corporate foundations in the Czech Republic. On top, each of our three pillar groups have their own public good initiatives, taking various forms, including fundraising for charities, support of local youth sport teams or the partnership between Royal Mail and British Heart Foundation.

The year 2026 will be predominantly a year marked by close focus on delivering our key investment projects including continued development of the 4th unit of the Slovak nuclear power plant Mochovce, delivery of new, hydrogen ready CCGTs in Tavazzano and Ostiglia, Italy, as well as successful start of our cooperation with TotalEnergies.

We are also closely engaged with the newly acquired businesses. Our objective is to ensure that both IDS and METRO have clear, executable long-term strategies and continue to deliver high-quality products and services to their customers in a sustainable manner, while creating value for all stakeholders.

We will keep looking out for additional opportunities complementing our existing businesses, but always in a financially prudent way and with the ambition to maintain or improve the credit rating of each of EPH, IDS and METRO, and thereby enhance the overall credit quality of EP Group. The future of the EP Group is sustainable growth.

None of the above would be possible without the people that work for us. We are co-responsible for them and their families and we take that responsibility seriously. I would like to thank all of our people, our co-shareholders from J&T, business partners, financiers and unions for their support over the past year and invite them to continue with us on this exciting journey also in the years to come. We all are on the same ship and need to pull in the same direction — only then, we can succeed in the turbulent times ahead of us.

Yours Sincerely,

Daniel Křetínský

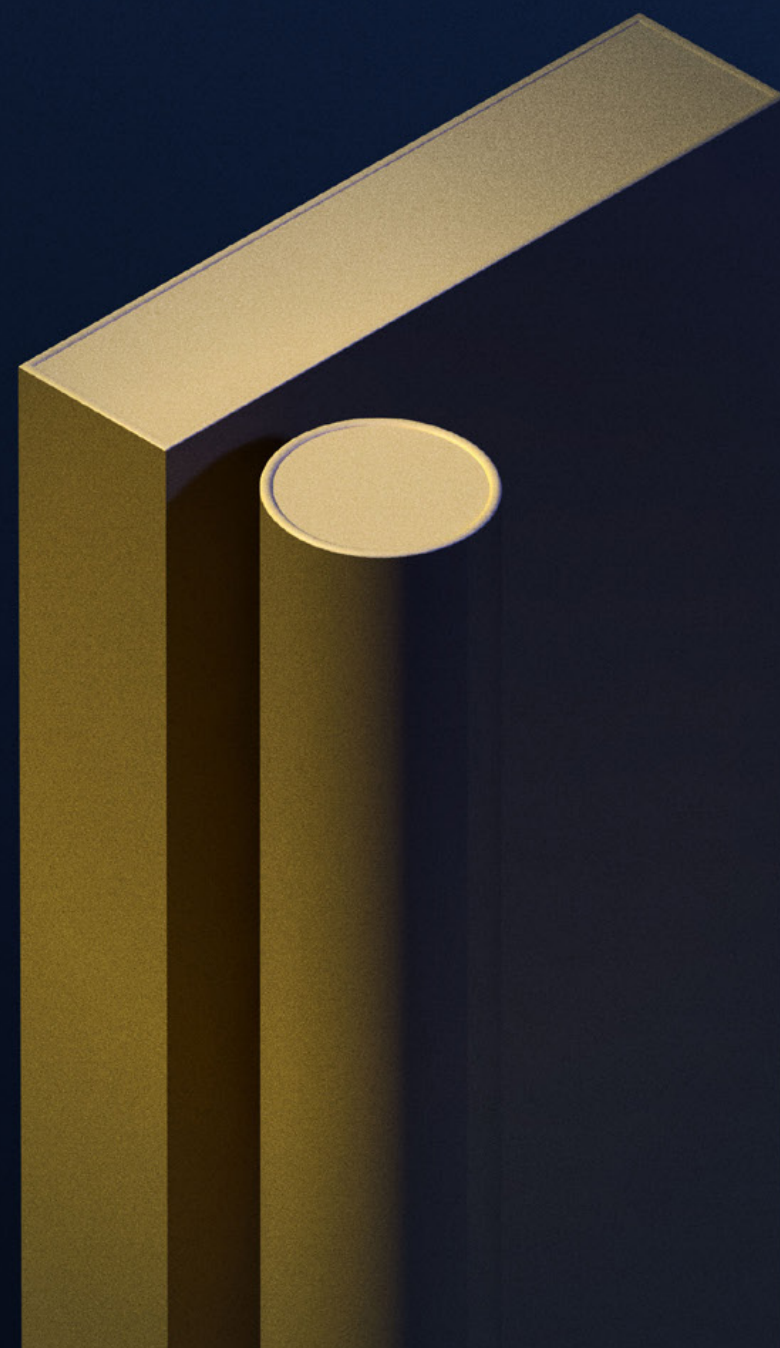
Chairman of the Board of EP Group, a.s.

¹ Pro forma adjusted EBITDA represents the sum of the following: (I) (based on these consolidated financial statements of EP Group, a.s.), the sum of Profit from operations, Depreciation, amortization and impairment, less Bargain purchase gain, plus Non-cash (gain) loss from commodity and freight derivatives, net plus Change in provisions plus Dividends received from associates and joint-ventures plus Dividends received, other; (II) in relation to Metro AG, pro forma adjusted to reflect the consolidated financial statements of METRO AG as of 30 September 2025, and to reflect Adjusted EBITDA as presented on page 2 of those financial statements (in portion not already included under letter (I)), (III) in relation to IDS, pro forma adjusted based on the consolidated financial statements as of 31 March 2025 (converted to EUR using average ECB exchange rate of 0.8726 for period from 1 April 2024 to 31 March 2025), and to reflect Adjusted EBITDA as presented on page 165 of those statements statements (in portion not included under letter (I)); and (IV) in relation to Slovenské elektrárne, a.s. pro forma adjusted based on the consolidated financial statements as of 31 December 2025, as the term Podkladová EBITDA is defined on page 350 of those statements (in portion not included under letter (I)).

I. Combined Review of Operations

In this section

1.	Major events in 2025	12
2.	Business overview and performance	16
3.	Segment performance	24
4.	ESG	35
5.	Corporate governance	42
6.	Other Information	45



1.

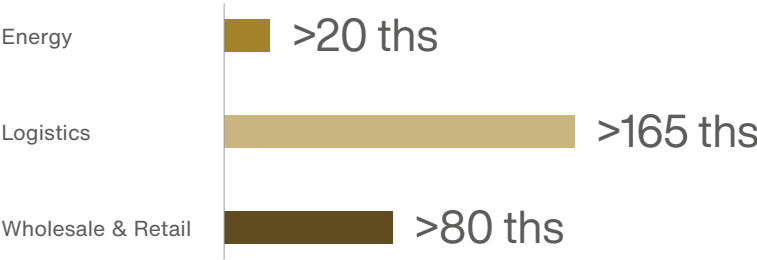
Major events in 2025

Following major acquisitions completed in 2025, EP Group has evolved into a diversified multi-segment European group with three comparable pillars: Energy, Logistics, and Wholesale & Retail. While Energy remains the Group’s largest earnings contributor, Logistics and Wholesale & Retail now represent material shares of revenues, employees and capital deployed.

Revenues by segment in FY 2025



Average number of employees (FTE)¹ by segment in FY 2025



The charts¹ illustrate the structural composition of EP Group following the portfolio expansion completed in 2025. Figures reflect consolidation from the respective acquisition dates of businesses acquired during the year and therefore do not represent a full-year contribution for newly acquired segments. The information is intended to provide a structural snapshot of the Group’s diversified profile rather than a comparison of segment profitability or returns.

1 FTE stands for Full-Time Equivalent; figures are reported on a pro-forma basis for the full year 2025.

Acquisitions and disposals

Major strategic acquisitions

Acquisition of control over METRO AG

On 27 March 2025, EP Global Commerce a.s. (“EPGC”), through its subsidiaries, gained control over METRO AG. By 30 April 2025, following the completion of the delisting offer and related share purchases, the EPGC interest increased to 67.94% of METRO AG share capital, representing 68.17% of voting rights.

In December 2025, EPG gained control over EPGC in a business combination under common control. In accordance with the Group’s accounting policy, METRO AG has therefore been fully consolidated in the EP Group’s consolidated financial statements from 27 March 2025.

The acquisition materially expanded EP Group’s Wholesale & Retail activities and significantly increased the scale of the Group’s non-energy revenues, establishing wholesale and food distribution as a core pillar of the Group’s diversified business profile.

Acquisition of IDS

EPG, through its subsidiary EP UK BidCo, acquired IDS following an offer at a price of GBP 3.60 per share. The offer became unconditional on 30 April 2025, after the 75% shareholder acceptance threshold and all other conditions had been satisfied. IDS has therefore been fully consolidated within EP Group from 30 April 2025. IDS shares were subsequently delisted from the London Stock Exchange, and the squeeze-out process was completed in July 2025, resulting in EP UK BidCo acquiring 100% ownership of IDS.

The acquisition of IDS established Logistics as a core business segment of EP Group, substantially expanding the Group’s employee base, geographic footprint and exposure to structurally growing parcel and logistics markets.

Acquisition of Enel’s remaining stake in Slovenské elektrárne

On 24 May 2025, EPG, through its subsidiary Energetický a průmyslový holding, a.s. (“EPH”), completed the acquisition of an additional 50% stake in Slovak Power Holding B.V. (“SPH”) from Enel Produzione S.p.A., resulting in EPH becoming the sole owner of SPH, which holds a 66% majority stake in Slovenské elektrárne, a.s. (“Slovenské elektrárne” or “SE”). As a result, Slovenské elektrárne has been fully consolidated within EP Group from 24 May 2025. This transaction concluded the second phase of the SPH shareholders’ agreement originally signed in 2015 and amended in 2020, following the initial acquisition of a 50% stake in SPH in 2016. Slovenské elektrárne, Slovakia’s largest electricity producer, generated 21.0 TWh of electricity in 2025 and now operates an exclusively carbon-free portfolio consisting of nuclear, hydro, and solar power plants.

The transaction strengthened EP Group’s carbon-free generation portfolio and expanded the Energy segment with long-life assets under regulated frameworks, complemented by robust hedging and contracting strategies.

Acquisition of full ownership of LEAG

In March 2025, EPG, through its subsidiary EP Energy Transition, a.s., acquired PPF’s 30% remaining stake in LEAG and became its sole shareholder. The transaction enables EP Energy Transition, a.s. to continue LEAG’s transformation, with a strategic focus on battery storage, hydrogen-ready gas generation and renewables.

The acquisition enabled EP Group to further advance the transformation of its German lignite assets, reinforcing the Group’s exposure to energy transition, flexibility and system-relevant generation projects.

Partnership with TotalEnergies

On 16 November 2025, EPG, through its subsidiary EPH, entered into binding agreement with TotalEnergies SE to establish a new partnership dedicated to flexible power generation in Italy, the Netherlands, the UK, Ireland, and potentially France. Under the agreement, EPH will contribute a 50% stake in the newly established entity consisting of its existing gas-fired assets, battery energy storage systems, and related development projects (excluding coal assets), in exchange for a 4.1% equity stake in TotalEnergies SE (as of signing date). This transaction implies an enterprise value of EUR 10.6 billion for 100% share of this newly established entity and positions EPH as a long-term strategic shareholder of TotalEnergies. The transaction became effective on 29 April 2026 and therefore represents a subsequent event to the year ended 31 December 2025.

The partnership with TotalEnergies, one of the world’s leading integrated energy companies, strengthens EP Group’s strategic positioning in flexible power generation and establishes a scalable platform for the future development of dispatchable and low-carbon power assets across multiple European markets.

Other changes to EP Group perimeter

In parallel with its acquisition activity, EP Group completed a limited number of disposals during 2025 as part of ongoing portfolio optimisation, without materially altering the Group’s strategic focus or core business profile.

EP Resources disposal

During January and February 2025, the Group disposed of 51% of its share in EP Resources AG, EP Resources DE GmbH, EP Resources CZ a.s., EP Resources PL S.A. and EPR Asia Pte. Ltd. resulting in a loss of control over these entities. The disposed entities were classified as held for sale as of 31 December 2024.

Termination of discussions with thyssenkrupp AG regarding a potential joint venture

EPG and thyssenkrupp AG mutually agreed to end discussions on a potential 50/50 joint venture for thyssenkrupp Steel Europe. EPG withdrew from the process, returned its 20% stake and received reimbursement of the purchase price paid. The decision reflected thyssenkrupp AG’s intention to focus on discussions with Jindal Steel International regarding its indicative proposal.

EP Real Estate disposal

In June 2025, EPG disposed of its entire 56% share in EP Real Estate, a.s. to a related party.

Group perimeter, consolidation scope and equity accounted investments

Following the completion of several major acquisitions during 2025, EP Group’s consolidation perimeter expanded significantly, materially altering the scale, business mix and geographic footprint of the Group. EP Group consolidates on a full consolidation basis all entities over which it exercises control.

In addition to its fully consolidated businesses, EP Group holds significant interests in a number of joint ventures and associates across several European markets. As the Group does not exercise control over these entities, they are accounted for using the equity method. Accordingly, their revenues, EBITDA, assets and employee figures are not included in the Group’s consolidated financial metrics, with EP Group recognising only its share of their results in the consolidated income statement.

Although not reflected in consolidated revenues, EBITDA or workforce figures, joint ventures and equity-accounted investments represent an important part of EP Group’s overall economic exposure, diversification and strategic positioning. These investments complement the Group’s fully consolidated activities and, in selected cases, may serve as platforms for future strategic development. Given their scale, these investments represent an important component of the Group’s overall economic exposure, despite not being reflected in consolidated operating metrics.

When assessing year-on-year changes in the Group’s consolidated figures, it is therefore important to consider both the expansion of the consolidation perimeter in 2025 and the fact that newly acquired businesses are reflected in the consolidated results only from their respective acquisition dates.

2.

Business overview and performance

Business overview

EP Group today – business profile and scale

EP Group is a diversified European group with a focus on energy (both generation and infrastructure), logistics, wholesale and retail, selected media assets, and other investments. The Group operates across multiple European countries and is active in diversified and largely uncorrelated markets.

EP Group’s strategy is based on long-term asset ownership, operational expertise, and disciplined capital allocation, with a strong focus on cash generation and resilience across economic cycles.

Following the significant expansion of its consolidation perimeter in 2025, EP Group entered the year with a transformed scale, business mix and geographic footprint. This evolution strengthened the Group’s diversified multi-segment profile, with Energy, Logistics and Wholesale & Retail established as three core and comparable business pillars. Details of the major acquisitions and related changes to the Group’s structure are described in Chapter 3 (Major events in 2025).

Business model and segment logic

EP Group operates through four principal business segments: Energy, Logistics, Wholesale & Retail, and Other. These segments reflect the Group’s diversified operating model and serve as the primary framework for the management, organisation and strategic development of the Group’s activities.

Energy

The Energy segment represents the historical core of EP Group and comprises a diversified portfolio of energy infrastructure and power generation assets across Europe. The segment combines regulated infrastructure activities with flexible and dispatchable power generation and an expanding base of carbon-free and low-carbon assets.

A significant portion of the segment’s activities is underpinned by long-term regulatory frameworks, contractual arrangements, capacity mechanisms or hedging strategies, supporting stable and predictable cash generation across economic cycles. The Energy segment plays a system-relevant role in security of supply and energy transition, balancing long-term asset ownership with operational flexibility.

Logistics

The Logistics segment comprises large-scale postal and parcel delivery networks serving business and consumer customers across multiple markets. The segment is characterised by extensive physical and operational infrastructure, high volumes, network density and increasing exposure to structural growth in parcel delivery linked to e-commerce and changing consumer behaviour.

Through a combination of universal service provision and competitive parcel delivery operations, the Logistics segment delivers essential services with nationwide reach while pursuing efficiency, automation and network optimisation. The business model benefits from scale, operational leverage and continued development of out-of-home delivery solutions.

Wholesale & Retail

The Wholesale & Retail segment comprises a portfolio of food wholesale, foodservice distribution, grocery retail and e-commerce businesses operating across several European markets. The segment is anchored by a large, international B2B wholesale platform complemented by selected retail and digital activities addressing both professional and consumer demand.

The business model combines high revenue volumes with a customer-centric, multi-channel approach encompassing store-based wholesale, delivery and digital solutions. Demand for food distribution and essential consumer goods supports resilience, while ongoing digitalisation and consolidation opportunities provide a platform for long-term development.

Other

The Other segment includes selected investments and activities that do not fall within the Group’s core operating segments. These primarily comprise media and publishing assets as well as holding and investment structures supporting the Group’s broader portfolio.

While not constituting a core operating pillar, these activities contribute to diversification and complement the Group’s overall business profile.

Operational performance

In 2025, the Group continued to focus on operational excellence, combining proven operating models with targeted transformation initiatives. Following the acquisitions of SE, IDS and METRO, the Group’s operational priorities shifted toward inter-segment synergies, efficiency improvements, and continued investment in future capabilities, including digitalisation and artificial intelligence. With more than 265,000 employees, performance across all business segments remains central to delivering essential services across Europe and beyond.

Energy

With over 20,000 employees, the Energy segment operates a diversified portfolio of power generation and energy infrastructure assets across Europe. As at 31 December 2025, the segment comprised 26.7 GW of net installed capacity and generated 79.2 TWh (65.7 TWh in 2024) of net power production.

During the year, operational volumes increased across several activities. Gas distribution volumes rose to 49.1 TWh (47.3 TWh in 2024) and electricity distribution volumes to 6.4 TWh (6.1 TWh in 2024). Electricity supply volumes increased to 28.9 TWh (24.7 TWh in 2024), while gas supply volumes reached 9.2 TWh (8.9 TWh in 2024).

Key operational developments in 2025 included the completion of the acquisition of an additional stake in Slovenské elektrárne, increasing the Group’s net nuclear capacity to 3.9 GW, continued progress in lignite phase-out and transformation projects, and further advancement of a battery energy storage pipeline with a total capacity of 2.5 GW / 7.8 GWh.

Logistics

With more than 165,000 employees, the Logistics segment operates large-scale postal and parcel delivery networks across multiple markets. In 2025, the segment handled significant volumes of addressed mail and parcels, supported by extensive sorting, transportation and last-mile delivery infrastructure.

In the United Kingdom, Royal Mail continued to deliver its universal service obligation to 32 million UK addresses. During the year 2025, Royal Mail handled 964 million parcels and delivered 3,742 million addressed letters (excluding election-related mail), while further expanding its parcel capabilities through development of out-of-home (“OOH”) delivery points and the deployment of low-emission vehicle fleets.

GLS specialises in parcel delivery and handled 653 million parcels in 2025. Operational activity during the year was supported by continued through investments in OOH delivery networks, AI-driven optimisation, and the expansion of freight, fulfilment and express services.

Key operational developments in 2025 included the approval of the Universal Service reform by Ofcom, the UK’s independent communications and postal services regulator, in July 2025. The reform establishes an updated framework for the future operation of Royal Mail’s universal service obligations. During the year, the segment also continued the expansion of GLS’ network capacity and digital service portfolio across its markets.

Wholesale & Retail

The Wholesale & Retail segment operates a diversified portfolio of food wholesale, foodservice distribution, retail and e-commerce businesses across several European markets, serving both professional and consumer customers through multi-channel platforms. The segment employs approximately 80,000 people across Europe and is supported by an extensive physical and digital infrastructure enabling store-based, delivery and online services.

METRO AG forms the operational backbone of the segment, operating 622 cash-and-carry stores alongside a growing foodservice distribution network. Its activities are supported by a fully integrated multi-channel model and modernised infrastructure designed to serve professional customers across multiple European markets.

Košík further strengthened the business segment’s e-commerce presence as one of leading online grocery platforms in Central Europe, processing over 2.6 million orders annually and reaching approximately 81% of the Czech population. Operations are supported by fast delivery capabilities and advanced fulfilment infrastructure.

During 2025, operational activities across the segment focused on the continued integration and day-to-day operation of wholesale, retail and e-commerce platforms, supported by ongoing digitalisation initiatives and optimisation across store operations, logistics and supply chains.

Financial performance

The following tables present a summary of EP Group’s consolidated financial performance and financial position for the year ended 31 December 2025.

For the year ended 2025

EUR million

	Energy	Logistics	Wholesale & Retail	Other	Total segments	Inter-segment elim.	Consolidated financial information
Revenues	30,327	10,713	25,829	2	66,871	(34)	66,837
Underlying EBITDA	3,821	495	1,058	(35)	5,339	1	5,340
CAPEX	1,505	292	401	1	2,199	–	2,199

For the year ended 2024

Restated

EUR million

	Energy	Logistics	Wholesale & Retail	Other	Total segments	Inter-segment elim.	Consolidated financial information
Revenues	27,239	229	127	4	27,599	(50)	27,549
Underlying EBITDA	3,615	42	(31)	(17)	3,609	–	3,609
CAPEX	1,023	12	5	1	1,041	–	1,041

The figures reflect the full consolidation of Slovenské elektrárne since 24 May 2025, Metro AG since 27 March 2025, and IDS since 30 April 2025. Comparative information for the year ended 31 December 2024 has been restated to reflect the combined group structure, as if the EPGC and its subsidiaries, including METRO AG following the acquisition of control in March 2025, had always been part of EP Group.

Revenues

Total revenues amounted to EUR 66,837 million (EUR 27,549 million in 2024). Revenue development was driven primarily by the expansion of Group’s consolidation perimeter during 2025, reflecting the first-time and partial-year consolidation of major acquisitions across Energy, Logistics and Wholesale & Retail segments.

EUR million

Revenues by segment	2025	2024	Change	%
Energy	30,327	27,239	3,088	11%
Logistics	10,713	229	10,484	>100%
Wholesale & Retail	25,829	127	25,702	>100%
Other	2	4	(2)	(50)%
Inter-segment elimination	(34)	(50)	16	32%
Total EP Group	66,837	27,549	39,288	143%

Energy segment revenues reached EUR 30,327 million (EUR 27,239 million in 2024), mainly reflecting the full consolidation of Slovenské elektrárne and continued significant revenue contribution from flexible and dispatchable generation.

Logistics revenues amounted to EUR 10,713 million (EUR 229 million in 2024). Revenue development primarily reflects the acquisition and consolidation of IDS from 30 April 2025, which materially expanded the Group’s logistics activities. In 2025, the segment’s revenue base was supported by a balanced contribution from Royal Mail and GLS, with both universal service letter business and parcel delivery operations representing core and economically significant components of the segment’s activities.

Wholesale & Retail segment external revenues reached EUR 25,829 million (EUR 127 million in 2024). The increase primarily reflects the acquisition and consolidation of METRO AG from 27 March 2025. The segment’s revenues in 2025 were largely generated by food wholesale and foodservice distribution activities, complemented by selected retail and e commerce operations across multiple European markets.

Underlying EBITDA

Underlying EBITDA is a key performance indicator used by EP Group to assess operating performance, cash generation capacity and comparability across periods. It reflects the results of the Group’s core operations before the impact of financing costs, taxation, depreciation and amortisation, providing a consistent measure of underlying operational performance across the Group’s diversified business segments. Underlying EBITDA serves as a central metric for management decision-making, capital allocation and leverage monitoring, and is closely linked to the Group’s ability to generate free cash flow and maintain a resilient financial profile across economic cycles.

EUR million

Underlying EBITDA by segment	2025	2024	Change	%
Energy	3,821	3,615	206	6%
Logistics	495	42	453	>100%
Wholesale & Retail	1,058	(31)	1,089	>100%
Other	(35)	(17)	(18)	<(100)%
Inter-segment elimination	1	–	1	–
Total EP Group	5,340	3,609	1,731	48%

Underlying EBITDA reached EUR 5,340 million in 2025 (EUR 3,609 million in 2024), reflecting the expanded scope of consolidation following the Group’s major acquisitions and the continued contribution from its core Energy segment.

The Energy segment remained the major contributor, reaching EUR 3,821 million of Underlying EBITDA (EUR 3,615 million in 2024). Performance was supported primarily by the Carbon Free & Neutral Power sub-segment following the full consolidation of Slovenské elektrárne.

Underlying EBITDA of the Logistics segment amounted to EUR 495 million (EUR 42 million in 2024). The results primarily reflect the first-time consolidation of IDS, which materially expanded the Group’s logistics earnings base. EBITDA generation in 2025 was supported by a balanced contribution from Royal Mail and GLS, with both the universal service letter business and parcel delivery activities representing core and economically significant components of segment’s earnings.

The Wholesale & Retail segment generated Underlying EBITDA of EUR 1,058 million (a loss of EUR 31 million in 2024). The year-on-year increase was driven predominantly by the first-time consolidation of METRO AG, which materially increased the scale and earnings capacity of the segment. At segment level, EBITDA generation in 2025 was largely underpinned by METRO’s core wholesale and foodservice distribution activities, reflecting the scale of its B2B platform and diversified customer base.

Capital expenditures (CAPEX)

Capital expenditures (CAPEX) are a key performance indicator reflecting the Group’s investments activity and long term strategic development. CAPEX measures the scale and direction of investments into tangible and intangible assets and provides an important indicator of the Group’s commitment to maintaining, modernizing and expanding its assets base, supporting future growth, operational resilience and value creation.

EUR million

CAPEX by segment	2025	2024	Change	%
Energy	1,505	1,023	482	47%
Logistics	292	12	280	>100%
Wholesale & Retail	401	5	396	>100%
Other	1	1	–	–
Total EP Group	2,199	1,041	1,158	111%

CAPEX of the Group reached EUR 2,199 million (EUR 1,041 million in 2024). The year-on-year increase primarily reflects the expanded consolidation perimeter following major acquisitions completed during the year, as well as the Group’s ongoing investment activity across its diversified asset base. Capital expenditures represent investments in tangible and intangible assets, including advances paid.

In 2025, CAPEX was primarily directed towards the Energy segment, reflecting investments in power generation projects and decarbonisation initiatives. In addition, EP Group incurred increased capital expenditures within the Logistics and Wholesale & Retail segments, mainly related to operational optimisation, automation, IT and digitalization initiatives, infrastructure upgrades and integration of newly acquired businesses. This investment profile is aligned with the Group’s strategic focus on the long-term asset ownership, sustainable cash generation and value creation.

Group Financing, Indebtedness and Leverage

Capital structure and financing approach

EP Group manages the financing and the capital structure at the various sub-holding levels, ensuring sufficient liquidity at each level and across the Group as a whole. The Group’s capital structure and indebtedness profile at the end of 2025 reflect the significant expansion of the Group’s operations following the completion of several major acquisitions during the year.

In parallel with executing these transactions, the Group actively managed its financing and liquidity position through a combination of refinancing, new debt issuance and optimisation of available credit facilities. These financing and capital management activities were undertaken with the objective of ensuring adequate liquidity, maintaining a balanced debt maturity profile and preserving financial flexibility, while supporting the integration of newly acquired businesses.

Financing and liability management in 2025

During 2025, was within EP Group carried out a number of refinancing and funding transactions to address upcoming maturities, diversify funding sources and align the financing structure with the expanded consolidation perimeter.

In February 2025, the Group repaid in full the outstanding EUR 500 million SPP Infrastructure Financing notes due 2025, which had originally been issued in 2015 and were guaranteed by eustream. The redemption was funded from cash generated by operating activities.

In parallel, the Group further diversified its funding base through a debut Japanese term loan facility raised by EPH in February 2025. The Samurai Loan, totalling JPY 80.0 billion and maturing in 2030, extended the average maturity of the Group’s debt portfolio and broadened access to international funding markets, reflecting EPH’s established credit profile and growing scale.

Following the acquisition of IDS, EP Group reviewed and optimised the financing structure within the logistics segment. The original acquisition-related term loan and revolving credit facilities were partly refinanced and streamlined with IDS becoming the borrower and GLS being the guarantor of these. This included also establishment of a single GBP 925 million revolving credit facility, preserving overall liquidity while simplifying the capital structure. In addition, a group-wide cash pooling structure was implemented across the IDS group to enhance liquidity management and financial flexibility.

During 2025, EP Group accessed the bond markets across several Group entities, issuing bonds in an aggregate volume exceeding EUR 3.8 billion. These issuances were executed by EPH Financing International, IDS, Slovenské elektrárne, EP Infrastructure and METRO AG, and were used primarily to refinance acquisition-related financing, support eligible investment activities and further optimise the Group’s debt maturity profile.

As a result of these financing and capital management activities, EP Group entered 2026 with a diversified funding structure, adequate liquidity headroom and an indebtedness profile reflecting both the scale of acquisitions completed in 2025 and the Group’s disciplined approach to leverage management.

Net financial debt and leverage

As at 31 December 2025, net financial debt stood at EUR 10,907 million (EUR 1,380 million as at 31 December 2024). Net financial debt is defined as summing up Loans and borrowings net of Cash and cash equivalents, including short-term financial investment in form of term deposits at amortized cost with term shorter than 12 months from reporting date.

EUR million

Net financial debt and Leverage	2025	2024	Delta	%
Loans and borrowings	21,355	9,920	11,435	>100 %
(less) Cash and cash equivalents	9,689	8,540	1,149	13 %
(less) Term deposits at amortized cost	759	–	759	>100 %
Net financial debt	10,907	1,380	9,527	>100 %
Underlying EBITDA	5,340	3,609	1,731	48 %
Net Leverage	2.0×	0.4×	1.6×	–

The increase in net financial debt during the year primarily reflects acquisition and full consolidation of the companies acquired during 2025, in particular SE, IDS and METRO AG.

Net Leverage is calculated as net financial debt divided by Underlying EBITDA. When interpreting this ratio, it is important to note that the Underlying EBITDA for 2025 does not reflect full-year results of the companies acquired during 2025, as these entities were consolidated into the Group’s results only from their respective acquisition dates.

As result, the Group’s Net Leverage ratio increased to 2.0× as of 31 December 2025 (0.4× as of 31 December 2024). This increase reflects the acquisition-related debt and full net debt of the acquired companies, while the earnings contribution of the acquired assets is reflected in the consolidated profit and loss statement for less than a full reporting year. The full earnings contribution is therefore expected to be reflected in future reporting periods.

Notwithstanding the increase in indebtedness, EP Group remains appropriately positioned in terms of leverage, taking into account the scale, business profile and asset base of the Group.

Credit profile

Several key entities within EP Group are assigned credit ratings by international rating agencies. Core holding and operating companies across the Group maintain established credit profiles that support access to diversified funding sources. Credit ratings within the Group reflect factors such as business diversification, asset quality, regulatory frameworks, capital structure and financial policy at both entity and Group level.

3.

Segment performance

Energy

Business overview

A long-term strategy of the Energy segment is focused on security of supply, operational resilience and disciplined participation in ongoing Europe’s energy transition. The segment combines energy infrastructure, flexible power generation and carbon-free and carbon-neutral assets, resulting in a diversified portfolio operating across a wide range of market and regulatory environments, and employing more than 20,000 people.

Portfolio Structure and Geographic Footprint

EP Group’s Energy segment is organised around five sub-segments, reflecting both the Group’s principal energy platform and dedicated transition-focused sub-holdings.

The core of the Energy segment is EPH, which comprises three sub-segments: EP Infrastructure, Flexible Power and Carbon-Free & Neutral Power. In addition, the Energy segment includes Energy Transition and EP Heat & Power, which operate as separate sub-holdings alongside EPH and focus on specific asset classes and transformation activities. Both were historically part of EPH and continue to form an integral part of the Group’s Energy activities.

The five Energy sub-segments are:

- **EP Infrastructure (EPIF)**, comprising gas and power distribution, gas transmission, gas storage, and district heating assets, primarily located in Slovakia, Germany and the Czech Republic;
- **Flexible Power**, consisting largely of gas fired power plants, complemented by battery energy storage systems (BESS), operating predominantly in the United Kingdom, Italy, the Netherlands, Ireland and France;
- **Carbon Free & Neutral Power**, encompassing nuclear, hydro, solar and selected low carbon assets, with a strong footprint in Slovakia as well as operations in Western Europe;
- **Energy Transition**, focused on the transformation of lignite-based assets in Germany into renewables, hydrogen-ready generation and BESS, while maintaining grid stability and a socially responsible transition;
- **EP Heat & Power**, operates two Czech CHP plants and is realizing investments to achieve targeted lignite phase-out by 2030 by ongoing conversions into CCGT, waste-to-energy and biomass.

Market development

European energy markets in 2025 continued to normalise compared with the extreme conditions observed during the 2022–2023 energy crisis, although volatility remained elevated and market dynamics continued to be shaped by geopolitical risks, weather patterns, storage levels, LNG flows and commodity price movements. Outright gas and power prices remained well below crisis peaks, but price formation became increasingly sensitive to renewable output, nuclear availability, gas supply conditions and carbon prices. The expiry of the Russian gas transit agreement via Ukraine on 1 January 2025 contributed to tighter gas balances at the start of the year, while LNG inflows, storage developments and weaker Asian LNG demand helped stabilise the market later in the year. Gas markets therefore remained a key balancing element of the European energy system, with underground storage and gas-fired generation continuing to support seasonal flexibility and security of supply.

Power generation across Europe continued to reflect the progressing energy transition. Wind and solar capacity expanded further, while French nuclear output improved and remained materially stronger than in prior stress years. At the same time, renewable intermittency, lower hydro output in certain periods and residual load requirements meant that gas-fired and other dispatchable generation continued to play an important balancing role, particularly during periods of low renewable output or tighter system conditions. This reinforced the need for flexible generation, storage and grid-supporting assets to maintain system stability as the share of intermittent renewable generation increases.

From a regulatory and policy perspective, the focus continued to shift from short-term crisis response towards longer-term system design, including security of supply, affordability, decarbonisation and industrial competitiveness. Discussions around capacity mechanisms, support for flexible generation and storage, grid investments and carbon market design reflected the need to balance the long-term reduction of fossil fuel reliance with the continued short- and medium-term requirement for conventional and flexible assets to ensure reliable energy supply.

Operational and financial performance

In 2025, the Energy segment delivered a solid operational and financial performance, supported by continued execution of the Group’s strategy, portfolio optimisation and the full consolidation of Slovenské elektrárne from 24 May 2025. The business segment benefited from a more diversified earnings profile, combining critical infrastructure, flexible and dispatchable generation, and an expanded base of carbon-free power generation assets.

Segment revenues amounted to EUR 30,327 million, compared with EUR 27,239 million in 2024, while Underlying EBITDA reached EUR 3,821 million, compared with EUR 3,615 million in the prior year. The results were achieved despite challenging market conditions, including electricity prices declining from the peaks observed in previous periods, lower gas transmission volumes following the cessation of Russian gas flows through Ukraine, weaker gas storage spreads and more challenging market spreads in flexible and dispatchable generation. These effects were primarily offset by the enlarged consolidation perimeter following the full consolidation of Slovenské elektrárne, higher carbon-free generation and the resilience of the business segment’s diversified asset base.

At the end of 2025, the Energy segment operated a significantly expanded asset base, primarily reflecting the full consolidation of Slovenské elektrárne. Changes in installed capacity and power production are summarised in the table below.

Net Installed Capacity (GW)	2025	2024	Change	%
EP Infrastructure	0.4	1.0	(0.6)	(64%)
Flexible Power	11.8	12.8	(1.0)	(8%)
Carbon Free & Carbon Neutral	4.6	0.8	3.8	>100%
Energy Transition	9.3	7.4	1.9	26%
EP Heat & Power	0.6	–	0.6	–
Total Energy segment	26.7	22.0	4.7	21%

Net Power Production (TWh)	2025	2024	Change	%
EP Infrastructure	0.8	1.3	(0.5)	(36%)
Flexible Power	30.6	28.0	2.6	9%
Carbon Free & Carbon Neutral	15.1	2.7	12.4	>100%
Energy Transition	32.3	33.7	(1.4)	(4%)
EP Heat & Power	0.4	–	0.4	–
Total Energy segment	79.2	65.7	13.5	21%

The Energy segment continued to invest in the development, reliability and modernisation of its asset base. CAPEX amounted to EUR 1,505 million, compared with EUR 1,023 million in 2024, and was directed mainly towards projects supporting flexible and low-carbon generation.

Overall, the Energy segment’s performance in 2025 demonstrated the resilience of its diversified business model and the continued progress of its strategic priorities. The segment strengthened its position in flexible and dispatchable generation, materially expanded its carbon-free generation base through Slovenské elektrárne and continued to invest in projects supporting long-term energy security and the energy transition across Europe.

EP Infrastructure

Energy infrastructure assets provide stable and predictable cash flows under largely regulated and/or long term contractual frameworks. In 2025, infrastructure performance was influenced by structural changes in European gas markets.

EUR million

Infrastructure assets	Unit	2025	2024	Delta	%
Gas Transmission flows	bcm	4.9	17.8	(12.9)	(72%)
Gas Storage Capacity	TWh	64.4	64.4	–	–
Gas Distribution	TWh	49.1	47.3	1.8	4%
Power Distribution	TWh	6.4	6.1	0.3	4%
Heat Supply	PJ	13.8	12.3	1.5	12%

Gas transmission volumes declined sharply to 4.9 bcm (from 17.8 bcm in 2024). At the same time, gas distribution volumes increased year on year to 49.1 TWh, while power distribution volumes rose to 6.4 TWh.

Despite lower transmission utilisation, the infrastructure portfolio continued to play a critical role in maintaining regional energy security, supported by regulated tariff structures, store or pay gas storage contracts and stable heat pricing mechanisms.

Flexible Power

Flexible power generation contributes to the increasing need for dispatchable capacity to balance intermittent renewable generation. In 2025, the Flexible Power sub-segment consolidated 11.8 GW of net installed capacity and generated 30.6 TWh of electricity, up from 28.0 TWh in the previous year.

Performance was supported by higher utilisation in key markets, particularly Italy, the Netherlands and the United Kingdom, as well as by the ongoing importance of capacity mechanisms that underpin asset availability. Capital expenditure in the sub-segment focused on the completion of the Tavazzano CCGT project, continuing construction of the Ostiglia CCGT plant, and the development of battery energy storage projects, strengthening system flexibility and grid stability.

Carbon Free & Neutral Power

The Carbon Free & Neutral Power sub-segment expanded significantly in 2025 following the full consolidation of Slovenské elektrárne from 24 May 2025. As a result, net installed capacity increased to 4.6 GW, while net power production rose to 15.1 TWh, compared with 2.7 TWh in 2024.

Slovenské elektrárne operates a fully carbon free generation portfolio centred on nuclear and hydropower, with nuclear generation reaching its highest level on record in 2025. The sub-segment provides long term, stable cash flows, contributes materially to regional decarbonisation objectives and strengthens EPH’s role in security of electricity supply in Europe. Capital expenditure was largely directed towards the continued development of Mochovce Nuclear Power Plant Unit 4.

Energy Transition

The Energy Transition sub-segment focuses on the managed transformation of lignite based energy assets in Germany, while ensuring security of supply and electricity system stability during the transition period. Operated through a dedicated energy transition sub-group, EP Energy Transition, the sub-segment operated a system relevant conventional fleet with installed capacity increasing to 9.3 GW in 2025, while electricity generation reached 32.3 TWh in 2025, broadly stable compared with 33.7 TWh in 2024.

In parallel, the Group is preparing the gradual replacement of network critical lignite capacity with hydrogen ready gas fired plants and battery energy storage systems. The transition is managed in close cooperation with employees, unions, regional authorities and public institutions to ensure socially and regionally responsible outcome.

EP Heat & Power

EP Heat & Power operates two combined heat and power plants in the Czech Republic, supplying heat and electricity to their respective regions. The business is implementing investments to achieve lignite phase-out by 2030 through conversions to hydrogen ready CCGT, waste-to-energy and existing biomass solutions, potentially complemented by add-on technologies such as heat pumps, electric boilers, thermal storage or battery storage systems.

Logistics

Business overview

The Logistics segment is primarily represented by IDS, a UK-based holding company comprising two complementary business divisions: Royal Mail, the United Kingdom’s designated universal postal service provider, and GLS, one of Europe's leading parcel delivery operators with a growing presence in North America.

Royal Mail

With a history dating back to 1516, Royal Mail is one of the longest-established businesses in Europe. As the designated Universal Service Provider in the United Kingdom, Royal Mail has a statutory obligation to deliver postal items at a uniform price to 32 million addresses across the UK. Royal Mail's combined letter and parcel delivery network supports the collection, sorting and delivery of both parcels and letters, including specialist delivery services and international mail exported from, and imported into, the UK. The business employs approximately 140,000 people, operates one of the largest commercial vehicle fleets in the country, and is a leading parcel and out-of-home (“OOH”) operator in the UK.

GLS

GLS is one of Europe's leading parcel delivery operators, with a direct presence in all key European markets and one of the few providers offering comprehensive pan-European coverage through its own parcel network. In addition, GLS has established a growing presence in North America, including the United States and Canada. Headquartered in Amsterdam, GLS serves customers in more than 50 countries and nation states and employs approximately 25,000 people. Alongside its core parcel services, GLS also provides freight, fulfilment and express services in selected markets where these complement network utilization and customer demand.

IDS and segment-level overview

The Group obtained control over IDS on 30 April 2025, and IDS has been fully consolidated in EP Group’s consolidated financial statements from that date. Unless stated otherwise, both IDS’s financial results and selected operational indicators are reflected in the Group’s consolidated figures from the acquisition date.

Overall, the Logistics segment combines regulated universal service obligations with competitive parcel delivery activities across multiple markets. This structure provides EP Group with exposure to essential national infrastructure in the United Kingdom alongside participation in structurally growing parcel delivery markets, supported by scale, network density and ongoing operational adaptation.

Market development

The European logistics and postal markets continued to evolve in 2025 against the backdrop of moderate economic growth, easing inflationary pressures and persistently changing consumer and business delivery patterns. Structural trends, particularly the continued shift towards e-commerce and parcel delivery, remained the primary drivers of market development, while traditional letter volumes continued their long-term structural decline across most European markets.

The Courier, Express and Parcel market (“CEP”) comprises the transport and delivery of small- to medium-sized parcels for business and consumer customers, primarily through road-based networks. The market covers a broad range of services, including time-critical courier deliveries, next-day and accelerated express parcels, and standard parcel services, which are closely linked to e-commerce fulfilment.

The UK CEP market recorded solid volume growth in 2025, driven by ongoing expansion of e-commerce, cross-border trade and demand for flexible delivery options. At the same time, consumer demand remained under pressure from inflation and an increasingly more competitive environment characterised by pricing pressure, higher customer expectations regarding delivery speed and convenience, and rising cost intensity related to labour, energy and transportation, which moderated e-commerce momentum compared to the post-pandemic period. Network scale, density and operational efficiency therefore remained critical differentiating factors for logistics operators.

In the United Kingdom, the logistics and postal market continued to adjust to the structural decline in letter volumes and the growing dominance of parcels. Parcel delivery volumes remained resilient, supported by e-commerce demand, while addressed letter volumes declined in line with long-term trends.

From a regulatory perspective, 2025 marked an important inflection point following Ofcom’s approval of reforms to the Universal Service Obligation framework. The reform aims to ensure the long-term sustainability of universal postal services while better aligning service requirements with evolving customer behaviour and demand patterns.

On the cost side, labour-related factors remained an important consideration for IDS in 2025. The increase in employer social contributions added to labour cost pressure, while the conclusion of a new multi-year collective pay agreement with trade unions provided improved visibility and stability of labour costs over the planning horizon.

Across GLS’s European markets, parcel delivery demand developed unevenly in 2025. While most markets continued to benefit from structurally growing parcel volumes and cross-border trade, selected markets experienced more challenging conditions. In particular, market disruption and regulatory pressure in Italy affected parcel volumes and profitability during the year, while operations in Canada were impacted by a weaker macroeconomic environment, regulatory changes and currency effects. Despite these challenges, the broader European CEP market remained supported by long-term growth fundamentals, including continued digitalisation of commerce and increasing demand for reliable cross-border delivery solutions.

Out-of-home (“OOH”) delivery continued to gain importance across logistics markets, reflecting changing customer preferences for flexible parcel collection and reduced delivery failure rates. Parcel lockers, pickup points and alternative delivery locations increasingly complemented traditional home delivery models, improving network efficiency and customer convenience. The expansion of OOH networks has become a key strategic priority for parcel operators, although it may weigh on near-term profitability due to upfront investment requirements.

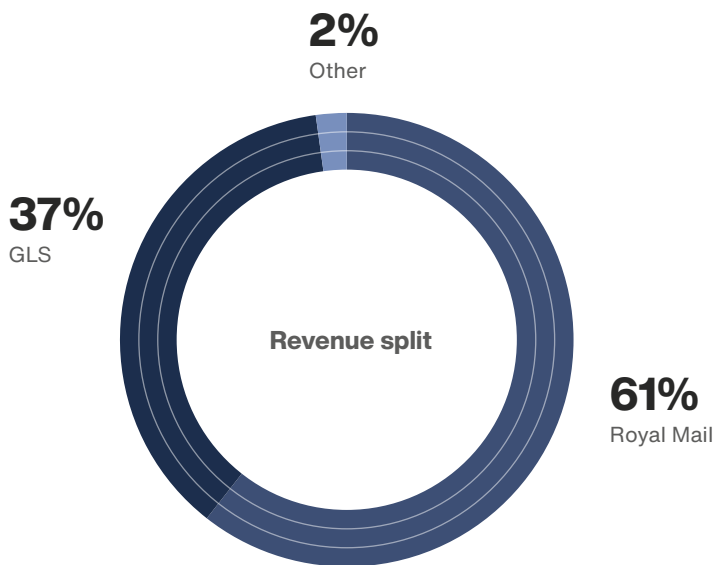
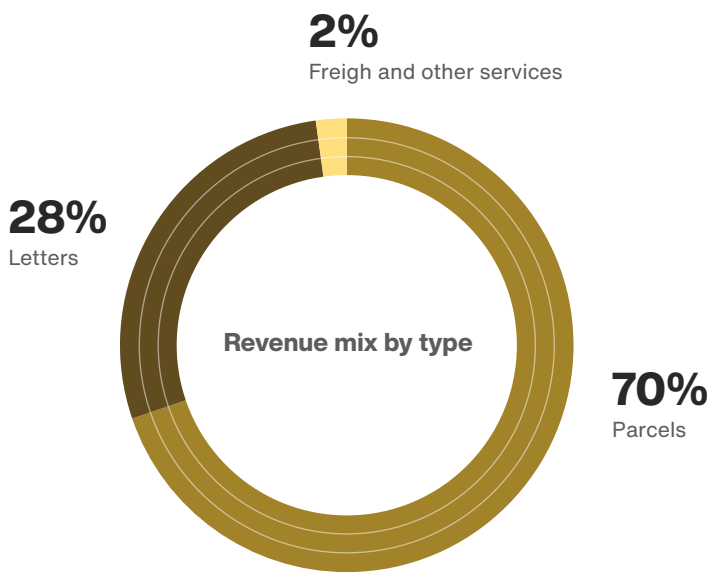
Another structural trend is the rapid growth of low-value e-commerce items, particularly originating from non-European platforms. This development has increased pressure on parcel networks and customs processes and is one of the drivers behind the EU customs reform, including the planned removal of the duty exemption for parcels valued below EUR 150 and the launch of the EU Customs Data Hub for e-commerce from 2028. These developments are expected to continue to influence network utilisation, pricing dynamics, customs requirements and operational complexity across the European parcel delivery industry.

Overall, market conditions in 2025 underscored the importance of scale, network density and operational adaptability in the logistics sector. While structural growth in parcel delivery continues to support long-term market development, operators face an increasingly complex operating environment influenced by regulatory change, competitive intensity and evolving customer expectations.

Operational and financial performance

In 2025, the Logistics segment delivered a solid operational and financial performance, supported by the first-time consolidation of IDS from 30 April 2025. The segment benefited from its diversified business model, combining regulated universal postal services in the United Kingdom with competitive parcel delivery operations across multiple European markets.

Segment revenues amounted to EUR 10,713 million, while Underlying EBITDA reached EUR 495 million. The year-on-year increase in both revenues and earnings reflects the expanded consolidation perimeter following the acquisition of IDS, which materially increased the scale of the Logistics segment compared with the prior year. Performance was achieved against a backdrop of challenging market conditions in selected geographies, rising cost pressure and ongoing structural change in the postal and parcel delivery markets.



From an operational perspective, parcel activities represented the dominant contributor to segment performance across both Royal Mail and GLS. Total parcel volumes reached 1,617 million in 2025, of which 964 million were delivered by Royal Mail and 653 million by GLS. While addressed letter volumes continued their long-term structural decline to 3,742 million in 2025, the diversified revenue mix and network scale helped mitigate the impact on overall segment performance. Pricing remained under moderate pressure, reflecting changes in customer mix and a higher share of lower-priced e-commerce volumes. Both Royal Mail and GLS continued to focus on operational efficiency, network optimisation and service quality in response to evolving customer demand and competitive dynamics.

IDS KPIs	Unit	2025*
Addressed Letters (excl. Elections)	mil. of items	3,742
Parcels	mil. of items	1,617

*Note: The operational KPIs presented in the table are shown on a consolidated basis from the acquisition date of 30 April 2025.

Within Royal Mail, performance in 2025 reflected continued adaptation of the operating model towards parcel-led delivery while maintaining the provision of universal service obligations. Operational priorities focused on network efficiency, automation and improved flexibility in delivery solutions, including the expansion of out-of-home (“OOH”) delivery options. These initiatives are intended to support service reliability and cost efficiency over time, while addressing structural changes in mail volumes and customer behaviour.

GLS delivered a broadly resilient performance across its diversified international network, supported by its strong positioning in core parcel markets and continued expansion of cross-border and OOH delivery capabilities. While selected markets experienced more challenging conditions during the year, overall performance benefited from network density, operational flexibility and the ability to adapt service offerings to local market requirements.

Capital expenditures in the Logistics segment amounted to EUR 292 million in 2025, representing approximately 59% of segment Underlying EBITDA. Investments were primarily directed towards efficiency improvements, automation, IT and digitalisation initiatives, expansion of OOH delivery infrastructure, and fleet modernisation. These investments support the ongoing transformation of the segment and are considered critical to improving cost efficiency, service quality and long-term competitiveness.

Overall, the Logistics segment strengthened its position as a core pillar of EP Group’s diversified business model in 2025. The integration of IDS materially increased the segment’s scale and geographic footprint, while the combination of essential national infrastructure and competitive parcel delivery operations provides a balanced platform for future development in a structurally evolving logistics market.

Wholesale & Retail

Business overview

The Wholesale & Retail segment represents EP Group’s platform for food wholesale, foodservice distribution and selected retail and e-commerce activities across several European markets. The segment is anchored by METRO AG, a leading pan-European food wholesaler, and is complemented by selected digital and retail platforms, including Košík Holding a.s. (“Košík”), as well as equity-accounted participations, such as Supratuc 2020, a joint venture integrating Caprabo and Eroski, and FAST ČR, that broaden the Group’s exposure to food distribution and consumption-related markets.

METRO AG forms the core of the Wholesale & Retail segment and operates a business-to-business wholesale model primarily focused on professional customers, including hotels, restaurants and caterers (“HoReCa”) as well as independent traders. Its operating model combines large-format cash-and-carry wholesale stores with delivery-based food service distribution and digital sales channels, providing customers with flexible and multi-channel access to a broad assortment of food and non-food products. Through this integrated model, METRO serves as a key distribution platform for professional food customers across Europe.

METRO’s wholesale activities are supported by a network of stores that also serve as fulfilment points for delivery operations, alongside dedicated food service distribution capabilities. The business is managed under the sCore strategy, which focuses on the development of store-based, delivery and digital channels and is monitored through a set of operational KPIs.

Foodservice distribution represents an integral component of the segment’s business model, extending the traditional wholesale offering through delivery-based solutions tailored to the needs of professional customers. This channel complements store-based wholesale by enhancing customer proximity, service convenience and assortment flexibility, particularly in urban and high-density markets.

In addition to wholesale and foodservice distribution activities, the segment includes selected retail and e-commerce platforms, most notably Košík, which operates online grocery delivery services in selected Central European markets. These activities complement the segment’s core wholesale business and provide exposure to digital retail formats and changing consumer purchasing behaviour, while remaining ancillary to the segment’s primary B2B focus.

The Wholesale & Retail segment also comprises selected equity-accounted participations in food retail and distribution businesses. As EP Group does not exercise control over these entities, they are accounted for using the equity method and are not consolidated in the Group’s financial results. These participations complement the segment’s consolidated activities by providing additional market exposure and strategic optionality.

Overall, the Wholesale & Retail segment provides EP Group with exposure to essential food distribution and consumption-related markets characterised by high transaction volumes, diversified customer bases and largely stable demand. Through a combination of established wholesale infrastructure, foodservice distribution capabilities and selected digital and retail platforms, the segment contributes to the Group’s business diversification and supports a resilient multi-segment operating model.

Market development

The European food wholesale and grocery retail market continued to develop in 2025 against a backdrop of moderating inflation, uneven economic growth and evolving consumer and professional purchasing behaviour. While cost pressures remained elevated compared with pre-inflationary periods, market dynamics increasingly reflected a transition towards more stable operating conditions relative to the volatility observed in previous years. Economic performance varied across regions, with limited growth momentum in several Western European markets and uneven but relatively stronger growth across parts of Central and Eastern Europe.

Food wholesale and foodservice distribution benefited from continued recovery and normalisation in out-of-home (“OOH”) consumption, supported by hospitality, catering and professional food service customers. Demand patterns increasingly reflected a preference for reliable supply, broad assortments and flexible delivery solutions, reinforcing the importance of scale, network density and multi-channel distribution capabilities for wholesale operators.

At the same time, the sector continued to adapt to structurally changing customer behaviour. Professional customers increasingly combined store-based purchasing with delivery and digital ordering channels, while expectations regarding availability, service reliability and convenience continued to rise. Digitalisation of procurement and ordering processes continued across European markets, with increasing use of e-commerce platforms and integrated digital tools by professional customers. This supported the ongoing relevance of integrated wholesale models combining physical infrastructure with delivery-based foodservice distribution and digital sales platforms.

Across European markets, food distribution remained characterised by a high degree of fragmentation, particularly in foodservice distribution and convenience-oriented wholesale segments. This fragmentation continues to support consolidation opportunities for larger, well-capitalised operators with established platforms, while regulatory frameworks related to food safety, traceability and sustainability increasingly shape operating requirements and compliance processes across the value chain.

Overall, market developments in 2025 underlined the resilience of food wholesale and distribution activities serving both professional and consumer demand. Structural trends, including the recovery of OOH consumption, increasing use of multi-channel ordering solutions and ongoing market fragmentation, continue to support the long-term relevance of diversified wholesale and foodservice distribution models within the European food supply ecosystem.

Operational and financial performance

In 2025, the Wholesale & Retail segment contributed materially to EP Group’s consolidated performance, primarily reflecting the first-time consolidation of METRO AG following the acquisition of control on 27 March 2025. The integration of METRO materially increased the scale, geographic footprint and earnings capacity of the segment and established Wholesale & Retail as one of the Group’s three core operating pillars.

The segment generated revenues of EUR 25,829 million and delivered Underlying EBITDA of EUR 1,058 million. The significant year-on-year increase in both revenues and earnings reflects the expanded consolidation perimeter following the acquisition of METRO, compared with the prior year when the segment’s activities were largely limited to smaller consolidated operations and equity-accounted participations.

The segment employed more than 80,000 people and operated across more than 30 countries.

METRO delivered a solid operational performance supported by its established pan-European wholesale and food service distribution network and the continued development of its multi-channel operating model. The business benefited from its strong positioning in professional food distribution, diversified customer base and multi-channel operating model combining store-based wholesale, delivery-based foodservice distribution and digital sales channels. These characteristics supported resilient operating performance despite a market environment characterised by cost pressure, price sensitivity and ongoing transformation initiatives. At the same time, ongoing investments in digital solutions and operational optimisation supported service quality and customer proximity across key European markets, while transformation and efficiency initiatives continued to weigh on reported earnings as part of the longer-term repositioning of the business.

Selected retail and e-commerce activities, including Košík, continued to complement the segment’s core wholesale operations. These activities provided exposure to digital retail formats and changing consumer purchasing behaviour, while remaining ancillary to the overall performance of the segment. Equity-accounted participations continued to contribute at net result level but are not reflected in segment revenues or EBITDA.

Capital expenditures in the Wholesale & Retail segment amounted to EUR 401 million in 2025. Investments were primarily directed towards the integration and further development of METRO’s wholesale and foodservice distribution platform, including store modernisation, logistics infrastructure, IT and digitalisation initiatives, as well as selected investments supporting operational efficiency and service capability across the segment.

Overall, the Wholesale & Retail segment significantly strengthened EP Group’s business profile in 2025. The consolidation of METRO established a large-scale, pan-European food wholesale and distribution platform within the Group, providing exposure to largely stable demand and supporting the Group’s diversification and long-term cash-generation capacity within its multi-segment operating model.

4. ESG

While delivering essential services and meeting the everyday needs of communities, EP Group places a strong emphasis on minimizing its environmental footprint and managing potential social and governance risks through established policies, robust safeguards and operational controls.

In the energy sector, the Group plays a crucial role in supporting the energy transition and ensuring security of supply through the operation of substantial power generation assets and critical infrastructure. Within logistics, EP Group pursues emission reduction initiatives which position it among the lowest-emission postal and courier service providers in the UK and continental Europe. In its food wholesale and retail operations, the Group focuses on responsible sourcing and actively works to decrease the carbon footprint of its stores and transportation activities.

Decarbonization efforts

Energy

EP Group recognizes its role in Europe’s energy transition and has already made substantial progress through concrete closures, conversions and investments aligned with its decarbonization goals. Its strategy focuses on reducing emissions while maintaining energy security, reliability and system resilience. Recent ENTSO-E assessments underline the importance of flexible capacity and appropriate market incentives to ensure adequacy during the transition.

Coal phase out

Over the past ten years, EP Group has closed or replaced 6 GW of coal-fired generation capacity, including Eggborough and Lynemouth power plants in the UK, Provence 5 power plant in France, Kilroot power plant in Northern Ireland, Buschhaus and Mehrum power plants and two units of the Jänschwalde power plant in Germany, Nováky and Vojany power plants in Slovakia.

Remaining hard coal operations are limited to two assets: Fiume Santo in Sardinia, expected to close after completion of the Tyrrhenian Link in 2028, and Emile Huchet 6 in France, planned for conversion into a gas peaking unit subject to a long-term capacity contract.

In Germany, lignite operations under LEAG and MIBRAG remain governed by the national coal exit plan targeting closure by 2038, potentially earlier depending on replacement capacity availability. In the Czech Republic, lignite-fired cogeneration plants supplying district heating are already being converted to alternative energy sources.

Expanding and optimising flexible power sources

EP Group is expanding hydrogen-ready gas-fired generation to support renewable integration and grid balancing. Recent projects include the Kilroot OCGT in the UK (647 MW) and the Tavazzano CCGT in Italy (806 MW), with the Ostiglia CCGT (881 MW) due to be commissioned in 2026. These projects benefit from long-term capacity contracts under national remuneration mechanisms.

In parallel, EP Group continues to modernize its existing flexible generation fleet through targeted efficiency upgrades and refurbishments. These measures extend useful life of assets, improve operational performance and reduce emission intensity, while preserving optionality for future fuel switching, including the use of hydrogen or other low-carbon gases as they become commercially viable.

Carbon-free & carbon-neutral power generation

EP Group operates significant low-carbon generation assets supporting grid stability. In Slovakia, it operates 2.3 GW of nuclear capacity, including Mochovce Unit 3, while Unit 4 is scheduled for commissioning in 2026. The Group also manages 1.6 GW of hydropower assets, including pumped-storage facilities, and is modernizing sites such as Čierny Váh with integrated battery storage.

In Germany, EP Group is actively repurposing former lignite mining sites for the development of large-scale renewable energy projects.

Energy storage

EP Group has developed a BESS pipeline totalling 2.5 GW / 7.8 GWh across Europe. Existing projects include a 50 MW / 53 MWh battery in Lusatia, Germany, and a 35 MW / 44 MWh facility at Emile Huchet in France. Additional projects are under construction across several countries, including GigaBattery Jämschalde in Germany, planned at 1 GW / 4 GWh.

District heating

In the Czech Republic, EP Group supplies district heating to more than 150 thousand customers. The plants currently rely mainly on lignite but are increasingly diversified through biomass and waste-to-energy. Conversion projects to highly efficient gas-fired and waste-to-energy facilities are underway and expected to be completed by 2028/2029, supported by Modernization Fund investment subsidies and long-term cogeneration support schemes.

Green gases adoption

Across its gas infrastructure, EP Group is advancing hydrogen-readiness projects. Eustream is refurbishing a Slovak transmission pipeline for hydrogen transport under an IPCEI project. Nafta is exploring the potential for underground hydrogen storage through Project Henri, while SPPD launched the H2Demo initiative to test hydrogen distribution in dedicated network sections. These projects aim to support future hydrogen integration while maintaining safety and regulatory compliance.

Methane reduction

Methane leakage is an inherent part of operating gas pipelines and gas storage facilities. EP Group’s gas subsidiaries implement Leak Detection & Repair (LDAR) programs and use technologies such as drones and in-line sensors to reduce methane leakage. Investments are also being made into mobile repumping compressors to minimize gas venting during maintenance.

Supply business

EP Group subsidiaries engaged in supply of electricity and gas are active in promoting green energy. EP NL supports renewable integration through agreements linked to the Gemini offshore wind park in the North Sea, including balancing services and power off-take arrangements.

Logistics

Royal Mail

Royal Mail continues to make strong progress in reducing its environmental impact, decreasing its greenhouse gas emissions in its last published reporting year² by 25% from the 2020–2021 baseline and 3% reduction compared to the previous year. These improvements were driven by increased vehicle efficiency, the rollout of electric delivery vans, increased use of biofuels in heavy vehicles, and ongoing energy efficiency measures across the operational sites. Notably, 100% of purchased or generated electricity now comes from renewable sources, supported by guarantees of origin and on-site solar generation.

A significant contributor to overall emissions reduction has been a 24% decrease in Scope 3 emissions, largely due to lower international mail volumes, halving the use of domestic air mail flights and reduced emissions from purchased goods and services. Operational efficiency gains are also evident in improved carbon intensity metrics, with emissions per parcel reduced to 165gCO₂e (from 206g in the previous year) and per letter to 24gCO₂e (from 28g).

Royal Mail’s unique “feet on the street” delivery model remains central to its sustainability strategy. Serving approximately 32 million UK addresses, over half of delivery routes are conducted on foot or via low-emission “park and loop” methods, contributing to relatively low emissions compared to industry peers. Currently, 27% of delivery routes are zero-emission, and Royal Mail is targeting a fully zero-emission final mile by 2035.

GLS

In 2025, GLS reduced its total market-based greenhouse gas emissions by 4% year-on-year and is therefore on track with its set science-based targets. This strong progress was achieved by decarbonising its fleet, improving energy efficiency across its sites, and working closely with transport partners and electric vehicle providers.

With 86% of GLS’ emissions stemming from transport operations, fleet transformation remains a priority. GLS continued to expand its electric and low-emission vehicle³ fleet in 2025, reaching more than 8,200 such vehicles, which is a 24% increase year-on-year. Electric trucks are deployed on line hauls in eight countries, and HVO-fueled vehicles are operating across six markets. As a result, GLS reduced transport emissions per parcel by 7% compared to 2024.

To support this fleet electrification, GLS has also invested in charging infrastructure across its hubs and depots, with more than 5,000 charging points⁴ in the GLS group network as of end of December 2025.

In parallel, GLS is lowering emissions from buildings by deploying solar panels, heat pumps and electric shunters. In 2025, renewable electricity usage of GLS-operated sites has reached 97% in Europe and 83% globally, with self-generated renewable electricity growing by 36% and purchased renewable electricity rising by 14% compared to the prior year. Therefore, GLS remains on track towards its ambition of 100% renewable electricity by 2030.

2 The accounting period of Royal Mail ends on 31 March 2025.
3 This means vehicles that during driving operation use only electricity or fuels that create lower emissions than diesel or gasoline fuel (e.g. HVO, biogas, natural gas such as LNG, LPG, CNG). Further, this also includes parcel deliveries on foot (as of today, only applicable for GLS Spain).
4 Of which more than 3,300 charging points are GLS-operated and subject to external assurance. The remaining charging points in the GLS network are operated by third parties.

Wholesale & Retail

METRO AG is implementing a comprehensive climate strategy to reduce GHG emissions across its operations and value chain in line with its climate policy objectives. The strategy focuses on three key areas: energy efficiency, renewable energy, and e-mobility, while also engaging suppliers to improve transparency and manage emissions across the value chain.

Energy-efficiency is the largest focus area, combining the energy saving program and the F-gas (refrigerant) exit program. Measures include upgrading to LED lighting, improving heating systems, installing energy-efficient technologies, and switching to natural refrigerants. The energy saving program aims to cut energy-related emissions by 30% by 2030, while the F-gas exit program targets a 90% reduction in refrigerant emissions by the same year and full phase-out by 2040. These initiatives are supported by employee training programmes promoting energy-saving behavior.

Renewable energy deployment focuses on expanding photovoltaic systems and increasing the use of green electricity through guarantees of origin and power purchase agreements. These efforts are expected to reduce emissions from energy use by 10% by 2030.

E-mobility efforts include electrifying the vehicle fleet and expanding charging infrastructure. Electric vehicles are being progressively deployed across both company car and delivery truck fleets, supported by a growing network of charging stations. METRO AG promotes fleet electrification through its engagement in the EV100 initiative.

Environmental protection across the EP Group

EP Group has established environmental policies, including the *ESG Master Policy and Environmental Policy*, to mitigate environmental impacts, reduce emissions and ensure compliance with local regulations. Operations are governed by these policies as well as applicable national legislation and local operational rules.

Energy

All EP Group power and heating plants in the EU and UK operate in line with Best Available Techniques (BAT) and the Industrial Emissions Directive (IED). Some facilities, mainly Czech district heating plants nearing lignite phase-out, benefit from temporary exemptions where immediate compliance would require disproportionate investments. Environmental management is strengthened through ISO 14001-certified Environmental Management Systems implemented across most entities, supporting pollution control, operational monitoring and regulatory compliance.

Water management is also a priority. Following severe droughts in Italy, EP Group introduced adaptation measures including air-based cooling at the new Ostiglia CCGT and additional water-management systems for existing plants. Hybrid cooling solutions are also being evaluated at the Tavazzano CCGT plant to reduce dependence on water resources.

Logistics

Within Logistics, Royal Mail and GLS focus on reducing material use and promoting circular economy principles. Their initiatives include increasing recycled and recyclable materials, reducing unnecessary inputs and minimizing waste from packaging materials such as cardboard, plastic wrap and pallets.

Wholesale & Retail

METRO AG depends on the long-term availability of food and natural resources such as wood, water and crude oil. Packaging sustainability is therefore a key priority, guided by its packaging policy and waste hierarchy focused on prevention, reuse, recycling and responsible disposal.

Sustainable sourcing is also central to METRO AG’s governance approach. Because commodities such as soy, palm oil, beef, cocoa, coffee and wood are linked to deforestation and biodiversity loss, METRO works to strengthen responsible sourcing and support deforestation-free supply chains across its product portfolio.

Social impact and responsibility

EP Group recognises that its long-term performance depends on a responsible approach to employees, partners and the communities in which it operates. Social considerations are therefore embedded in the Group’s governance framework and operational practices across all business segments.

Health & Safety

EP Group places great emphasis on the creation of safe working environment for its employees and contractors. Operations are covered by dedicated Health, Safety and Environment (HSE) committees or equivalent bodies at segment level. All incidents are systematically recorded, analysed and reviewed in detail with corrective and preventive actions implemented accordingly.

Whistleblowing

To provide employees with unified means of reporting compliance concerns and compliance violations without fear of retaliation or retribution and to set out the way in which any serious concerns that they have may be raised and how these concerns are dealt with, the EP Group adopted a Policy on Reporting of Serious Concerns. Similarly, also all our business partners are encouraged to raise concerns about any issue relating to EP Group or suspicion of violation of the EP Group Policies at the earliest possible stage.

Social dialogue

The main strengths and key focus of the EP Group are good relationship with employees and their loyalty. The Group maintains good and fair relations with the trade unions through regular meetings and consultations on labour, social and wage related issues.

This approach supports mutual trust, workforce stability and a collaborative response to operational and transformation-related challenges across the Group.

Diversity & inclusion

Equity, diversity and inclusion policy is in place to provide equality, fairness and respect for all employees; not unlawfully discriminate because of the characteristics of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, colour, nationality, ethnic or national origin, religion or belief, sex and sexual orientation; oppose and avoid all forms of unlawful discrimination, and promote equal opportunity amongst all company employees.

Corporate social responsibility

Life sometimes brings situations that individuals can rarely manage entirely on their own. It was this understanding that led to the establishment of the EP Group Foundation at the end of 2021. Its aim is to concentrate financial resources and use them meaningfully to support people who find themselves in difficult life circumstances. The Foundation primarily focuses on supporting individuals whose lives have been significantly affected by circumstances beyond their control. Although they approached their lives responsibly, unforeseen events placed them in challenging situations. The purpose of this support is to help them overcome difficult periods and prevent their situation from deteriorating further.

EP Group Foundation is founded on the following main pillars:

- support for families with children that lost one or both parents,
- support for terminally ill parents with dependent children, and
- help for the elderly, especially those living on their own.

While in the first two pillars we aim to implement aid primarily with our own resources, in the second pillar, we are indirectly delivering support through partner non-profit organizations who provide direct care for the elderly in need. In addition to these three main pillars, the Foundation has two more pillars of support:

- providing aid in emergency situations, and
- advocating for the above-mentioned target groups.

The main motto of EP Group Foundation is “*To help efficiently and quickly, without any gestures or demands, but on the contrary with helpfulness and kindness*”.

ESG governance

EP Group has adopted ESG policies which are being gradually implemented across the EP Group entities. These policies reflect our consciousness of immense responsibility for ESG issues by the whole EP Group. The policies aligned the already existing local principles with a common and comprehensive set of unified principles and detailed guidelines for our daily activities. These policies are:

- | | |
|---|---|
| • ESG Master Policy | • Sanctions Policy |
| • Environmental Policy | • Anti-Trust Law Policy |
| • Operational Policy | • KYC Directive |
| • Code of Conduct | • Bio-Diversity Policy |
| • Procurement Policy | • Policy on Reporting of Serious Concerns |
| • Tax Governance Policy | • Asset Integrity Policy |
| • Anti-Corruption and Anti-Bribery Policy | • Equality, Diversity, and Inclusion Policy |
| • Anti-Financial Crime Policy | • Cybersecurity Principles |

These policies are supported by internal procedures, training initiatives and compliance monitoring activities, ensuring that ESG requirements are consistently applied across diverse business segments and jurisdictions.

Corruption and breaches

EP Group maintains consistently high standards in ethics throughout its operations and supply chain and does not tolerate corruption or other forms of misconduct at any level. Any breaches of this could result in major and serious reputational damage to the Group. Compliance with relevant laws and internal policies is an integral part of decision-making processes, including when entering into relationships with suppliers, partners or other third parties.

In line with EP Group KYC Directive, compliance requirements are systematically factored into business relationships. While these principles were adhered to in the past, their importance is increasing in today’s environment and as such, EP Group has decided to formalise those into an overall policy applicable across the EP Group, including all subsidiaries.

Through this governance framework, EP Group seeks to mitigate ESG-related risks, uphold high standards of corporate conduct and support sustainable, long-term value creation.

5.

Corporate governance

Board of Directors

The Board of Directors is composed of four members, all of whom serve as executive directors. Its members are elected by the EP Group’s general meeting of shareholders (the “General Meeting”) for a twenty-year term, and re-election is permitted. Directors are required to perform their duties with due loyalty, expertise and care, and they bear full responsibility for the proper performance of their functions in accordance with the Czech Corporations Act.

As the EP Group’s statutory body, the Board of Directors manages the Company’s operations and represents it externally. Unless otherwise provided by applicable laws or regulations, no individual or body is entitled to issue binding instructions to the Board of Directors regarding the Company’s business management. The detailed powers and responsibilities of the Board of Directors are set out in the Articles of Association.

The members of the Board of Directors are actively involved in the Company’s day-to-day management and are authorized to decide on the business management of the Company or its individual parts. Responsibilities for the daily management of the Company’s principal business activities are allocated among the individual members according to their primary areas of expertise. Each member is obliged to keep the Board of Directors appropriately informed about the management of the Company’s affairs.

Responsibility for decisions concerning the fundamental direction of the Company’s business management and supervision rests jointly with all members of the Board of Directors. The allocation of responsibilities among individual members does not relieve the other members of their equal responsibility for the decisions of the Board of Directors. Decisions of the Board of Directors are adopted by a simple majority of votes of all its members, with each member having one vote. Per rollam voting is allowed.

Members of the Board of Directors:

Daniel Křetínský

BoD Chairman & CEO

Mr. Křetínský is the majority shareholder and Group CEO, responsible for overall strategy, major M&A or capital allocation decisions. He holds positions in various statutory and supervisory boards within the EP Group, including Chairman of the Board of Directors of EPH, as well as leadership positions in other EP Group entities, including IDS and CMI.

Apart from positions within EP Group, Mr. Křetínský is majority shareholder of EP Equity Investment S. à r.l. (EPEI) which holds a diversified investment portfolio including major international retailer and service companies, including Casino Guichard-Perrachon and PostNL. He is also prominent shareholder and Chairman of the Board of Directors of AC Sparta Praha and holds a significant stake in the Premier League club West Ham United F.C.

Mr. Křetínský earned doctoral degree (JUDr.) at the Faculty of Law at Masaryk University in Brno and bachelor’s degree in Political Science.

Pavel Horský

Member & CFO

Mr. Horský is responsible for financing, treasury, tax, risk management and operational coordination and management across EP Group and serves as the Group’s Chief Financial Officer (CFO). Furthermore, he also holds board position in EPH and EPIF and serves in number of roles within key Group subsidiaries.

Mr. Horský graduated with a Master’s degree in Mathematics and Physics from Masaryk University in Brno.

Marek Spurný

Member & CLC

Mr. Spurný is Member of the Board of Directors and Chief Legal Counsel of EP Group. He leads transactions execution and is responsible for legal structuring, M&A, regulatory matters and governance support within the Group. Mr. Spurný spent five years at the Czech Securities Commission before joining the Group and becoming member of multiple boards of EPH’s key subsidiaries.

Mr. Spurný holds a degree in Law from Palacký University in Olomouc.

Jan Špringl

Member, Energy segment

Mr. Špringl is the Member of the Board of Directors of EP Group who predominantly specializes in Energy segment. He is Vice Chairman of the Board of Directors as well as CEO of EPH. Being the supervisor of group’s diverse energy operations, Mr. Špringl holds many positions on the statutory and supervisory boards within the EPH and EP Energy Transition, a.s.

Mr. Špringl earned a Master’s degree from the Faculty of Business Administration at the Prague University of Economics and Business (VŠE).

Supervisory board

The Supervisory Board comprises three members, who are elected by the General Meeting. Each member is elected for a twenty-year term and may be re-elected. The Board is tasked with overseeing the operations of EP Group, as well as monitoring the Board of Directors in their management of EP Group. It addresses matters set out in the Czech Corporations Act and the Articles of Association. The Supervisory Board is empowered to examine all documents relating to EP Group’s activities, including financial affairs, financial statement reviews, and proposals for profit distribution. No individual has the authority to instruct the Supervisory Board regarding its oversight of the Board of Directors’ management of EP Group. The Board must observe the principles and guidelines approved by the General Meeting of shareholders, as long as these comply with legal regulations and the Articles of Association.

Decisions of the Supervisory Board are adopted by a simple majority of votes of all its members, with each member having one vote. Per rollam voting is allowed.

Members of the Supervisory Board:

Petr Sekanina – Chairman

Tereza Štefunková – Member

Jana Bodnárová – Member

Shareholders

As at 31 December 2025 and 31 December 2024, the shareholders of the Company are EP Investment S.à r.l. and Tiliacordata Limited.

EP Investment S.à r.l. holds 4,000,002 shares, representing 89.29% of the share capital and 89.29% of the voting rights, while Tiliacordata Limited holds 480,000 shares, corresponding to 10.71% of the share capital and 10.71% of the voting rights.

The total shares amount to 4,480,002 representing 100.00% of both the share capital and the voting rights.

6. Other Information

Rights and obligations associated with shares

Act No. 90/2012 Coll., Commercial Companies, as amended, and the Company’s Articles of Association govern the rights and obligations associated with the Company’s shares. The current version of Articles of Association is placed into the collection of documents of the Commercial Register maintained by the Municipal Court in Prague.

LEI code

The Company was registered with LEI (Legal Entity Identifier) code No. 31570001XVEPAYIMH375 CDCP (Centrální depozitář cenných papírů). LEI codes of other companies within the Group can be found on <https://search.gleif.org/#/search/>.

Branches

The Company does not have any organizational units or branches abroad.

Research and development activities

In 2025, the Company did not carry out any significant research and development activities and as a result did not incur any material research and development costs.

Acquisition of own shares or own ownership interests

During 2025, the Company did not acquire any own shares or ownership interests.

Risks and risk management policies

The Group is exposed to a variety of financial and market risks. The risk management policies are set out in the notes to the Consolidated Financial Statements.

Events that occurred after the reporting date

Except for the subsequent events described in the Note 37 of Consolidated Financial Statements as of and for the year ended 31 December 2025, EP Group’s management is not aware of any additional subsequent events that occurred after the reporting date.

Outlook for 2026

Looking ahead to 2026, EP Group intends to build on the strengths of its broad multi-segment structure, leveraging diversification across energy, logistics and wholesale & retail to support stable performance in an evolving macroeconomic environment. The Group’s strategy remains centred on prudent capital allocation, disciplined portfolio management and the continued reinforcing the operating resilience.

Within its energy platform, the Group will continue supporting system stability and energy transition efforts across its generation and infrastructure portfolios, while maintaining secure and reliable energy supply in all markets in which it operates. Gradual decarbonisation, operational optimisation and disciplined investment remain the key strategic priorities.

Following the expansion of the Group’s structure in recent periods, 2026 will focus on the operational integration, alignment and development of the newly acquired businesses. IDS will further advance its operational transformation, including the phased implementation of Universal Service reform at Royal Mail, with a focus on modernisation, service resilience and workforce capability development, reinforcing the Group’s logistics footprint. In parallel, METRO AG is expected to continue building on its commercial strengths and efficiency initiatives under its sCore strategy, supporting cash-flow generation within the broader Group portfolio.

Across the entire Group, continued priorities include employee health and safety, the secure operation of essential infrastructure and responsible corporate governance. EP Group expects to continue strengthening its business through internal development, synergy extraction across segments and selective opportunities that support long-term sustainable growth.

II. Management Statement

The Board of Directors and the Executive Board have today considered and adopted the Annual Report of EP Group, a.s. for the year ended 31 December 2025, which is prepared in accordance with the Czech accounting legislation.

The Statutory Financial Statements of the Company have been prepared in compliance with Act No. 563/1991 Coll., on Accounting, as amended, and relevant regulations and decrees applicable to entrepreneurs, in particular Decree No. 500/2002 Coll., implementing certain provisions of Act No. 563/1991 Coll., on Accounting.

The Consolidated Financial Statements of the EP Group, a.s. have been prepared in accordance with International accounting standards (IAS) and International Financial Reporting Standards (IFRS) issued by International Accounting Standards Board (IASB), as adopted by the European Union.

In our opinion, both accompanying financial statements give true and fair view of the assets, liabilities, financial position, profit or loss as well as cash flows for the financial year 2025. In addition, the Group's review of operations includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group.

We recommend the Annual Report for authorisation and approval at the Annual General Meeting.

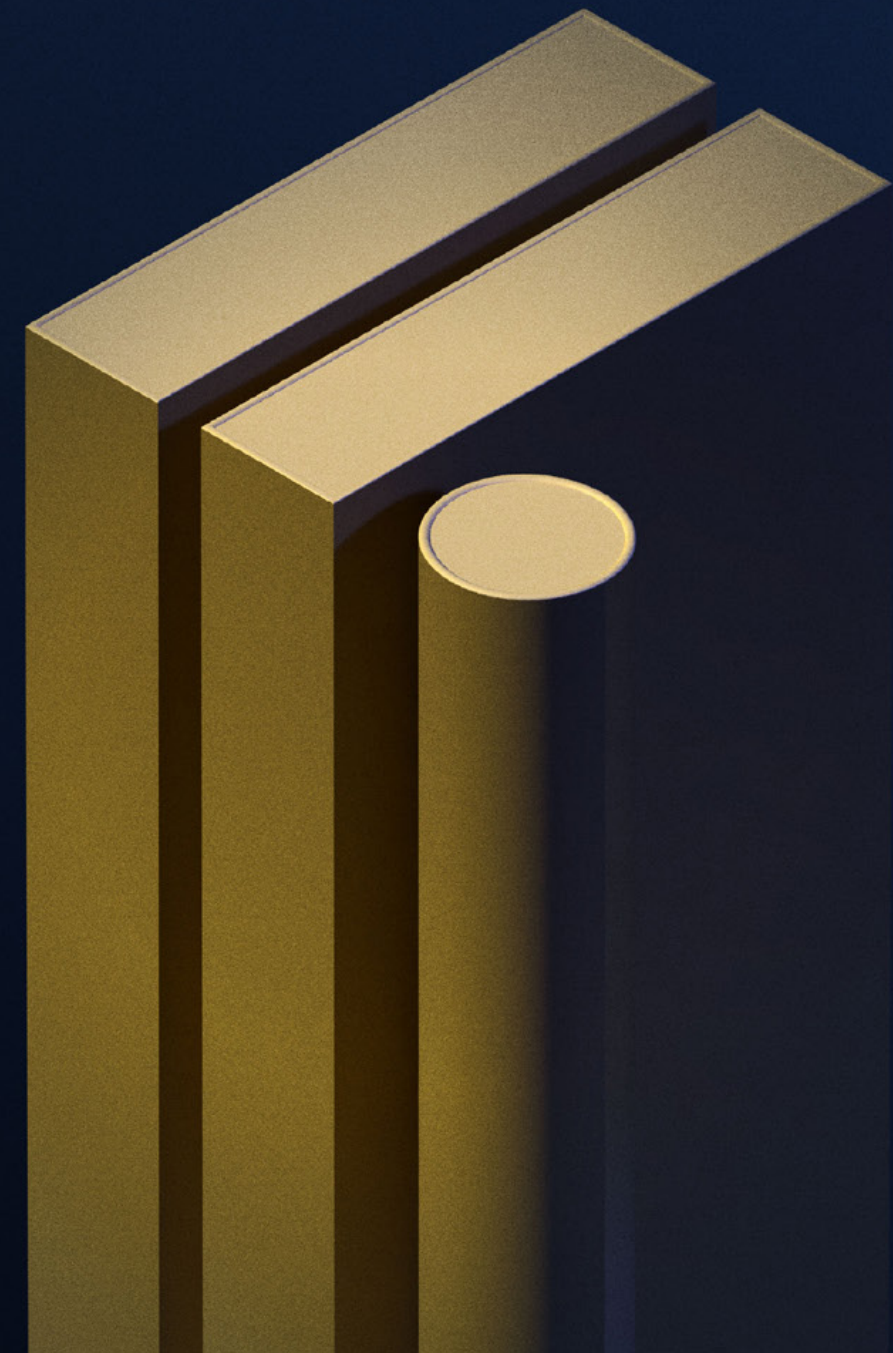
Prague, 22 May 2026

Daniel Křetínský

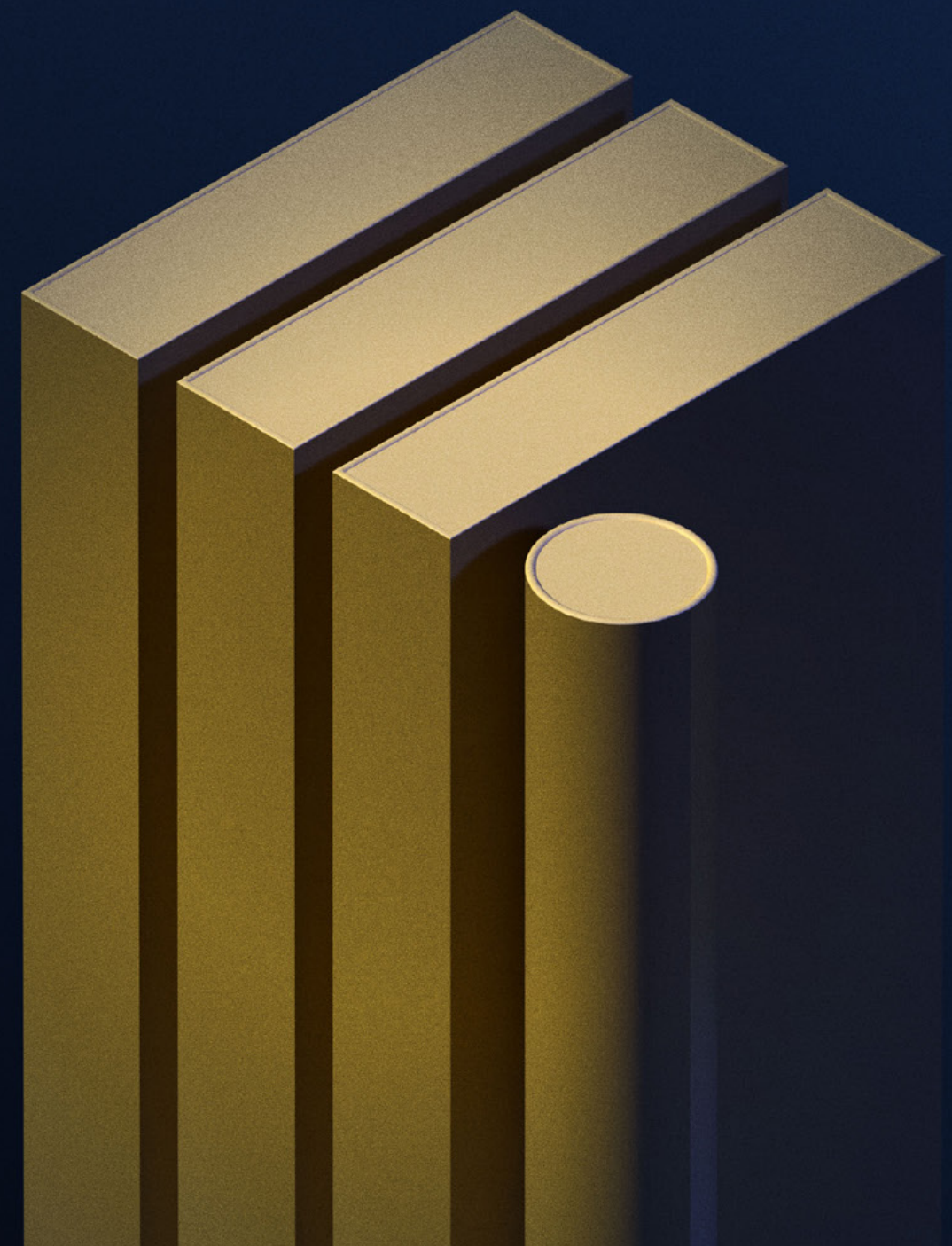
Chairman of the Board of Directors

Pavel Horský

Member of the Board of Directors



III. Report on Relations



Report on relations

between the controlling and controlled entities and relations between the controlled entity and other entities controlled by the same controlling entity (related entities)

prepared by the Board of Directors of EP Group, a.s. with its registered office at Pařížská 130/26, Josefov, 110 00 Praha 1, Corporate ID: 086 49 197, in accordance with Section 82 (1) of Act No. 90/2012 Coll., on Business Corporations and Cooperatives, as amended

(“the Report”)

I. Preamble

The Report has been prepared pursuant to Section 82 (1) of the Act on Business Corporations and Cooperatives (the Business Corporations Act) (Act No. 90/2012 Coll., as amended).

The Report has been submitted for review to the Company’s Supervisory Board in accordance with Section 83 (1) of the Act on Business Corporations and Cooperatives (the Business Corporations Act) (Act No. 90/2012 Coll., as amended) and the Supervisory Board’s position will be communicated to the Company’s General Meeting deciding on the approval of the Company’s ordinary financial statements and on the distribution of the Company’s profit or the settlement of its loss.

The Report has been prepared for the 2025 reporting period.

II. Structure of relations between the entities

Controlled entity

The controlled entity is EP Group, a.s. with the registered office at Pařížská 130/26, Josefov, 110 00 Praha 1, Corporate ID: 086 49 197, recorded in the Register of Companies maintained by the Municipal Court in Prague, File B, Insert 24846.

Directly controlling entites

EP Investment S.à r.l.
Registered office: 2 Place de Paris, L-2314 Luxembourg, Grand Duchy of Luxembourg
Reg. No.: B184.488
Legal status: société à responsabilité limitée

Other controlled entities

The structure of relations between the controlling entity EP Investment S.à r.l. and groups of controlled entities controlled by this controlling entity is specified in Appendix 1 to the Report. The appendix, therefore, does not include the complete ownership structure of EP Investment S.à r.l., nor does it include shareholders holding non-controlling interests.

III. Role of the controlled entity; method and means of control

Role of the controlled entity

- strategic management of the development of a group of directly or indirectly controlled entities
- providing financing and developing financing systems for group entities
- optimising the services utilised/provided in order to improve the entire group’s performance
- managing, acquiring and handling the Company’s equity investments and other assets

Method and means of control

The controlling entity holds a majority share of voting rights in EP Group, a.s. over which it exercises a controlling influence.

IV. Overview of acts made pursuant to Section 82 (2) (d) of Act No. 90/2012 Coll., on Business Corporations and Cooperatives (the Business Corporations Act)

During the 2025 financial year, no actions were taken at the initiative or in the interest of the controlling entity in respect of assets exceeding 10% of the controlled entity’s equity as determined from the most recent financial statements.

V. Agreements concluded between EP Group, a.s. and Other Related Parties

V.1.1

In 2025, the following loan agreements concluded with companies in the EP Investment S.à r.l. Group were effective:

On 12 March 2025, a loan agreement was signed between EP Group, a.s., as the creditor and EP Investment S.à r.l. as the debtor.

In 2025, the following loan agreements concluded with companies in the EP Group, a.s. were effective:

On 22 December 2020, a loan agreement, including effective amendments, was signed between EP Group, a.s. as the creditor and EP Global Commerce a.s. as the debtor.

On 15 September 2025, a loan agreement, including effective amendments, was signed between EP Group, a.s. as the creditor and EP Heat & Power a.s. as the debtor.

In 2025, the following loan agreements concluded with companies in the Energetický a průmyslový holding, a.s. Group were effective:

On 30 June 2023, a loan agreement, including effective amendments, was signed between EP Group, a.s. as the debtor and Energetický a průmyslový holding, a.s. as the creditor.

On 24 February 2025, a loan agreement was signed between EP Group, a.s. as the debtor and Energetický a průmyslový holding, a.s. as the creditor.

V.1.2

In 2025, the following agreements on an additional equity contribution were concluded with companies in the EP Group, a.s.:

On 6 February 2025, an agreement on an additional equity contribution was signed between EP Group, a.s. as the shareholder and EP Energy Transition, a.s.

On 7 May 2025, an agreement on an additional equity contribution was signed between EP Group, a.s. as the shareholder and EP Distribution Services a.s.

On 9 May 2025, an agreement on an additional equity contribution was signed between EP Group, a.s. as the shareholder and EP Distribution Services, a.s.

On 13 May 2025, an agreement on an additional equity contribution was signed between EP Group, a.s. as the shareholder and EP Energy Transition, a.s.

On 26 June 2025, an agreement on an additional equity contribution was signed between EP Group, a.s. as the shareholder and EP Heat & Power, a.s.

On 15 July 2025, an agreement on an additional equity contribution was signed between EP Group, a.s. as the shareholder and EP Distribution Services, a.s.

On 12 August 2025, an agreement on an additional equity contribution was signed between EP Group, a.s. as the shareholder and EP Energy Transition, a.s.

On 12 September 2025, an agreement on an additional equity contribution was signed between EP Group, a.s. as the shareholder and EP Distribution Services, a.s.

On 12 December 2025, an agreement on an additional equity contribution was signed between EP Group, a.s. as the shareholder and EC Investments, a.s.

On 19 December 2025, an agreement on an additional equity contribution was signed between EP Group, a.s. as the shareholder and EP Global Commerce a.s.

In 2025, the following agreements on an additional equity contribution were concluded with companies in the Energetický a průmyslový holding, a.s. Group:

On 27 June 2025, an agreement on an additional equity contribution was signed between EP Group, a.s. as the shareholder and Energetický a průmyslový holding, a.s.

On 6 October 2025, an agreement on an additional equity contribution was signed between EP Group, a.s. as the shareholder and Energetický a průmyslový holding, a.s.

In 2025, the following agreements on an additional equity contribution were concluded with companies in the EP Investment S.à r.l. Group:

On 7 May 2025, an agreement on an additional equity contribution was signed between EP Investment S.à r.l. as the shareholder and EP Group, a.s.

V.1.3

In 2025, the following agreements on the assignment of a receivable or payable and netting agreements were concluded with companies in the EP Group, a.s.:

On 7 May 2025, a netting agreement was signed between EP Group, a.s. and EP Distribution Services, a.s.

On 7 May 2025, an assignment of receivables agreement was signed between EP Group, a.s. and EP Distribution Services, a.s.

In 2025, the following agreements on the assignment of a receivable or payable and netting agreements were concluded with companies in the EP Investment S.à r.l. Group:

On 7 May 2025, a netting agreement was signed between EP Investment S.à r.l. and EP Group, a.s.

On 7 May 2025, an assignment of receivables agreement was signed between EP Investment S.à r.l. and EP Group, a.s.

On 11 September 2025, a netting agreement was signed between EP Group, a.s. and EP Investment S.à r.l.

V.1.4

In 2025, the following other agreements were concluded with companies in the EP Investment S.à r.l. Group:

On 25 June 2025, a stock purchase agreement was signed between EP Group, a.s. as the seller and EP Equity Investment S.à r.l. as the buyer.

On 25 June 2025, an agreement on the future transfer of an equity investment and further cooperation was entered into between EP Group, a.s., as the transferor and EP Equity Investment S.à r.l. as the acquirer.

In 2025, the following other agreements were concluded with companies in the EP Group, a.s.:

On 16 December 2025, an agreement on the provision of guarantees was signed between EP Group, a.s. as the provider and EP Energy Transition, a.s. as the applicant.

V.1.5

In 2025, the following operating agreements concluded with companies in the Energetický a průmyslový holding, a.s. Group were effective:

Sublease agreement for business premises dated 30 October 2019 between EP Investment Advisors, s.r.o. as the tenant and EP Group Investments a.s. as the subtenant.

Professional services agreement dated 28 February 2022 between EP Investment Advisors, s.r.o. as the provider and EP Group, a.s. as the recipient with an effective date of 1 January 2021.

Professional services agreement between Energetický a průmyslový holding, a.s. as the provider and EP Group, a.s. as the recipient with an effective date of 1 January 2022.

Professional services agreement between POWERSUN, a.s. as the provider and EP Group, a.s. as the recipient with an effective date of 1 January 2024.

In 2025, the following operating agreements concluded with companies in the EP Group, a.s. were effective:

Professional services agreement concluded between EP Group, a.s. as the provider and EP Distribution Services, a.s. as the recipient with an effective date of 1 January 2024.

Professional services agreement concluded between EP Group, a.s. as the provider and EP BidCo, a.s. as the recipient with an effective date of 1 January 2024.

Professional services agreement concluded between EP Group, a.s. as the provider and EP Energy Transition a.s. as the recipient with an effective date of 1 January 2024.

Professional services agreement concluded between EP Group, a.s. as the provider and FVE Holding, s.r.o. as the recipient with an effective date of 18 December 2024.

Professional services agreement concluded between EP Group, a.s. as the provider and FVE Čejkovice, s.r.o. as the recipient with an effective date of 18 December 2024.

Professional services agreement concluded between EP Group, a.s. as the provider and FVE Němčice, s.r.o. as the recipient with an effective date of 18 December 2024.

Professional services agreement concluded between EP Group, a.s. as the provider and FVE Slušovice, s.r.o. as the recipient with an effective date of 18 December 2024.

Professional services agreement concluded between EP Group, a.s. as the provider and FVE Napajedla, s.r.o. as the recipient with an effective date of 18 December 2024.

Professional services agreement concluded between EP Group, a.s. as the provider and FVE Recycle, s.r.o. as the recipient with an effective date of 18 December 2024.

Professional services agreement concluded between EP Group, a.s. as the provider and EP Sourcing, a.s. as the recipient with an effective date of 1 January 2025.

Professional services agreement concluded between EP Group, a.s. as the provider and United Energy, a.s. as the recipient with an effective date of 1 January 2025.

Professional services agreement concluded between EP Group, a.s. as the provider and Elektrárny Opatovice, a.s. as the recipient with an effective date of 6 January 2025.

In 2025, the following operating agreements concluded with companies in the EP Investment S.à r.l. Group were effective:

Professional services agreement concluded between EP Group, a.s. as the provider and EP Real Estate, a.s. as the recipient with an effective date of 1 January 2024.

V.2.

Other legal acts between EP Group, a.s. and other related parties

Apart from the above, no other agreements have been concluded between EP Group, a.s. and related parties and there has been no performance or consideration between EP Group, a.s. and related parties.

EP Group, a.s. has not taken or carried out any other legal acts or measures in the interest of or at the instigation of related parties.

V.3.

Transactions, receivables and payables of EP Group, a.s. toward related parties

Receivables and payables of EP Group, a.s. toward related parties as of 31 December 2025 will be disclosed in the relevant note to the financial statements of the controlled entity for 2025.

VI.

We hereby confirm that this Report on relations between related entities of EP Group, a.s., prepared pursuant to the provisions of Section 82 (1) of the Act on Business Corporations and Cooperatives (the Business Corporations Act) (Act No.90/2012 Coll., as amended), for the reporting period from 1 January 2025 to 31 December 2025, includes all information known as at the date of signing this Report, regarding:

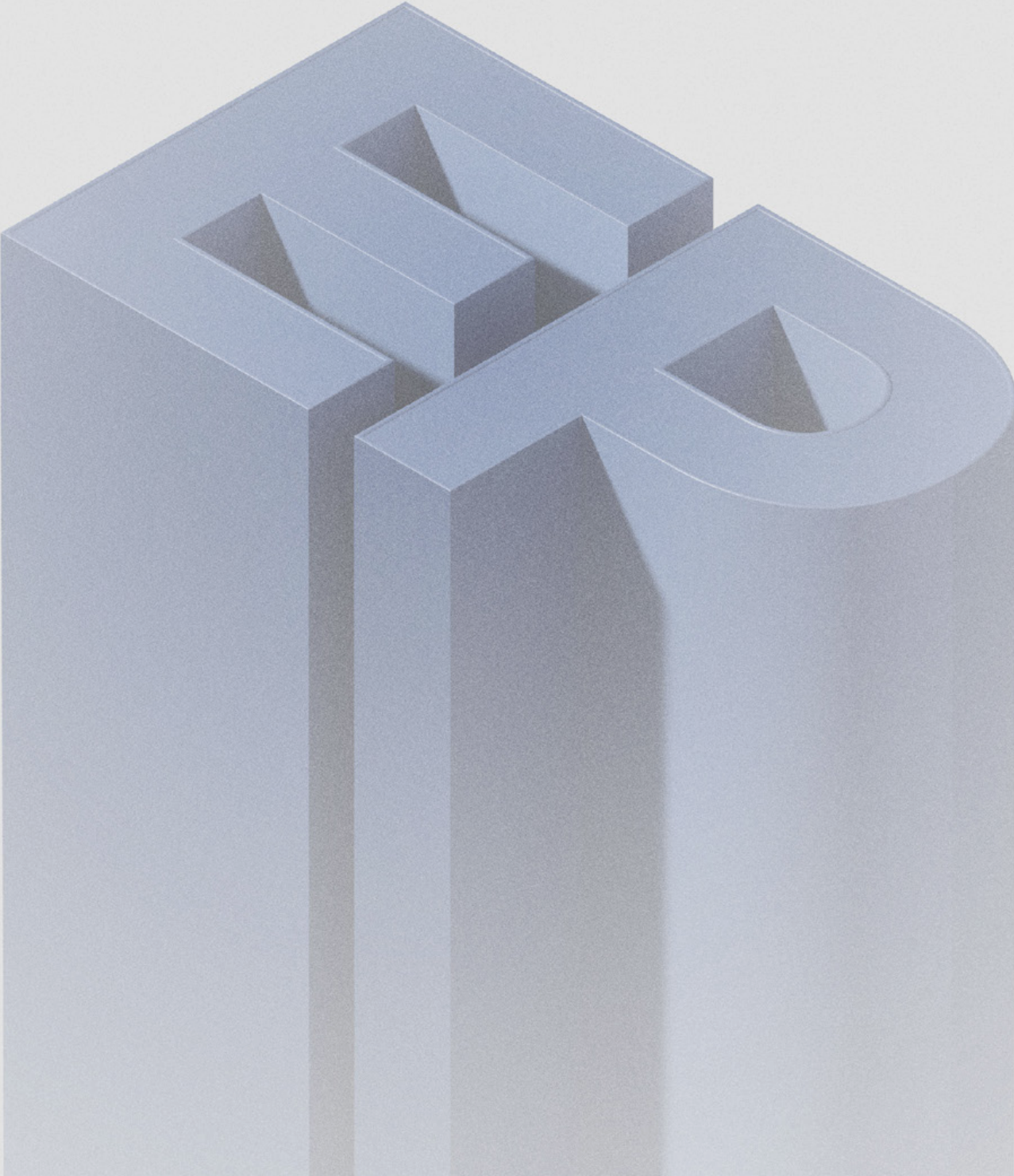
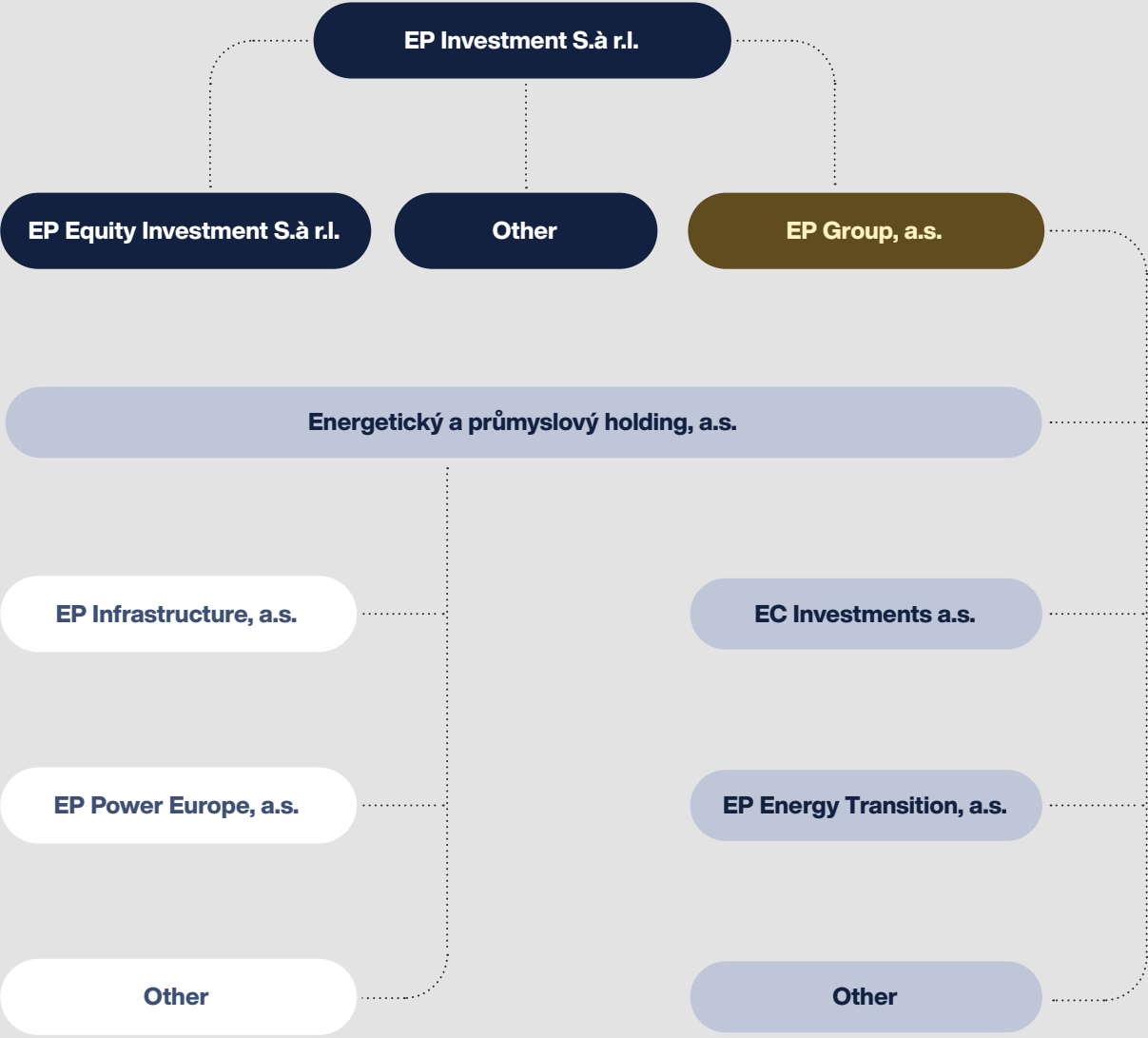
- agreements between related parties
- performance and counter-performance provided to related parties
- other juridical acts carried out in the interest of related entities and
- all measures taken or implemented in the interest of or at the initiative of related entities.

The Board of Directors of EP Group, a.s. further declares that EP Group, a.s. incurred no damage as a result of the actions of the controlling entity or any entity controlled by the same entity. All transactions between the controlled and the controlling entity or entities controlled by the same entity were conducted at arm’s length. The contractual and other relations with related entities resulted in no loss or financial advantage or disadvantage to EP Group, a.s.

In Prague, on 31 March 2026

Daniel Křetínský Chairman of the Board of Directors of EP Group, a.s.	Pavel Horský Member of the Board of Directors of EP Group, a.s.
--	--

Appendix 1



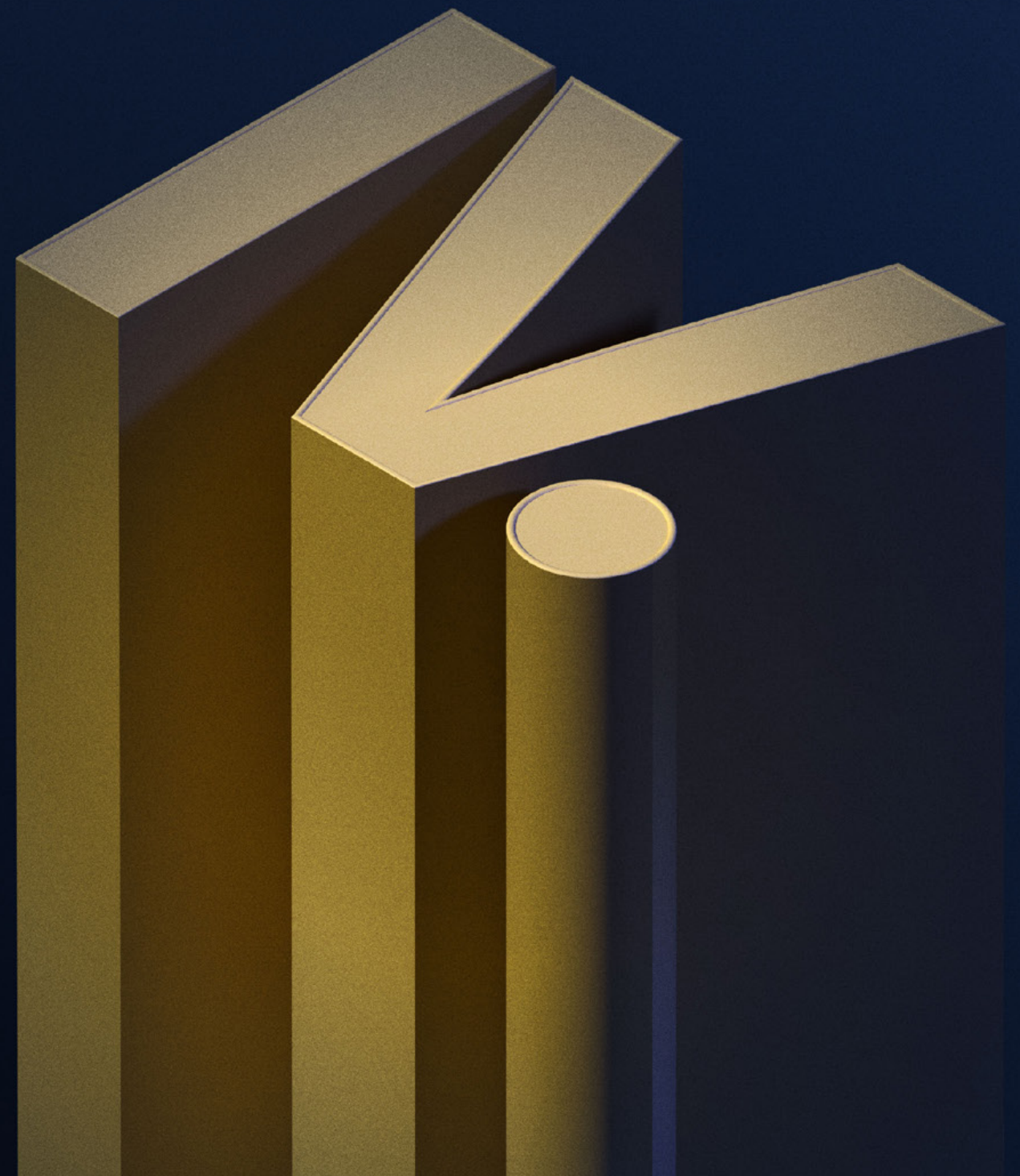
IV. Consolidated Audit Report

Deloitte.

Deloitte Audit s.r.o.
Churchill I
Italská 2581/67
120 00 Prague 2 – Vinohrady
Czech Republic

Tel: +420 246 042 500
DeloitteCZ@deloitteCE.com
www.deloitte.cz

Registered by the Municipal Court in Prague,
Section C, File 24349
ID. No.: 49620592
Tax ID. No.: CZ49620592



INDEPENDENT AUDITOR'S REPORT

To the Shareholders of EP Group, a.s.

Having its registered office at: Pařížská 130/26, Josefov, 110 00 Praha 1

Opinion

We have audited the accompanying consolidated financial statements of EP Group, a.s. and its subsidiaries (the "Group") prepared on the basis of International Financial Reporting Standards (IFRS * Accounting Standards) adopted by the European Union, which comprise the consolidated statement of financial position as at 31 December 2025, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the European Union.

Basis for Opinion

We conducted our audit in accordance with the Act on Auditors and Auditing Standards of the Chamber of Auditors of the Czech Republic, which are International Standards on Auditing (ISAs), as amended by the related application guidelines. Our responsibilities under this law and regulation are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Act on Auditors and the Code of Ethics adopted by the Chamber of Auditors of the Czech Republic and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information in the Consolidated Annual Report

In compliance with Section 2(b) of the Act on Auditors, the other information comprises the information included in the Consolidated Annual Report other than the financial statements, consolidated financial statements and auditor's reports thereon. The Board of Directors is responsible for the other information.

Our opinion on the consolidated financial statements does not cover the other information. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. In addition, we assess whether the other information has been prepared, in all material respects, in accordance with applicable law or regulation, in particular, whether the other information complies with law or regulation in terms of formal requirements and procedure for preparing the other information in the context of materiality, i.e. whether any non-compliance with these requirements could influence judgments made on the basis of the other information.

Based on the procedures performed, to the extent we are able to assess it, we report that:

- The other information describing the facts that are also presented in the consolidated financial statements is, in all material respects, consistent with the consolidated financial statements; and
- The other information is prepared in compliance with applicable law or regulation.

In addition, our responsibility is to report, based on the knowledge and understanding of the Group obtained in the audit, on whether the other information contains any material misstatement of fact. Based on the procedures we have performed on the other information obtained, we have not identified any material misstatement of fact.

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited (DTTL), its global network of member firms, and their related entities (collectively, the "Deloitte organization"). DTTL (also referred to as "Deloitte Global") and each of its member firms and related entities are legally separate and independent entities, which cannot obligate or bind each other in respect of third parties. DTTL and each DTTL member firm and related entity is liable only for its own acts and omissions, and not those of each other. DTTL does not provide services to clients. Please see www.deloitte.com/about to learn more.

C216E2C3E3F99A4EDC19CAE85C9572FA

Responsibilities of the Company's Board of Directors and Supervisory Board for the Consolidated Financial Statements

The Board of Directors is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards as adopted by the European Union and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is 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 Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Supervisory Board is responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the above law or regulation, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors and the Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

In Prague on 22 May 2026

Audit firm:

Deloitte Audit s.r.o.
registration no. 079

Statutory auditor:

Ladislav Šauer
registration no. 2261

C216E2C3E3F99A4EDC19CAE85C9572FA

V. Consolidated financial statements

In this section

Consolidated statement of comprehensive income	68	19. Inventories	171
Consolidated statement of financial position	70	20. Trade receivables and other assets	172
Consolidated statement of changes in equity	72	21. Receivables to nuclear and mining funds	173
Consolidated statement of cash flows	76	22. Cash and cash equivalents	175
Notes to the consolidated financial statements	79	23. Assets and liabilities held for sale	176
1. Background	79	24. Equity	177
2. Basis of preparation	80	25. Non-controlling interest	180
3. Material accounting policies	86	26. Loans and borrowings	183
4. Determination of fair values	115	27. Provisions	198
5. Operating segments	118	28. Deferred income	209
6. Acquisitions and disposals of subsidiaries, joint ventures, joint operations and associates	128	29. Financial instruments	210
7. Revenues	138	30. Trade payables and other liabilities	216
8. Purchases and consumables	140	31. Commitments and contingencies	218
9. Services	141	32. Leases	220
10. Personnel expenses	142	33. Risk management policies and disclosures	223
11. Emission rights, net	142	34. Related parties	249
12. Other operating income (expense), net	143	35. Group entities	251
13. Net finance income (expense)	144	36. Litigations and claims	254
14. Income tax expenses	145	37. Subsequent events	255
15. Property, plant and equipment	149	Appendix 1 – Business combinations	257
16. Intangible assets (including goodwill)	153	Appendix 2 – Restated Consolidated statement of comprehensive income	263
17. Equity accounted investees	157	Appendix 3 – Restated Consolidated statement of financial position	265
18. Deferred tax assets and liabilities	167	Appendix 4 – Restated Consolidated statement of cash flows	269



EP Group, a.s.

**Consolidated Financial Statements
as of and for the year ended
31 December 2025**

Consolidated statement
of comprehensive income

For the year ended 31 December 2025
In millions of EUR (“MEUR”)

	Note	2025	2024 restated*
Revenues	7	66,837	27,549
Purchases and consumables	8	(44,570)	(16,077)
Subtotal		22,267	11,472
Services	9	(3,838)	(1,380)
Personnel expenses	10	(9,153)	(1,400)
Depreciation, amortization and impairment	15, 16	(2,814)	(1,789)
Emission rights, net	11	(4,048)	(4,378)
Bargain purchase gain	6	2,280	–
Own work, capitalized		136	65
Other operating income (expense), net	12	(24)	(770)
Profit from operations		4,806	1,820
Finance income	13	1,434	367
Change in impairment on financial instruments and other financial assets	13	(82)	30
Finance expense	13	(1,221)	(759)
Net finance income (expense)		131	(362)
Share of profit of equity accounted investees, net of tax	17	80	321
Gain from disposal of subsidiaries, joint ventures, joint operations and associates	6	166	1
Profit before income tax		5,183	1,780
Income tax expenses	14	(633)	(668)
Profit for the year		4,550	1,112

Consolidated statement
of comprehensive income

(continued)

For the year ended 31 December 2025
In millions of EUR (“MEUR”)

	Note	2025	2024 restated*
Items that are not reclassified subsequently to profit or loss			
Revaluation of property, plant and equipment, net of tax	14, 15	–	(139)
Fair value reserve included in other comprehensive income, net of tax	14	109	(372)
Share of the other comprehensive income of equity accounted investees, net of tax		1	(1)
Items that are or may be reclassified subsequently to profit or loss			
Foreign currency translation differences for foreign operations	14	(63)	18
Effective portion of changes in fair value of cash-flow hedges, net of tax	14	(32)	(207)
Share of the other comprehensive income of equity accounted investees, net of tax		(4)	(133)
Other comprehensive income for the year, net of tax		11	(834)
Total comprehensive income for the year		4,561	278
Profit attributable to:			
Owners of the Company		2,276	335
Non-controlling interest	25	2,274	777
Profit for the year		4,550	1,112
Total comprehensive income attributable to:			
Owners of the Company		2,340	(34)
Non-controlling interest	25	2,221	312
Total comprehensive income for the year		4,561	278

* Restated 2024 comparative information includes modifications described in Note 3(a) and Appendix 2.

The notes form an integral part of these consolidated financial statements.

Consolidated statement of financial position

As at 31 December 2025
In millions of EUR (“MEUR”)

	Note	31 December 2025	31 December 2024 restated*	1 January 2024 restated*
Assets				
Property, plant and equipment	15	38,147	14,882	14,851
Intangible assets and goodwill	16	4,777	3,239	4,422
Investment property		111	49	49
Equity accounted investees	17	1,001	1,610	1,337
Restricted cash		344	111	225
Financial instruments and other financial assets	29	584	819	1,983
Trade receivables and other assets	20	611	408	360
Pension fund surplus	27	1,872	50	45
Receivables to nuclear and mining funds	21	2,539	–	–
Prepayments and other deferrals		48	8	8
Current income tax receivable	14	11	–	–
Deferred tax assets	18	242	414	278
Total non-current assets		50,287	21,590	23,558
Inventories, extracted minerals and mineral products	19	4,068	1,014	1,322
Trade receivables and other assets	20	7,200	4,026	5,383
Pension fund surplus	27	8	2	5
Financial instruments and other financial assets	29	1,815	3,684	4,856
out of which: Term deposits at amortised cost		759	–	–
Prepayments and other deferrals		451	114	122
Current income tax receivable	14	286	182	140
Restricted cash		730	892	549
Cash and cash equivalents	22	9,689	8,540	7,511
Assets/disposal groups held for sale	23	26	339	–
Total current assets		24,273	18,793	19,888
Total assets		74,560	40,383	43,446

* Restated 2024 comparative information includes modifications described in Note 3(a) and Appendix 3.

Consolidated statement of financial position

(continued)

As at 31 December 2025
In millions of EUR (“MEUR”)

	Note	31 December 2025	31 December 2024 restated*	1 January 2024 restated*
Equity				
Share capital	24	2,577	2,577	2,577
Reserves	24	(1,380)	(2,411)	(2,597)
Retained earnings		7,066	3,518	3,869
Total equity attributable to equity holders		8,263	3,684	3,849
Non-controlling interest	25	12,674	8,420	8,589
Total equity		20,937	12,104	12,438
Liabilities				
Loans and borrowings	26	18,781	7,445	7,690
Financial instruments and financial liabilities	29	431	284	210
Provisions	27	8,252	4,858	4,475
Deferred income	28	590	88	95
Contract liabilities		158	138	120
Deferred tax liabilities	18	3,374	2,213	2,078
Current income tax liability	14	30	–	–
Trade payables and other liabilities	30	95	35	1,314
Total non-current liabilities		31,711	15,061	15,982
Trade payables and other liabilities	30	11,503	3,872	3,663
Contract liabilities		193	123	105
Loans and borrowings	26	2,574	2,475	2,691
Financial instruments and financial liabilities	29	1,003	936	2,439
Provisions	27	5,666	4,880	5,420
Deferred income	28	362	76	58
Current income tax liability	14	611	574	650
Liabilities from disposal groups held for sale	23	–	282	–
Total current liabilities		21,912	13,218	15,026
Total liabilities		53,623	28,279	31,008
Total equity and liabilities		74,560	40,383	43,446

The notes form an integral part of these consolidated financial statements.

Consolidated statement of changes in equity

For the year ended 31 December 2025
In millions of EUR (“MEUR”)

	Note	Share capital
Balance as at 1 January 2025 (A)		2,577
Total comprehensive income for the year:		
Profit or loss (B)		-
Other comprehensive income:		
Foreign currency translation differences for foreign operations	14, 24	-
Fair value reserve included in other comprehensive income, net of tax	14, 24	-
Effective portion of changes in fair value of cash-flow hedges, net of tax	14, 24	-
Share of the other comprehensive income of equity accounted investees, net of tax		-
Share of the other comprehensive income of equity accounted investees reclassified to profit or loss on disposal, net of tax		-
Total other comprehensive income (C)		-
Total comprehensive income for the year (D) = (B + C)		-
Contributions by and distributions to owners:		
Increase of share capital and other capital funds	24	-
Dividends to equity holders	25	-
Transfer to retained earnings		-
Transfer to non-distributable reserves – creation of legal fund		-
Share-based payments		-
Total contributions by and distributions to owners (E)		-
Changes in ownership interests in subsidiaries:		
Effect of disposed entities	6	-
Effect of acquisitions through business combinations	6	-
Effects of acquisition of non-controlling interests	6	-
Other effects in equity	6	-
Total changes in ownership interests in subsidiaries (F)		-
Total transactions with owners (G) = (E + F)		-
Balance as at 31 December 2025 (H) = (A + D + G)		2,577

Attributable to owners of the Company											
Reserves											
Other capital funds from capital contributions	Non-distributable reserves	Translation reserve	Fair value reserve	Revaluation reserve	Other capital reserves	Hedging reserve	Retained earnings	Total	Non-controlling interest	Total Equity	
755	30	137	(704)	531	(3,187)	27	3,518	3,684	8,420	12,104	
-	-	-	-	-	-	-	2,276	2,276	2,274	4,550	
-	-	2	-	-	-	-	-	2	(65)	(63)	
-	-	-	54	-	-	-	-	54	55	109	
-	-	-	-	-	-	-	-	-	(32)	(32)	
-	-	17	1	-	-	(9)	-	9	(11)	(2)	
-	-	(1)	-	-	-	-	-	(1)	-	(1)	
-	-	18	55	-	-	(9)	-	64	(53)	11	
-	-	18	55	-	-	(9)	2,276	2,340	2,221	4,561	
740	-	-	-	-	-	-	-	740	1,682	2,422	
-	-	-	-	-	-	-	(129)	(129)	(1,028)	(1,157)	
-	-	-	-	(17)	-	-	17	-	-	-	
-	21	-	-	-	-	-	(21)	-	-	-	
-	-	-	-	-	-	-	4	4	3	7	
740	21	-	-	(17)	-	-	(129)	615	657	1,272	
-	-	-	-	-	-	-	-	-	(40)	(40)	
-	-	-	5	-	-	-	(5)	-	3,226	3,226	
-	-	-	-	(1)	144	-	1,406	1,549	(1,868)	(319)	
-	-	-	-	-	75	-	-	75	58	133	
-	-	-	5	(1)	219	-	1,401	1,624	1,376	3,000	
740	21	-	5	(18)	219	-	1,272	2,239	2,033	4,272	
1,495	51	155	(644)	513	(2,968)	18	7,066	8,263	12,674	20,937	

The notes form an integral part of these consolidated financial statements.

Consolidated statement
of changes in equity

(continued)

For the year ended 31 December 2024

In millions of EUR (“MEUR”)

			Attributable to owners of the Company									
			Reserves								Non-controlling interest	Total Equity
Note	Share capital	Other capital funds from capital contributions	Non-distributable reserves	Translation reserve	Fair value reserve	Revaluation reserve	Other capital reserves	Hedging reserve	Retained earnings	Total		
Balance as at 1 January 2024 restated	2,577	686	9	105	(507)	577	(3,672)	205	3,869	3,849	8,589	12,438
Total comprehensive income for the year:												
Profit or loss (B)	-	-	-	-	-	-	-	-	335	335	777	1,112
Other comprehensive income:												
Foreign currency translation differences for foreign operations	14, 24	-	-	39	-	-	-	-	-	39	(21)	18
Fair value reserve included in other comprehensive income, net of tax	14, 24	-	-	-	(196)	-	-	-	-	(196)	(176)	(372)
Revaluation reserve included in other comprehensive income, net of tax	14, 24	-	-	-	-	(26)	-	-	-	(26)	(113)	(139)
Effective portion of changes in fair value of cash-flow hedges, net of tax	14, 24	-	-	-	-	-	-	(106)	-	(106)	(101)	(207)
Share of the other comprehensive income of equity accounted investees, net of tax		-	-	(7)	(1)	-	-	(72)	-	(80)	(54)	(134)
Total other comprehensive income (C)	-	-	-	32	(197)	(26)	-	(178)	-	(369)	(465)	(834)
Total comprehensive income for the year (D) = (B + C)	-	-	-	32	(197)	(26)	-	(178)	335	(34)	312	278
Contributions by and distributions to owners:												
Contributions to other funds	-	69	-	-	-	-	-	-	-	69	153	222
Dividends to equity holders	25	-	-	-	-	-	-	-	(696)	(696)	(1,004)	(1,700)
Transfer to retained earnings		-	-	-	-	(20)	-	-	21	1	(1)	-
Transfer to non-distributable reserves – creation of legal fund		-	21	-	-	-	-	-	(21)	-	-	-
Total contributions by and distributions to owners (E)	-	69	21	-	-	(20)	-	-	(696)	(626)	(852)	(1,478)
Changes in ownership interests in subsidiaries:												
Effect of changes in shareholding on non-controlling interest	6	-	-	-	-	-	-	-	10	10	(10)	-
Other effects in equity	6	-	-	-	-	-	485	-	-	485	381	866
Total changes in ownership interests in subsidiaries (F)	-	-	-	-	-	-	485	-	10	495	371	866
Total transactions with owners (G) = (E + F)	-	69	21	-	-	(20)	485	-	(686)	(131)	(481)	(612)
Balance as at 31 December 2024 restated (H) = (A + D + G)	2,577	755	30	137	(704)	531	(3,187)	27	3,518	3,684	8,420	12,104

The notes form an integral part of these consolidated financial statements.

Consolidated statement of cash flows

For the year ended 31 December 2025
In millions of EUR (“MEUR”)

	Note	2025	2024 restated*
OPERATING ACTIVITIES			
Profit for the year		4,550	1,112
Adjustments for:			
Income tax expenses	14	633	668
Depreciation, amortization and impairment	15, 16	2,814	1,789
Dividend income	13	(24)	(108)
Change in impairment on financial instruments and other financial assets	13	82	(30)
Change in fair value of property, plant and equipment		(50)	4
Non-cash (gain) loss from commodity and freight derivatives, net		(35)	338
(Gain) loss on disposal of property, plant and equipment, investment property and intangible assets	12	5	(9)
Emission rights, net	11	4,048	4,378
Share of profit of equity accounted investees	17	(80)	(321)
Gain from disposal of subsidiaries, joint ventures, joint operations and associates	6(d)	(166)	(1)
Gain from financial instruments	13	(3)	63
Profit from revaluation of previously held interest in equity accounted investee	6(b)	(1,064)	-
Net interest expense	13	558	384
Change in allowance for impairment to inventories and other assets	12	(10)	(5)
Change in provisions	27	109	484
Bargain purchase gain	6	(2,280)	-
Other finance fees		90	9
Foreign exchange (gains) losses, net		128	(43)
Other non-cash transactions		7	(1)
Operating profit before changes in working capital		9,312	8,711
Change in trade receivables, other assets, prepayment and other deferrals and contract assets		233	2,050
Change in inventories, extracted minerals and mineral products		144	229
Purchase and sale of emission rights		(3,089)	(4,423)
Change in assets held for sale and related liabilities		(120)	-
Change in trade payables and other liabilities, deferred income and contract liabilities		(785)	(996)
Change in restricted cash		(71)	(245)
Cash generated from (used in) operations		5,624	5,326
Income taxes paid		(887)	(871)
Cash flows generated from (used in) operating activities		4,737	4,455

Consolidated statement of cash flows

(continued)

For the year ended 31 December 2025
In millions of EUR (“MEUR”)

	Note	2025	2024 restated*
INVESTING ACTIVITIES			
Dividends received from associates and joint-ventures		95	16
Dividends received, other		13	107
Purchase of financial instruments		(10)	(124)
Loans provided to other entities		(1,695)	(1,221)
Repayment of loans provided to other entities		1,870	293
Contributions to Mining Funds	21	(600)	-
Contributions to National Nuclear Fund	21	(97)	-
Proceeds from sale (settlement) of financial instruments		1,740	215
Deposit of term deposits at amortised cost		(759)	-
Withdrawal of term deposits at amortised cost		21	-
Acquisition of property, plant and equipment and intangible assets	5	(2,199)	(1,041)
Proceeds from sale of property, plant and equipment and intangible assets		137	40
Proceeds from sale of assets held for sale		21	-
Acquisition of associates and joint ventures		(13)	(8)
Acquisition of subsidiaries and joint operations, net of cash acquired	6	(1,134)	(35)
Net cash inflow from disposal of subsidiaries	6	302	1
Advance paid for acquisitions		30	-
Capital contributions paid from associates and joint ventures		(36)	(52)
Interest received		249	248
Cash flows from (used in) investing activities		(2,065)	(1,561)

Consolidated statement of cash flows

(continued)

For the year ended 31 December 2025
In millions of EUR (“MEUR”)

	Note	2025	2024 restated*
FINANCING ACTIVITIES			
Contribution to equity from shareholders		115	69
Increase in participation in existing subsidiaries		(729)	-
Decrease in participation in existing subsidiaries		9	-
Proceeds from borrowings received	26	6,773	2,106
Repayment of borrowings	26	(7,710)	(2,600)
Proceeds from bonds issued, net of transaction fees	26	3,858	641
Repayment of bonds issued	26	(1,830)	(547)
Interest paid	26	(672)	(433)
Transaction fees	26	(31)	(16)
Payment of lease liability	26, 32	(566)	(99)
Contribution to other funds from minority shareholders		310	74
Distribution of other funds to minority shareholders		(227)	-
Dividends paid to non-controlling interests	26	(828)	(826)
Dividends paid to the owners of the Company	26	-	(178)
Cash flows from (used in) financing activities		(1,528)	(1,809)
Net increase in cash and cash equivalents		1,144	1,085
Cash and cash equivalents at beginning of the year		8,540	7,511
Effect of exchange rate fluctuations on cash held		5	(6)
Cash and cash equivalents at end of the year		9,689	8,590
Out of which cash and cash equivalents attributable to entities presented as held for sale		-	50

* Restated 2024 comparative information includes modifications described in Note 3(a) and Appendix 4.

The notes form an integral part of these consolidated financial statements.

Notes to the consolidated financial statements

1. Background

EP Group, a.s. (the “Parent Company” or “the Company” or “EPG”) is a joint-stock company, with its registered office at Pařížská 130/26, 110 00 Praha 1, Czech Republic. The Company was founded on 8 October 2019 and entered in the Commercial Register on 30 October 2019.

The consolidated financial statements of the Company for the year ended 31 December 2025 include the statements of the Parent Company and its subsidiaries and the Group’s interests in associates and joint-ventures (together referred to as the “Group” or the “EPG Group”). The most significant Group entities are listed in Note 35 – Group entities.

The main activities of the Group are in the energy infrastructure and power generation, as well as significant operations in logistics and wholesale and retail. In addition, the Group also operates in other sectors, including media and e-commerce.

The shareholders of the Company as at 31 December 2025 and 31 December 2024 were as follows:

	Interest in share capital		Voting rights
	MEUR	%	%
EP Investment S.à r.l.	2,301	89.29%	89.29%
Tiliacordata Limited	276	10.71%	10.71%
Total	2,577	100.00%	100.00%

The members of the Board of Directors of the Company as at 31 December 2025 were:

- Daniel Křetínský (Chairman of the Board of Directors)
- Marek Spurný (Member of the Board of Directors)
- Pavel Horský (Member of the Board of Directors)
- Jan Špringl (Member of the Board of Directors)

Transaction overview related to the shareholder structure of EPG Group

No change in the shareholder structure occurred in the years ended 31 December 2025 and 31 December 2024.

2.

Basis of preparation

a)

Statement of compliance

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS[®] Accounting Standards) adopted by the European Union.

The consolidated financial statements were approved by the Board of Directors on 22 May 2025.

b)

Basis of measurement

The consolidated financial statements have been prepared on a going-concern basis using the historical cost method, except for the following material items in the statement of financial position, which are measured at fair value:

- gas transmission pipelines and gas distribution pipelines at revalued amounts;
- gas inventories for trading at fair value less cost to sell;
- investment properties;
- derivative financial instruments;
- non-derivative financial instruments at fair value through profit or loss;
- financial instruments at fair value through other comprehensive income.

Non-current assets and disposal groups held for sale are stated at the lower of their carrying amount and fair value less costs to sell.

The accounting policies described in the following paragraphs have been consistently applied by the Group entities and between accounting periods.

c)

Recent developments and key events for the Group

Macroeconomic and geopolitical environment

The Group operates across a diversified portfolio of businesses spanning multiple sectors and geographies, which provides a natural degree of resilience to macroeconomic and geopolitical developments. At the same time, individual segments may be affected differently depending on the nature of such developments, with certain activities experiencing more favourable conditions while others may face increased challenges.

The Group continues to monitor geopolitical developments, including the ongoing military invasion in Ukraine and related international sanctions. The Parent Company has evaluated potential risks arising from this situation and implemented measures to mitigate any possible effects. Based on currently available information, management concluded that these circumstances do not have a material impact on the 2025 consolidated financial statements or the Group’s going concern assumption for 2026. While future developments cannot be fully predicted, management continues to observe the situation closely.

In early 2026, geopolitical tensions in the Middle East increased following the escalation of conflict involving Iran. This has led to temporary disruptions in international trade routes, including a reported decline in traffic through the Strait of Hormuz, an important global oil transport route, as well as increased volatility in global energy prices. Such developments are relevant to selected parts of the Group, particularly in segments where fuel costs, transportation routes and commodity prices represent key operating inputs. At the same time, other parts of the Group may benefit from the same market dynamics, reflecting the Group’s diversified business model. Impacts arising from such developments are generally consistent with the normal operating environment in the respective industries and are commonly reflected in market-based pricing mechanisms, including fuel surcharges.

Management applies the same monitoring and assessment approach used in relation to the conflict in Ukraine. The Group has no direct exposure in the affected regions, and current market conditions indicate that developments in the Middle East are being treated primarily as geopolitical risk events rather than structural shifts, supported by stabilising factors such as available production capacity and diversified global supply patterns. Based on information available at the reporting date, management does not expect these geopolitical developments to materially affect the Group’s financial position or going concern assessment. Nonetheless, further negative developments cannot be ruled out, and these may materially affect the Group’s businesses, financial condition, results, cash flows, and overall outlook.

d)

Functional and presentation currency

The Company’s functional currency is Euro (“EUR”). The consolidated financial statements are prepared in Euro, which is also the Group’s presentation currency. All financial information presented in Euros has been rounded to the nearest million.

e)

Use of estimates and judgements

The preparation of financial statements in accordance with IFRS Accounting Standards requires the use of certain critical accounting estimates that affect the reported amounts of assets, liabilities, income and expenses. It also requires management to exercise judgment in the process of applying the Company’s accounting policies. The resulting accounting estimates will, by definition, seldom equal the related actual results.

Estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

i. Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the following years is included in the following notes:

- Notes 6, 15 and 16 – accounting for business combinations, recognition of goodwill/bargain purchase gain, impairment testing of property, plant and equipment, intangible assets with indefinite useful life and goodwill;
- Note 7 – revenues;
- Note 14 – assessment of Pillar Two income taxes exposure;
- Note 14 – assessment of recoverability of tax losses from which deferred tax asset was recognized;
- Note 15 – measurement of gas transmission and gas distribution pipelines at revalued amounts;
- Note 19 – measurement of inventories for trading at fair value less cost to sell;
- Note 22 – classification of entities as held for sale;
- Note 27 – measurement of defined benefit obligations, fair value of the plan assets, recognition and measurement of provisions and pension fund surplus;
- Notes 26, 29 and 33 – valuation of loans and borrowings and financial instruments;
- Note 25 and 29 – valuation of written put option over non-controlling interest;
- Note 36 – litigations.

Measurement of fair values

A number of the Group’s accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of IFRS, including the level in the fair value hierarchy in which such valuation should be classified.

When measuring the fair value of an asset or a liability, the Group uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

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

Level 2: inputs other than quoted prices included in Level 1 that are observable on the market for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability might be categorised in different level of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Deferred revenue – stamps and meter credits

The Group recognises deferred revenue for stamps and meter credits that have been purchased by customers but remain unused as of the balance sheet date (in relation to the acquired International Delivery Services Limited subgroup). To estimate the utilisation of these products, the Group analyses barcoded stamp scan data to develop usage curves, which are then applied to historical sales information. Management exercises judgment and uses estimates to adjust for items excluded from both the scan and sales data, acknowledging that some stamps are purchased for collection rather than use, some are used without being scanned, and others may be lost or damaged.

ii. Judgements

Information about judgements made in the application of accounting policies that have the most significant effects on the amounts recognised in the consolidated financial statements is included in the following notes:

- Notes 6 and 16 – accounting for business combinations, measurement of goodwill/bargain purchase gain, impairment testing of goodwill and intangible assets with indefinite useful life;
- Note 7 – judgements relating to recognition of revenues from customers;
- Note 15 – assessment that IFRIC 12 and IFRS 16 is not applicable to the gas transmission and gas distribution pipelines, power distribution networks, gas storage facilities and heat infra facilities and distribution network;
- Note 6 and 25 – information relating to assessment of control over subsidiaries;
- Note 23 – classification of entities as held for sale and discontinued operations;
- Note 27 – measurement of defined benefit obligations, recognition and measurement of provisions;
- Note 29 – own use exemption application for forward contracts on power and CO₂ emission allowances;
- Note 29 and 33 – hedge accounting application;
- Note 30 – classification of transactions which contain a financing element.

As at 31 December 2025, the Group applied significant judgement in the assessment of control over certain subsidiaries. In November 2025, Energetický a průmyslový holding, a.s. (“EPH”), a subsidiary of EP Group, a.s., signed binding contracts with TotalEnergies SE (“TotalEnergies”) to establish a new Group dedicated to flexible power generation in Italy, the Netherlands, the UK, Ireland and France (selected assets only). New entity EFG Holding B.V., renamed to TTEP B.V. (“TTEP”) in 2026, seated in the Netherlands, was established in October 2025 and as of 31 December 2025 was fully owned by EPH. During the first half of 2026, EPH contributed into TTEP its existing generation assets in the United Kingdom, Ireland, Italy, the Netherlands and in France (selected assets only). Subsequently, EPH sold a 50% stake in the newly created TTEP Group to TotalEnergies and received a 4.2% equity stake in TotalEnergies.

Closing of the transaction (i.e. sale of a 50% stake in TTEP to TotalEnergies) became effective on 29 April 2026. EPH has retained a 50% stake in TTEP after the closing of the transaction and has therefore retained an indirect 50% ownership of all the generation assets contributed to TTEP. Moreover, EPH has retained a primary responsibility for operations of the generation assets with joint decision-making of both shareholders on selected topics.

In determining whether the Group controls the entities within the partnership with TotalEnergies, management applied significant judgement in accordance with IFRS 10 Consolidated Financial Statements. Although the Group holds a 50% ownership interest (percentage refers to direct interest held through subsidiary) and governance arrangements include joint decision making at shareholders' and board level on certain matters, management concluded that the Group has retained control over these entities. This conclusion is based on the assessment that the CEO of the TTEP, who is always nominated by the Group, holds substantive rights to direct the relevant activities, being the day-to-day operation and maintenance of the power generation assets, which most significantly affect returns. The CEO has significant discretion in executing the approved budget and managing operational decisions within defined thresholds. The Group is exposed to variable returns through its equity interest and distribution arrangements and has the ability to use its power to affect those returns. Rights held by the other shareholder are assessed as protective in nature and do not prevent the Group from exercising control. Accordingly, the entities to be included within this partnership are and will remain to be consolidated in the Group's consolidated financial statements.

The Group continuously assesses whether the requirements for consolidation in accordance with IFRS 10 continue to be met for its Russian subsidiaries. Sanctions and counter sanctions in connection with the ongoing war in Ukraine result in restrictions and difficulties in conducting transactions between the non Russian parent company and the Russian subsidiaries. The assessment of whether the Group continues to control the decisive transactions and can influence the returns from the Russian business units using its power over the Russian entities is based on management's judgement and estimates. The Group has concluded it retains power over the entities and is exposed to the variable returns which can be affected using its power and thus concluded it controls the operations of the Group in Russia.

f) Recently issued accounting standards

i. Newly adopted IFRS Accounting Standards, Amendments to standards and Interpretations effective for the year ended 31 December 2025 that have been applied in preparing the Group’s financial statements

The following paragraphs provide a summary of the key requirements of IFRS Accounting Standards that are effective for annual periods beginning on or after 1 January 2025 and that have thus been applied by the Group for the first time.

Newly adopted IFRS Accounting Standards, Amendments to Standards and Interpretations with no material impact on the Group’s financial statements:

- Amendments to IAS 21 – Lack of Exchangeability

ii. IFRS Accounting Standards not yet effective

At the date of authorisation of these consolidated financial statements, the following significant Amendments to IFRS Accounting Standards have been issued but are not yet effective for the period ended 31 December 2025 and thus have not been adopted by the Group:

IFRS 18 – Presentation and Disclosure in Financial Statements (Effective for annual reporting periods beginning on or after 1 January 2027 (not adopted by EU yet))

IFRS 18 Presentation and Disclosure in Financial statements applies to all financial statements prepared and presented in accordance with IFRS and will replace IAS 1 Presentation of Financial Statements. The new standard introduces three main sets of new requirements with the aim to improve how companies report financial performance and provide investors with a more useful basis for analysing and comparing companies:

(a) Categories for classifying income and expenses in the statement of profit or loss

Entities are required to classify income and expenses included in the statement of profit or loss into one of the following categories: operating, investing, financing, income taxes, discontinued operations. Modifications of the classification requirements are applicable for entities with specified business activities (banks, investment entities, investment property entities). The standard also requires the presentation of specified subtotals in the statement of profit or loss.

(b) Management-defined performance measures (“MPMs”)

MPMs are subtotals of income and expenses that an entity uses in public communication with users of financial statements to communicate management's view of an aspect of the financial performance and that complement totals or subtotals included in IFRSs. Entities disclose information about its MPMs in a single note, the standard specifies disclosure requirements for each MPM.

(c) Aggregation and disaggregation of information

The standard introduces principles for aggregation and disaggregation of information and for presenting information in the primary financial statements or in the notes.

The issuance of IFRS 18 includes amendments to other IFRS standards, among other amendments to IAS 7 Statement of cash flow which removes the presentation alternatives for interest and dividends and uses operating profit subtotal as the single starting point for the indirect method of reporting cash flows from operating activities.

The Group is currently reviewing the impact of the new standard to its financial statements and to the disclosure the Group provides.

New IFRS Accounting Standards, Amendments to Standards and Interpretations that are not expected to have a significant impact on the Group’s financial statements:

- IFRS 19 – Subsidiaries without Public Accountability: Disclosures and Amendments to IFRS 19 Subsidiaries without Public Accountability: Disclosures (Effective for annual reporting periods beginning on or after 1 January 2027 (not adopted by EU yet));
- Amendments to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments (Effective for annual reporting periods beginning on or after 1 January 2026);
- Annual Improvements to IFRS Accounting Standards – Volume 11 (Effective for annual reporting periods beginning on or after 1 January 2026);
- Amendments to IFRS 9 and IFRS 7 – Contracts Referencing Nature-dependent Electricity (Effective for annual reporting periods beginning on or after 1 January 2026);
- Amendments to IAS 21 – Translation to a Hyperinflationary Presentation Currency (Effective for annual reporting periods beginning on or after 1 January 2027 (not adopted by EU yet)).

The Group has not early adopted any new standard and amendments to IFRS Accounting Standards where adoption is not mandatory at the reporting date. Where transition provisions in adopted IFRS give an entity the choice of whether to apply new standards prospectively or retrospectively, the Group elects to apply the Standards prospectively from the date of transition.

3.

Material accounting policies

The EP Group has consistently applied the accounting policies set out below to all periods presented in these consolidated financial statements, except as described in Note 2(f) and 3(a).

Certain comparative amounts in the consolidated statement of financial position have been regrouped or reclassified, where necessary, on a basis consistent with the current period.

a)

Changes in accounting policies and restatement of comparative information

i.

Changes in accounting policies

Presentation of unbilled energy supplies

The Group adjusted presentation of unbilled but already delivered energy supplies in consolidated statement of financial position. Such items previously presented within line item Contract asset have been reclassified to line item Trade receivables and other assets. Adjusted presentation reflects more appropriately the transactions as the amount to be billed to customers is only dependent on passage of time. Comparative information has been adjusted accordingly. For details of the restatement refer to Appendix 3 – Restated Consolidated statement of financial position.

Change in presentation of operating segments

During the reporting period, the Group revised the structure of the composition of its reportable operating segments. This change reflects the way in which financial information is reviewed by the Group’s chief operating decision maker and how resources are allocated within the business. In accordance with IFRS 8, the Group has restated the comparative segment information for prior year to reflect the new segment structure. The reconciliation between revised segment structure and former segment structure is included in Note 5.

ii.

New accounting policies adopted on acquisition of new subsidiaries

Due to the acquisition of Slovenské elektrárne, a.s., the Group has adopted several new accounting policies to better reflect the situation in which the Group now operates. Newly adopted accounting policies relate to the following areas:

- Nuclear fuel;
- Provision for nuclear decommissioning and storage costs;
- Right for reimbursement from the National Nuclear Fund.

For more details refer to the accounting policies (h) Right for reimbursement from the National Nuclear Fund, (i) Inventories and (n) Provisions.

Due to acquisition of International Distribution Services Limited, the Group has adopted new accounting policies relating to the recognition of revenues from delivery of letters and parcels (refer to accounting policies (p) Revenues from contract with customers).

Due to acquisition of METRO AG, the Group has adopted new accounting policy relating to foreign exchange translation of subsidiaries operating in in hyperinflationary economies (refer to accounting policy (c)(iii) Hyperinflation).

iii.

Restatement of comparative information

On 18 December 2025, the Group gained control over EP Global Commerce a.s. group in a business combination under common control (“BCUCC”). In line with the Group’s policy, the comparative financial statements are restated to reflect the combined entity structure from the beginning of the earliest comparative period presented as if the EP Global Commerce a.s. group entities had always been part of EP Group. For details of the restatement refer to Appendix 2 – Restated Consolidated statement of comprehensive income, Appendix 3 – Restated Consolidated statement of financial position and Appendix 4 – Restated Consolidated statement of cash flow.

b)

Basis of consolidation

i.

Subsidiaries

Subsidiaries are entities controlled by the Company. Control exists when the Company has power over the investee, exposure to variable returns from its involvement with the investee and is able to use its power over the investee to affect the amount of its returns. The existence and effect of potential voting rights that are substantive is considered when assessing whether the Group controls another entity. The consolidated financial statements include the Group’s interests in other entities based on the Group’s ability to control such entities regardless of whether control is actually exercised or not. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

ii.

Equity accounted investees

Associates are enterprises in which the Group has significant influence, but not control, over financial and operating policies. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

Investments in associates and joint ventures are accounted for under the equity method and are initially recognised at cost. Acquisition related costs are recognized in cost of the investment. Goodwill relating to an associate or a joint venture is included in the carrying amount of the investment; any excess of the Group’s share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired. The consolidated financial statements include the Group’s share of the total profit or loss and other comprehensive income of associates from the date that the significant influence commences until the date that the significant influence ceases. When the Group’s share of losses, including Group’s share of negative other comprehensive income, exceeds the carrying amount of the associate, the carrying amount is reduced to nil and the recognition of further losses or further negative other comprehensive income is discontinued, except to the extent that the Group has incurred obligations in respect of or has made payments on behalf of the associate.

iii. Joint operations

A joint operation is an arrangement in which the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement.

On a date a joint control over a joint operation arises, the Group applies acquisition method as defined by IFRS 3 and measures its assets and liabilities in a joint operation (including its share of any assets and liabilities held jointly) at fair values as at the date the joint control commences. Purchase price or any form of consideration transferred is also measured at fair value. Acquisition related costs are recognized in profit or loss as incurred.

Excess of the consideration transferred over the Group’s share of fair value of the net identifiable assets of the joint operation is recognized as goodwill. If the Group’s share of the fair value of identifiable assets and liabilities exceeds the consideration transferred, the excess is recognized in profit and loss in the period the joint control arises.

When the Group undertakes its activities under joint operations, the Group as a joint operator recognizes in relation to its interest in a joint operation:

- its assets and liabilities (including its share of any assets and liabilities held jointly);
- its revenue from the sale of its share of the output arising from the joint operation;
- its share of the revenue from the sale of the output by the joint operation; and
- its expenses (including its share of any expenses incurred jointly).

The financial statements of joint operations are included in the consolidated financial statements from the date that joint control commences until the date that joint control ceases.

iv. Accounting for business combinations

The Group acquired its subsidiaries in two ways:

- As a business combination transaction within the scope of IFRS 3 which requires initial measurement of assets and liabilities at fair value.
- As a business combination under common control which is a business combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination, and that control is not transitory. Such acquisitions are excluded from the scope of IFRS 3.

Acquisition method and purchase price allocation

As at the acquisition date the Group measures identifiable assets acquired and the liabilities assumed at fair value, with the exception of deferred tax assets and liabilities, assets or liabilities related to employee benefits and assets/disposal groups classified as held for sale under IFRS 5, which are recognized and measured in accordance with the respective standards.

Purchase price or any form of consideration transferred in a business combination is also measured at fair value. Contingent consideration is measured at fair value at the date of acquisition and subsequently remeasured at fair value at each reporting date, with changes in fair value recognized in profit or loss.

Acquisition related costs are recognized in profit or loss as incurred.

Business combinations under common control

The assets and liabilities acquired in business combination under common control are recognized at the carrying amounts recognized previously in the Group’s controlling shareholder’s consolidated financial statements (i.e. value at cost as at the date of acquisition less accumulated depreciation and/or potential impairment). No new goodwill or bargain purchase gain is recognized on these acquisitions.

For the comparative period, the Group applies the retrospective approach. Under this method, comparative financial statements are restated to reflect the combined entity structure from the beginning of the earliest comparative period presented as if the entities had always been combined.

Assets and liabilities for which the valuation method involves a choice at initial recognition are measured in accordance with the Group’s accounting policies.

v. Non-controlling interests

Acquisitions of non-controlling interest are accounted for as transactions with equity holders in their capacity as equity holders and therefore no goodwill and no gain or loss is recognised as a result of such transactions.

Non-controlling interests are measured at their proportionate share of the acquiree’s identifiable net assets at acquisition date.

Changes in the Group’s interest in subsidiary that do not result in a loss of control are accounted for as equity transactions.

vi. Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with associates and jointly controlled entities are eliminated against the investment to the extent of the Group’s interest in the enterprise. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

vii. Unification of accounting policies

The accounting policies and procedures applied by the consolidated companies in their financial statements were unified in the consolidation and are aligned with the accounting policies applied by the Parent Company.

viii. Pricing differences

The Group accounted for pricing differences which arose from establishment of the Group and acquisition of certain new subsidiaries in the subsequent period. Such subsidiaries were acquired under common control of EP Investment S.à r.l. (which held controlling interest in the Group at the time of acquisition of the subsidiaries), and therefore excluded from the scope of IFRS 3, which defines recognition of goodwill raised from a business combination as the excess of the cost of an acquisition over the fair value of the Group’s share of the net identifiable assets, liabilities and contingent liabilities of the acquired subsidiary. Acquirees under common control are treated under the net book value presented in the Consolidated financial statements of Energetický a průmyslový holding, a.s. (i.e., including historical goodwill less potential impairment). The difference between the cost of acquisition and carrying values of net assets of the acquiree and original goodwill carried forward as at the acquisition date were recorded to consolidated equity as pricing differences presented within other capital reserves.

ix. Reversal of accumulated amortization, depreciation and bad debt allowances in common control acquisitions

Accumulated amortisation and depreciation of intangible and tangible assets acquired as part of a common control transaction were reversed against the gross carrying amount of the underlying intangible and tangible assets, i.e. the intangible and tangible assets were recognised at their net book values as at acquisition date.

Similarly, in acquisitions involving common control transactions, any bad debt allowances were reversed against gross amounts of purchased receivables as at acquisition date.

x. Disposal of subsidiaries, joint operations and equity accounted investees

Gain or loss from disposal of investments in subsidiaries, joint operations and equity accounted investees is recognised in profit or loss when the significant risks and rewards of ownership have been transferred to the buyer.

If the assets and liabilities are disposed by selling the interest in a subsidiary, a joint venture, a joint operation or an associate, the profit or loss from sale is recognised in total under Gain (loss) from disposal of subsidiaries, joint ventures, joint operations and associates in the statement of comprehensive income.

If the Group disposes of a subsidiary that was acquired under a common control transaction and pricing differences were recognised on acquisition (refer to Note 3(b) viii – Pricing differences), pricing differences are reclassified from other capital reserves to retained earnings at the date of the subsidiary’s disposal.

xi. Written put option over non-controlling interest

Written put options over non-controlling interest, where the owner of the put option is a minority shareholder and the Group has an obligation to accept the option and acquire the non-controlling interest according to pre-agreed terms, are recognized as other liabilities. Upon initial recognition, they are measured at the present value of the expected redemption amount and are subsequently measured at amortized cost. Accrued interest is recognized in financial expenses. The liability under the option and any subsequent changes to it due to the refinement of the estimate of the value of the expected redemption amount are recognized directly in equity. If the option expires without being exercised, the liability is derecognized with a corresponding adjustment to equity.

c) Foreign currency

i. Foreign currency transactions

Items included in the financial statements of each of the Group’s entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency). Company’s functional currency is Euro. Transactions in foreign currencies are translated to the respective functional currencies of Group entities at the foreign exchange rate at the transaction date. The consolidated financial statements are prepared and presented in Euro, which is both the functional and the presentation currency.

Monetary assets and liabilities denominated in foreign currencies are retranslated to the respective functional currencies of Group entities at the exchange rate at the reporting date.

Non-monetary assets and liabilities denominated in foreign currencies, which are stated at historical cost, are translated to the respective functional currencies of Group entities at the foreign exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated to the respective functional currencies at the foreign exchange rates at the dates the fair values are determined.

Foreign exchange differences arising on retranslation are recognised in profit or loss, except for differences arising on the retranslation of FVOCI equity instruments or qualifying cash flow hedges to the extent that the hedge is effective, in which case foreign exchange differences arising on retranslation are recognised in other comprehensive income.

A summary of the main foreign exchange rates applicable for the reporting period is presented in Note 33 – Risk management policies and disclosures.

ii. Translation of foreign operations

These consolidated financial statements are prepared in Euro. The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on consolidation, are translated into Euro at foreign exchange rates at the reporting date. The income and expenses of foreign operations are translated into Euro using average exchange rate for the period. For significant transactions the exact foreign exchange rate is used.

Foreign exchange differences arising on translation of foreign operations are recognised in other comprehensive income and presented in the translation reserve in equity. However, if the foreign operation is a non-wholly owned subsidiary, then the relevant proportion of the translation difference is allocated to non-controlling interests. At disposal, relevant part of translation reserve is recycled to income statement and included in gain (loss) from disposal of subsidiaries, joint ventures, joint operations and associates in the consolidated statement of comprehensive income.

iii. Hyperinflation

Subsidiaries that operate in hyperinflationary economies were converted into the currently applicable purchasing power unit at the end of the reporting period. Financial statements of these subsidiaries are restated before being included in the consolidated financial statements.

The carrying amounts of the non-monetary assets and liabilities as well as the statement of comprehensive income are converted into the purchasing power valid at the closing date using the cumulative consumer goods price index. The effects from the indexation of the current year were recognised in the net finance income (expense). In the movement tables, effects of hyperinflation are included within effects of movements in foreign exchange/translation differences.

d) Non-derivative financial assets

i. Classification

On initial recognition, a financial asset is classified as measured at amortised cost, fair value through other comprehensive income – debt instrument, fair value through other comprehensive income – equity instrument or fair value through profit or loss. The classification of financial asset is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics.

A financial asset is measured at *amortized cost* if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding (“SPPI test”).

Principal is the fair value of the financial asset at initial recognition. Interest consists of consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as a profit margin. Loans and receivables which meet SPPI test and business model test are classified by the Group as financial asset at amortised cost.

A *debt instruments* are measured at *fair value through other comprehensive income* if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collection contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding (“SPPI test”).

The Group may make an irrevocable election at initial recognition for particular investments in *equity instruments* that would otherwise be measured at fair value through profit or loss (as described below) and are not held for trading to present subsequent changes in fair value in other comprehensive income. The Group has equity securities classified as financial assets *at fair value through other comprehensive income*. These investments are not held for trading, but rather for long-term purposes and thus the Group has elected not to present the changes in the fair value of these investments in profit or loss.

All investments in equity instruments and contracts on those instruments are measured at fair value. However, in limited circumstances, cost may be an appropriate estimate of fair value. That may be the case if insufficient recent information is available to measure fair value, or if there is a wide range of possible fair value measurements and cost represent the best estimate of fair value within that range. The Group uses all information about the performance and operations of the investee that becomes available after the date of initial recognition. To the extent that any such relevant factors exist, they may indicate that cost might not be representative of fair value. In such cases, the Group uses fair value. Cost is never the best estimate of fair value for investments in quoted instruments.

A financial asset is measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income. The key type of financial assets measured at fair value through profit or loss by the Group are derivatives.

ii. Recognition

Financial assets are recognised on the date the Group becomes party to the contractual provision of the instrument.

iii. Measurement

Upon initial recognition, financial assets are measured at fair value plus, in the case of a financial instrument not at fair value through profit or loss, transaction costs directly attributable to the acquisition of the financial instrument. Attributable transaction costs relating to financial assets measured at fair value through profit or loss are recognised in profit or loss as incurred. For the methods used to estimate fair value, refer to Note 4 – Determination of fair values.

Financial assets at FVtPL are subsequently measured at fair value, with net gains and losses, including any dividend income, recognised in profit or loss.

Debt instruments at FVOCI are subsequently measured at fair value. Interest income calculated using effective interest rate method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other gains and losses are recognised in other comprehensive income and reclassified to profit or loss upon derecognition of the asset.

Equity instruments at FVOCI are subsequently measured at fair value. Dividends are recognised in profit or loss in finance income. Other gains and losses are recognised in other comprehensive income and are never reclassified to profit or loss.

Financial assets at amortized cost are subsequently measured at amortized cost using effective interest rate method. Effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or liability to the gross carrying amount of a financial asset or to the amortized cost of a financial liability. Interest income, foreign exchange gains and losses, impairment and any gain or loss on derecognition are recognised in profit or loss.

iv. Derecognition

A financial asset is derecognised when the contractual rights to the cash flows from the asset expire, or when the rights to receive the contractual cash flows are transferred in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

v. Offsetting of financial assets and liabilities

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position when the Group has a legally enforceable right to offset the recognised amounts and the transactions are intended to be settled on a net basis.

e) Non-derivative financial liabilities

The Group has the following non-derivative financial liabilities: loans and borrowings, debt securities issued, bank overdrafts, and trade and other payables. Such financial liabilities are initially recognised at the settlement date at fair value plus any directly attributable transaction costs except for financial liabilities at fair value through profit and loss, where transaction costs are recognised in profit or loss as incurred. Financial liabilities are subsequently measured at amortised cost using the effective interest rate, except for financial liabilities at fair value through profit or loss. For the methods used to estimate fair value, refer to Note 4 – Determination of fair values.

Transactions for the purchase of commodities may contain a financing element such as extended payment terms. Such items are presented as trade payables if the financing element is insignificant, payment terms are consistent with supply terms commonly provided in the market and the financing period does not exceed 90 days after the physical supply of the commodity.

The Group derecognises a financial liability when its contractual obligations are discharged, cancelled or expire.

f) Derivative financial instruments

The Group holds derivative financial instruments to hedge its foreign currency, interest rate and commodity risk exposures.

Derivatives are recognised initially at fair value, with attributable transaction costs recognised in profit or loss as incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are accounted for as described below.

Trading derivatives

When a derivative financial instrument is held for trading i.e. is not designated in a qualifying hedge relationship, all changes in its fair value are recognised immediately in profit or loss.

Cash flow hedges and fair value hedges

The Group has adopted hedge accounting requirements as per IFRS 9. The financial derivatives, which do not meet the criteria for hedge accounting as stated by IFRS 9 are classified as for trading and related profit and loss from changes in fair value is recognised in profit and loss.

Hedging instruments which consist of derivatives associated with a currency risk are classified either as cash-flow hedges or fair value hedges.

From the inception of the hedge, the Group maintains a formal documentation of the hedging relationship and the Group’s risk management objective and strategy for undertaking the hedge. The Group also periodically assesses the hedging instrument’s effectiveness in offsetting exposure to changes in the hedged item’s fair value or cash flows attributable to the hedged risk.

In the case of a cash flow hedge, the portion of the gain or loss on the hedging instrument that is determined to be an effective hedge is recognised in other comprehensive income and the ineffective portion of the gain or loss on the hedging instrument is recognised in profit or loss. If the hedging instrument no longer meets the criteria for hedge accounting, expires or is sold, terminated or exercised, then the hedge accounting is discontinued prospectively. If the forecast transaction is no longer expected to occur, then the balance in equity is reclassified to profit or loss. In case the future transaction is still expected to occur then the balance remains in equity and is recycled to profit or loss when the hedged transaction impacts profit or loss.

In the case of a fair value hedge, the hedged item is remeasured for changes in fair value attributable to the hedged risk during the period of the hedging relationship. Any resulting adjustment to the carrying amount of the hedged item related to the hedged risk is recognised in profit or loss, except for the financial asset – equity instrument at FVOCI, for which the gain or loss is recognised in other comprehensive income.

In the case of a fair value hedge, the gain or loss from re-measuring the hedging instrument at fair value is recognised in profit or loss.

Transactions with emission rights and energy

According to IFRS 9, certain contracts for emission rights and energy fall into the scope of the standard. Purchase and sales contracts entered into by the Group provide for physical delivery of quantities intended for consumption or sale as part of its ordinary business. Such contracts are thus excluded from the scope of IFRS 9.

In particular, forward purchases and sales settled by delivery of the underlying are considered to fall outside the scope of application of IFRS 9, when the contract concerned is considered to have been entered into as part of the Group’s normal business activity. This is demonstrated to be the case when all the following conditions are fulfilled:

- delivery of the underlying takes place under such contracts;
- the volumes purchased or sold under the contracts correspond to the Group’s operating requirements;
- the Group does not have a practice of settling similar contracts net in cash or another financial instrument or by exchanging financial instrument;
- the Group does not have a practice of taking delivery of the underlying and selling it within a short period after delivery for the purpose of generating a profit from short-term fluctuation in price or dealer’s margin.

Contracts which do not meet above mentioned conditions fall under the scope of IFRS 9 and are accounted for in line with the requirements of IFRS 9. When for similar contracts the Group has practice of net settlement, a two-book structure and a strict separation of own-use book and trading book is applied.

For each contract where own-use exemption applies, the Group determines whether the contract leads to physical settlement in accordance with Group’s expected purchase, sale or usage requirements. The Group considers all relevant factors including the quantities delivered under the contract and the corresponding requirements of the entity, the delivery locations, the duration between contract signing and delivery and the existing procedure followed by the entity with respect to contracts of this kind.

Contracts which fall under the scope of IFRS 9 are carried at fair value with changes in the fair value recognised in profit or loss.

g) Cash and cash equivalents

Cash and cash equivalents comprise cash balances on hand and in banks, and short-term highly liquid investments with original maturities of three months or less.

h) Right for reimbursement from the National Nuclear Fund

The Group is obliged by law to contribute to National Nuclear Fund in the Slovak Republic. The amount of annual contribution is separately calculated for each nuclear facility, mostly based on the total estimated cost of the back-end cycle processes of each nuclear power plant, the number of years during which the contributions are accumulated on the sub-account assigned to the nuclear facility, the appreciation of accumulated contributions over time and the impact of macroeconomic factors on each nuclear power plant over individual phases of its life cycle.

The contributions paid to the National Nuclear Fund are recognized as a separate asset and represent the reimbursement right for the purposes of decommissioning of nuclear facilities owned by the Group including management of radioactive waste from such decommissioning. The reimbursement right is recognized in the amount of actual contributions paid including net revenue interest from this part of contributions in line with the interpretation IFRIC 5 Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds, decreased by the fund administration fee.

The Group expects that the assets of the National Nuclear Fund will be used exclusively for enacted purposes in future to reimburse actual costs incurred mainly during decommissioning, liquidation and management of spent nuclear fuel and radioactive waste from decommissioning of the nuclear power plants of the Group. If there is a decrease in the funds accumulated on the sub-accounts assigned to the nuclear power generating facilities owned by the Group as a result of the decision on funds allocation issued by the authorized bodies of the National Nuclear Fund, the Group decreases the carrying value of the right to receive the reimbursement reported as the right for reimbursement from the National Nuclear Fund on the statement of financial position and charges the change in the value of the reimbursement right to profit or loss.

i) Inventories

Inventories are measured at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and selling expenses.

Purchased inventory and inventory in transit are initially stated at cost, which includes the purchase price and other directly attributable expenses incurred in acquiring the inventories and bringing them to their current location and condition. Inventories of a similar nature are valued using the weighted average method except for the energy production segment, where the first-in, first-out principle is used.

Internally manufactured inventory and work in progress are initially stated at production costs. Production costs include direct costs (direct material, direct labour and other direct costs) and part of overhead directly attributable to inventory production (production overhead). The valuation is written down to the net realisable value if the net realisable value is lower than production costs.

Inventories used for trading purposes are recognized at fair value less cost to sell. Changes in value are recognized in consolidated statement of comprehensive income in the year in which they occur.

Nuclear fuel

Nuclear fuel which is consumed over a period of more than one year, whether being used in the reactors or stored, is recognized in inventories. Each individual nuclear fuel supply is valued at acquisition costs of particular supply. Nuclear fuel consumption is determined for each load based on the volume of energy produced in reactor from that nuclear fuel load. The volumes of energy produced are determined based on the technical data extracted from balancing system of each plant. The quantities consumed are valued at the acquisition costs of the particular fuel supply burnt in the reactor. Cost of inventories consumed is periodically corrected in view of forecast burnt quantities based on neutron measurements

j) Impairment

i. Non-financial assets

The carrying amounts of the Group’s assets, other than inventories (refer to accounting policy (i) – Inventories), investment properties (refer to accounting policy (m) – Investment property) and deferred tax assets (refer to accounting policy (s) – Income taxes) are reviewed at each reporting date to determine whether there is objective evidence of impairment. If any such indication exists, the asset’s recoverable amount is estimated. For goodwill and intangible assets that have an indefinite useful life or that are not yet available for use, the recoverable amount is estimated at least each year at the same time.

The recoverable amount of an asset or cash-generating unit (CGU) is the greater of its fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset or CGU.

For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the “cash-generating unit”, or “CGU”). For the purposes of goodwill impairment testing, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment is tested reflects the lowest level at which goodwill is monitored for internal reporting purposes and is not larger than an operating segment before aggregation. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination.

An impairment loss is recognised whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognised in profit or loss.

Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU or CGUs, and then to reduce the carrying amounts of the other assets in the CGU (or group of CGUs) on a *pro rata* basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset’s carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Goodwill that forms part of the carrying amount of an investment in an associate is not recognised separately and therefore is not tested for impairment separately. Instead, the entire amount of the investment in an associate is tested for impairment as a single asset when there is objective evidence that the investment in an associate may be impaired.

ii. Financial assets (including trade and other receivables and contract assets)

The Group measures loss allowances using expected credit loss (“ECL”) model for financial assets at amortized cost, debt instruments at FVOCI and contract assets. Loss allowances are measured on either of the following bases:

- 12-month ECLs: ECLs that result from possible default events within the 12 months after the reporting date;
- lifetime ECLs: ECLs that result from all possible default events over the expected life of a financial instrument.

The Group measures loss allowances at an amount equal to lifetime ECLs except for those financial assets for which credit risk has not increased significantly since initial recognition. For trade receivables and contract assets, the Group measures loss allowances at an amount equal to lifetime ECLs.

Financial assets are allocated to three stages (Stage I – III) or to a group of financial assets that are impaired at the date of the first recognition purchased or originated credit-impaired financial assets (“POCI”). At the date of the initial recognition, the financial asset is included in Stage I or POCI. Subsequent to initial recognition, financial asset is allocated to Stage II if there was a significant increase in credit risk since initial recognition or to Stage III of the financial asset has been credit impaired.

The Group assumes that the credit risk on a financial asset has increased significantly if:

- a) a financial asset or its significant portion is overdue for more than 30 days;
- b) the Group negotiates with the debtor in a financial difficulty about debt’s restructuring;
- c) the probability of default of the debtor increases by 20%; or
- d) other material events occur which require individual assessment (e.g., development of external ratings of sovereign credit risk).

A financial asset is credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred (e.g. a financial asset is overdue for more than 90 days, insolvency or similar proceedings have been initiated with the debtor, the probability of default of the borrower increases by 100% compared to the previous rating).

For the purposes of ECL calculation, the Group uses components needed for the calculation, namely probability of default (“PD”), loss given default (“LGD”) and exposure at default (“EAD”). Forward-looking information means any macroeconomic factor projected for future, which has a significant impact on the development of credit losses ECLs are present values of probability-weighted estimate of credit losses. The Group considers mainly expected growth of gross domestic product, reference interest rates, stock exchange indices or unemployment rates.

Presentation of loss allowances

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. For debt securities at FVOCI, the loss allowance is recognised in OCI, instead of reducing the carrying amount of the asset.

iii. Equity accounted investees

An impairment loss in respect of an equity accounted investee is measured by comparing the recoverable amount of the investment with its carrying amount. An impairment loss is recognised in profit or loss and is reversed if there has been a favourable change in the estimates used to determine the recoverable amount.

k) Property, plant and equipment

i. Owned assets – cost model

Items of property, plant and equipment are stated at cost less accumulated depreciation (see below) and impairment losses (refer to accounting policy (j) – Impairment). Opening balances are presented at net book values, which include adjustments from revaluation within the Purchase Price Allocation process (refer to accounting policy (b) iii – Basis of consolidation – Accounting for business combinations).

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, and capitalised borrowing costs (refer to accounting policy (r) – Finance income and costs). The cost also includes costs of dismantling and removing the items and restoring the site on which they are located.

When parts of an item of property, plant and equipment have different useful lives, those components are accounted for as separate items (major components) of property, plant and equipment.

ii. Owned assets – revaluation model

The gas transmission pipelines of eustream, a.s. and the gas distribution pipelines in SPP – distribúcia, a.s. are held under revaluation model. The assets are carried at revalued amount, which is fair value at the date of revaluation less accumulated subsequent depreciation and impairment. Revaluation is made with sufficient regularity, at least every 5 years. Revaluation is always applied to the entire class of property, plant and equipment the revalued asset belongs to.

Initial revaluation as at the date of initial application of revaluation model, the difference between carrying amount and revalued amount is recognized as revaluation surplus directly in equity if revalued amount is higher than carrying amount. Difference is recognized in profit or loss if revalued amount is lower than carrying amount.

On subsequent revaluation, increase in revalued amount is recognized in other comprehensive income or in profit or loss to the extent it reverses a revaluation decrease of the same asset previously recognized in profit or loss. The decrease in revalued amount primarily decreases amount accumulated as revaluation surplus in equity, eventual remaining part of decrease in revalued amount is recognized in profit or loss. Accumulated depreciation is eliminated against gross carrying amount of the asset.

Deferred tax asset or liability is recognized in equity or in profit or loss in the same manner as the revaluation itself.

When asset under revaluation model is depreciated, revaluation surplus is released to retained earnings as the asset is depreciated. When the revalued asset is derecognized or sold, the revaluation surplus as a whole is transferred to retained earnings.

iii. Free-of-charge received property

Several items of gas and electricity equipment (typically connection terminals) were obtained “free of charge” from developers and from local authorities (this does not represent a grant, because in such cases the local authorities act in the role of a developer). This equipment was recorded as property, plant, and equipment at the costs incurred by the developers and local authorities with a corresponding amount recorded as contract liability as receipt of the free of charge property is related to obligation to connect the customers to the grid. These costs approximate the fair value of the obtained assets. This contract liability is released in the income statement on a straight-line basis in the amount of depreciation charges of non-current tangible assets acquired free of charge.

iv. Subsequent costs

Subsequent costs incurred to add to, replace part of, or service a previously recognized item of property, plant and equipment are capitalized and recognized as part of the item of property, plant and equipment only if it is probable that the future economic benefits associated with these costs will flow to the entity and they can be measured reliably. All other expenditures, including the costs of the day-to-day servicing of property, plant and equipment, are recognised in profit or loss as incurred.

v. Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of items of property, plant and equipment. Land is not depreciated. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term, in which case the right-of-use asset should be depreciated from the commencement date to the end of the useful life of the underlying asset.

The estimated useful lives are as follows:

Power plant buildings and structures	7 – 100 years
Buildings and structures	7 – 80 years
Gas pipelines	30 – 70 years
Machinery, electric generators, gas producers, turbines and boilers	7 – 50 years
Mines and mine property	15 – 30 years
Distribution network	10 – 30 years
Machinery and equipment	3 – 40 years
Cars, trucks and other vehicles	2 – 12 years
Fixtures, fittings and others	2 – 20 years

Depreciation methods and useful lives, as well as residual values, are reassessed annually at the reporting date. For companies acquired under IFRS 3 for which a purchase price allocation was prepared, the useful lives are reassessed based on the purchase price allocation process.

I) Intangible assets

i. Goodwill and intangible assets acquired in a business combination

Goodwill represents the excess of the consideration transferred, amount of any non-controlling interest in the acquired entity and acquisition-date fair value of any previous equity interest in the acquired entity over the fair value of the net identifiable assets of the acquired subsidiary/associate/joint venture/joint operation at the date of acquisition. Goodwill on acquisitions of subsidiaries/joint operations is included under intangible assets. Goodwill on acquisitions of associates/joint ventures is included in the carrying amount of investments in associates/joint ventures.

If the Group’s share in the fair value of identifiable assets and liabilities of a subsidiary or equity accounted investees as at the acquisition date exceeds the acquisition cost, the Group reconsiders identification and measurement of identifiable assets and liabilities, and the acquisition cost. Any excess arising on the re-measurement (bargain purchase gain) is recognised in profit and loss account in the period of acquisition.

Upon acquisition of non-controlling interests (while maintaining control), no goodwill is recognised.

Subsequent to initial recognition, goodwill is measured at cost less accumulated impairment losses (refer to accounting policy (j) – Impairment) and is tested for impairment annually.

Gains and losses on disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Intangible assets acquired in a business combination are recorded at fair value on the acquisition date if the intangible asset is separable or arises from contractual or other legal rights. Intangible assets with an indefinite useful life are not subject to amortisation and are recorded at cost less any impairment losses (refer to accounting policy (j) – Impairment). Intangible assets with a definite useful life are amortised over their useful lives and are recorded at cost less accumulated amortisation (see below) and impairment losses (refer to accounting policy (j) – Impairment).

ii. Research and development

Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognised in profit or loss as incurred.

Development activities involve a plan or design for the production of new or substantially improved products and processes. Development expenditure is capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Group intends to and has sufficient resources to complete the development and to use or sell the asset.

In 2025 and 2024, expenditures incurred by the Group did not meet these recognition criteria. Development expenditure has thus been recognised in profit or loss.

iii. Emission rights

Recognition and measurement

Emission rights issued by a government are initially recognised at fair values. Where an active market exists, fair value is based on the market price. The fair value for allocated emission rights is determined as the price at the date of allocation. Emission rights that are purchased are initially recognised at cost.

Internally generated emission allowances (in form of green certificates) obtained from qualifying generation assets are recognized as generation occurs, when it is probable that the expected future economic benefits attributable to them will flow to the Group and their cost can be measured reliably.

Subsequently, emission rights are accounted for under the cost method under intangible assets.

The Group’s accounting policy is to use the first-in, first-out principle (“FIFO”) for emission rights disposal (consumption or sale).

Impairment of emission rights

At each reporting date, the Group assesses whether there is any indication that emission rights may be impaired.

Where an impairment indicator exists, the Group reviews the recoverable amounts of the cash generating unit, to which the emission rights were allocated, to determine whether such amounts continue to exceed the assets’ carrying values. In case the carrying value of a cash generating unit is greater than its recoverable value, impairment exists.

Any identified emission rights impairment is recognised directly as a debit to a profit or loss account and a credit to a valuation adjustment.

Recognition of grants

A grant is initially recognised as deferred income and recognised in profit on a systematic basis over the compliance period, which is the relevant calendar year, regardless of whether the allowance received continues to be held by the entity. The pattern for the systematic recognition of the deferred income in profit is assessed based on estimated pollutants emitted in the current month, considering the estimated coverage of the estimated total annually emitted pollutants by allocated emission rights. The release of deferred income to a profit and loss account is performed on a quarterly basis; any subsequent update to the estimate of total annual pollutants is considered during the following monthly or quarterly assessment. Any disposals of certificates or changes in their carrying amount do not affect the manner in which grant income is recognised.

Recognition, measurement of provision

A provision is recognised regularly during the year based on the estimated number of tonnes of CO₂ emitted.

It is measured at the best estimate of the expenditure required to settle the present obligation at the end of the reporting period. It means that the provision is measured based on the current carrying amount of the certificates on hand if sufficient certificates are owned to settle the current obligation, by using a FIFO method. The Group companies identify (in each provision measurement period) which of the certificates are “marked for settling” the provision and this allocation is consistently applied.

Otherwise, if a shortfall of emission rights on hand as compared to the estimated need exists at the reporting date, then the provision for the shortfall is recorded based on the current market value of the emission certificates at the end of the reporting period.

iv. Software and other intangible assets

Software and other intangible assets acquired by the Group that have definite useful lives are stated at cost less accumulated amortisation (see below) and impairment losses (refer to accounting policy (j) – Impairment).

Intangible assets that have an indefinite useful life are not amortised and are instead tested annually for impairment. Their useful life is reviewed at each period-end to assess whether events and circumstances continue to support an indefinite useful life.

v. Amortization

Amortization is recognized in profit or loss on a straight-line basis over the estimated useful lives of intangible assets other than goodwill, from the date the asset is available for use. The estimated useful lives are as follows:

Software	2 – 10 years
Customer relationship and other contracts	2 – 20 years
Brand	indefinite
Other intangible assets	2 – 20 years

Amortization methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

m) Investment property

Investment property is property held by the Group either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in production or supply of goods or services or for administrative purposes.

Investment property is measured at fair value. For measurement policy of investment property refer to Note 4(c). Any gain or loss arising from a change in fair value is recognised in profit or loss.

n) Provisions

A provision is recognised in the statement of financial position when the Group has a present legal or constructive obligation as a result of a past event, when it is probable that an outflow of economic benefits will be required to settle the obligation and when a reliable estimate of the amount can be made.

Provisions are recognised at the expected settlement amount. Long-term obligations are reported as liabilities at the present value of their expected settlement amounts, if the effect of discount is material, using as a discount rate the pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The periodic unwinding of the discount is recognised in profit or loss in finance costs.

The effects of changes in interest rates, inflation rates and other factors are recognised in profit or loss in operating income or expenses. Changes in estimates of provisions can arise in particular from deviations from originally estimated costs, from changes in the settlement date or in the scope of the relevant obligation. Changes in estimates are generally recognised in profit or loss at the date of the change in the estimate (see below).

i. Employee benefits

Long-term employee benefits

Liability relating to long-term employee benefits and service awards excluding pension plans is defined as an amount of the future payments, to which employees will be entitled in return for their service in the current and prior periods. Future liability which is calculated using the projected unit credit method is discounted to its present value. The discount rate used is based on yields of high-quality corporate bonds as at the end of the reporting period, which maturity approximately corresponds with the maturity of the future obligation. The revaluation of the net liability from long-term employee benefits and service awards (including actuarial gains and losses) is recognised in full immediately in other comprehensive income.

Contributions for pension insurance resulting from Collective agreement are expensed when incurred.

Pension plans

In accordance with IAS 19, the projected unit credit method is the only permitted actuarial method. The benchmark (target value) applied to measure defined benefit pension obligations is the present value of vested pension rights of active and former employees and beneficiaries (present value of the defined benefit obligation). It is in general assumed that each partial benefit of the pension commitment is earned evenly from commencement of service until the respective due date.

If specific plan assets are established to cover the pension payments, these plan assets can be netted against the pension obligations and only the net liability is shown. The valuation of existing plan assets is based on the fair value at the balance sheet date in accordance with IAS 19.

Assets used to cover pension obligations that do not fully meet the requirement of plan assets have to be carried as assets on the balance sheet. Any netting off against the liability to be covered will not apply in this respect.

The Group recognises all actuarial gains and losses arising from benefit plans immediately in other comprehensive income and all expenses related to the defined benefit plan in profit or loss.

The Group recognises gains and losses on the curtailment or settlement of a benefit plan when the curtailment or settlement occurs. The gain or loss on curtailment or settlement comprises any resulting change in the fair value of plan assets, any change in the present value of the defined benefit obligation, any related actuarial gains and losses and past service costs that had not been previously recognised.

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A provision is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

ii. Provision for lawsuits and litigations

Settlement of a lawsuit represents an individual potential obligation. Determining the best estimate either involves expected value calculations, where possible outcomes, stated based on a legal study, are weighted by their likely probabilities or it is the single most likely outcome, adjusted as appropriate to consider risk and uncertainty.



iii. Provision for emission rights

A provision for emission rights is recognised regularly during the year based on the estimated number of tonnes of CO₂ emitted. It is measured at the best estimate of the expenditure required to settle the present obligation at the reporting date.

iv. Restructuring

A provision for restructuring is recognised when the Group has approved a detailed and formal restructuring plan, and the restructuring either has commenced or has been announced publicly. Future operating costs are not provided for.

v. Asset retirement obligation and provision for environmental remediation

Certain property, plant and equipment of conventional and renewable power plants in and gas storage facilities and coal mines have to be dismantled and related sites have to be restored at the end of their operational lives. These obligations are the result of prevailing environmental regulations in the countries concerned, contractual agreements, or an implicit Group commitment.

Obligations arising from the decommissioning or dismantling of property, plant and equipment are recognised in connection with the initial recognition of the related assets, provided that the obligation can be reliably estimated. The carrying amounts of the related items of property, plant and equipment are increased by the same amount that is subsequently amortised as part of the depreciation process of the related assets.

A change in the estimate of a provision for decommissioning and restoration of property, plant and equipment is generally recognised against a corresponding adjustment to the related assets, with no effect on profit or loss. If the related items of property, plant and equipment have already been fully depreciated, changes in the estimate are recognised in profit or loss.

No provisions are recognised for contingent asset retirement obligations where the type, scope, timing and associated probabilities cannot be determined reliably.

Provisions for environmental remediation in respect of contaminated sites are recognised when the site is contaminated and when there is a legal or constructive obligation to remediate the related site.

Provisions are recognised for the following restoration activities:

- dismantling and removing structures;
- rehabilitating mines and tailings dams;
- abandonment of production, exploration and storage wells;
- dismantling operating facilities;
- closure of plant and waste sites; and
- restoration and reclamation of affected areas.

The entity records the present value of the provision in the period in which the obligation is incurred. The obligation generally arises when the asset is installed or the environment is disturbed at the production location. When the liability is initially recognised, the present value of the estimated costs is capitalised by increasing the carrying amount of the related mining assets. Over time, the discounted liability is increased to reflect the change in the present value based on the discount rates that reflect current market assessments and the risks specific to the liability. The periodic unwinding of the discount is recognised in profit or loss as a finance cost.

All the provisions for environmental remediation and asset retirement obligation are presented under Provision for restoration and decommissioning.

vi. Onerous contracts

A provision for onerous contracts is recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable costs of meeting its obligations under the contract. The unavoidable costs under a contract reflect net cost of exiting from the contract, which is the lower of the costs of fulfilling the contract, and any compensations or penalties arising from failure to fulfil the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract.

vii. Provision for nuclear decommissioning and storage costs

The provision for nuclear decommissioning and storage costs is recognized based on discounted future cash flows estimated in relation to the decommissioning of nuclear facilities, storage and disposal of radioactive waste, the storage and disposal of spent nuclear fuel and post-operational costs of nuclear power plants. The future estimated cash flows include also estimated costs of recultivation of the sludge beds since their operation is directly related to the operation of a nuclear power plant. The provision is reduced by the actual costs incurred (i.e. usage of provision) and increased for the effect of unwinding of interest. Any excess of actual decommissioning costs over the planned amounts in the current year are included in profit or loss of the current year.

The provision for nuclear decommissioning and storage costs is estimated by applying a forecast long-term inflation index to the projected disbursements, which are then discounted to present value using discount rate determined based on long-term data series and takes into account the fact that some expenses covered by provisions will be disbursed over periods significantly longer than the duration of instruments generally traded on the financial markets.

viii. Share-based payments

For the cash-settled share-based payments, provisions are set up on a pro rata basis, measured at the fair value of the obligations entered into. The recognition of the provision follows a prorated approach over the underlying vesting period and is recognised in profit or loss as personnel expenses. The fair value is remeasured at each closing date during the vesting period based on an option pricing model. Provisions are adjusted accordingly through profit or loss.

For the equity-settled share-based payments, the fair value of the employee services received in exchange for the grant of the shares is recognised in profit or loss as personnel expenses with a corresponding entry in equity. The fair value of each award is measure with reference to the share price upon issue and using the Monte-Carlo simulation model where appropriate.

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. No expense is recognised for awards that do not ultimately vest. At each balance sheet date before vesting, the cumulative expense is calculated, representing the extent to which the vesting period has expired and management’s best estimate of the achievement or otherwise of service conditions and of the number of equity instruments that will ultimately vest.

o) Leases

Definition of a lease

An agreement is or contains a leasing arrangement if it gives the customer the right to control the use of an identified asset in a time period in exchange for consideration. Control exists if the customer has the right to obtain substantially all economic benefits from the use of the asset and also the right to direct its use.

Lessor accounting

Lessor classifies leasing as either financial or operating. Lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset.

In the case of financial leasing the lessor reports in its statement of financial position a receivable in an amount equal to the net financial investment in the leasing. In the statement of comprehensive income then during the leasing term, it reports financial revenues.

In the case of operating leasing the lessor recognises an underlying asset in the statement of financial position. In the income statement then during the leasing term, it reports leasing payments as revenues on a straight-line basis over the lease term and depreciation of the underlying asset as an expense.

Lessee accounting

Upon the commencement of a leasing arrangement, the lessee recognises a right-of-use asset against a lease liability, which is valued at the current value of the leasing payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group’s incremental borrowing rate. Incremental borrowing rate is determined based on interest rates from selected external financial sources and adjustments made to reflect the terms of the lease.

Exception option applies for short-term leases (lease term 12 months or shorter) and leases of low value assets (lower than EUR 5 thousand). The Group has elected not to recognize right-of-use assets for these leases. Lease payments are recognised as an expense on a straight-line basis over lease period.

The lease liability is subsequently measured at amortized cost under the effective interest rate method. Lease liability is remeasured if there is a change in:

- future lease payments arising from change in an index or rate;
- estimated future amounts payable under a residual guaranteed value;
- the assessment of the exercise of purchase, extension or termination option;
- in-substance fixed lease payments; or
- in the scope of a lease or consideration for a lease (lease modification) that is not accounted as a separate lease.

When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use assets. In case the right-of-use assets has been reduced to zero, the adjustment is recognized in profit or loss.

The Group presents right-of-use assets in property, plant and equipment, the same line item as it presents underlying assets of the same nature that it owns. The right-of-use assets is initially measured at cost and subsequently at cost less any accumulated depreciation and impairment losses and adjusted for certain remeasurements of the lease liability.

In a statement of comprehensive income, the lessee reports interest expense and (straight-line) depreciation of a right-of-use asset. A company (lessee) depreciates an asset in accordance with the requirements of the IAS 16. The asset is depreciated from the commencement date to the end of the lease term. If the underlying asset is transferred to the Group at the end of the lease term, the right-of-use asset is depreciated over the useful life of the underlying asset.

Service part of a lease payment

Companies within the Group accounting for leases of vehicles do not separate the service fee from the lease payments. Total lease payments are used to calculate the lease liability. For other leasing contracts the service fee is separated from the lease payments. Service fee is recognised as a current expense in statement of comprehensive income, remaining part is used to calculate the leasing liability.

Lease term

The lease term is determined at the lease commencement date as the non-cancellable period together with periods covered by an extension (or by a termination) option if the Group is reasonably certain to exercise such option.

Where the lease contract is concluded for an indefinite period with option to terminate the lease available both to the lessor and the lessee, the Group assesses the lease term as the longer of (i) notice period to terminate the lease and, (ii) period over which there are present significant economic penalties that disincentives the Group from terminating the lease. In case the assessed lease term is for a period below 12 months, the Group applies the short-term recognition exemption.

Renewal options

The Group has applied judgement to determine the lease term for some lease contracts in which it is a lessee that include renewal options. The assessment of whether the Group is reasonably certain to exercise such options impacts the lease term, which significantly affects the amount of lease liabilities and right-of-use assets recognised.

p) Revenue

i. Revenues from contracts with customers

The Group applies a five-step model to determine when to recognise revenue, and at what amount. The model specifies that revenue should be recognised when (or as) an entity transfers control of goods or services to a customer at the amount to which the entity expects to be entitled. Depending on the criteria for meeting the performance obligation, the revenue is recognised:

- over time, in a manner that depicts the entity’s performance; or
- at a point in time, when control of the goods or services is transferred to the customer.

Sales transactions usually contain variable consideration and usually do not contain significant financing component. Certain sales transactions contain also non-cash consideration.

The Group has identified following main sources of Revenue in scope of IFRS 15 (for complete source of Group’s revenues refer to Note 7 – Revenues, for more information on contracts with customers refer to Note 5 – Operating segments):

- **Revenues from sale of electricity, gas, heat or other energy products (energy products)**

Revenues from power production (wholesale) are recognized based on the volume of power delivered to the grid and price per contract or as of the market price on the energy exchange.

The Group recognises the revenue upon delivery of the energy products to the customer. The moment of the transfer of the control over the products is considered at the moment of delivery, i.e. when the customer gains the benefits, and the Group fulfils the performance obligation.

Revenues from energy supply to end consumers are measured using transaction prices allocated to those goods transferred, reflecting the volume of energy supplied, including the estimated volume supplied between last invoice date and end of the period. For B2C customers advance payments are required in general based on historical consumption, those are settled when the actual supplied volumes are known. While B2B customers are usually invoiced with higher frequency based on actual volumes supplied.

Where the Group acts as energy provider it was analysed if the distribution service invoiced is recognised as revenue from customers under IFRS 15. Judgement may be required to determine whether the Group acts as principal or agent in those cases. It has been concluded that the Group acts as a principal because it has the inventory risk for distribution services, and therefore materially all distribution services which are billed to its customers as part of the revenues from energy delivery are presented gross in the statement of comprehensive income.

- **Gas and electricity infrastructure services**

The Group provides services connected with the infrastructure by providing transmission or distribution of energy products or by providing storage capacities. Some of these services include ship-or-pay clauses (at gas transmission business) and store-or-pay clauses (at gas storage business), which reserve daily or monthly capacity for the customer with corresponding billing. The revenues from all these contracts are recognised over the time of the contract. As the Group fulfils the performance obligation arisen from those contracts over the time of the contract, the revenues are recognised based on reserved capacity (gas transmission, gas distribution and gas storage) or distributed volume of energy (electricity distribution).

The transaction price comprises of fixed consideration (nominated capacity fees) and variable consideration (fee adjustments based on transmitted/distributed volume, and fee adjustment based on difference in quality of transmitted gas on input and output). The variable consideration is recognized as incurred as it is constrained by uncertainty related to factors outside the Group’s influence (such as energy demand volatility and weather conditions). The services are generally billed on a monthly basis.

In case of transmission services part of the remuneration is collected in the form of non-cash consideration provided in the form of natural gas (payment for gas transmission services). The Group measures the non-cash consideration received at fair value.

The Group has evaluated that several items of gas and electricity equipment (typically connection terminals) obtained “free of charge” from developers and from local authorities does not represent a grant (because in such cases the local authorities act in the role of a developer) and do not constitute a distinct performance obligation. This equipment is recorded as property, plant, and equipment at the costs incurred by the developers and local authorities with a corresponding amount recorded as contract liability as receipt of the free of charge property is related to the obligation to distribute energy to the customers (a non-cash consideration). These costs approximate the fair value of the obtained assets.

- **Grid balancing services**

The Group provides grid balancing services to transmission system operators (“TSO”) primarily in Italy, Germany, France, Ireland and the United Kingdom. The purpose of grid balancing services is to ensure the reliability of power grid and to maintain the quality of electricity supply. Grid balancing, which can span a wide array of services provided by the Group, includes two main streams of revenues represented by capacity fees and activation fees. The Group earns capacity fees for providing the service regardless of whether the TSO activates it (remuneration for availability), whereas activation fees are earned only when TSO requests the services (remuneration for performance).

Grid balancing services are accounted as ‘stand-ready’ services and recognized over time on a straight line-basis. Capacity fees represent a fixed part of the transaction price and are recognised equally over the contract period. Activation fees represent variable consideration of the contract. The Group does not accrue the activation fees as these are highly susceptible to factors outside Group’s influence (such as weather conditions and fluctuation in energy consumption). The activation fees are recognized when activation (or deactivation) of respective resource is requested by the customer.

- **Coal mining and revenues from sale of coal**

The Group recognises the revenue from sales of coal at a point in time, upon delivery of coal to the customer. The moment of the transfer of control over the product is considered the moment of delivery to the destination specified by the customer, i.e. when the customer gains the benefits, and the Group fulfils the performance obligation. Shipping and handling activities are considered only as fulfilment activities. Sales revenue is commonly subject to adjustments by variable consideration based on inspection of the product by the customer. Where there are agreed differences in volume or quality of delivered products, this is reflected as a reduction or an increase in sales revenue recognised on the sale transaction.

The Group may further guarantee to the customer its mining capacity for which the customer pays a fixed capacity fee. If the mining capacity is booked, the Group recognizes the performance as ‘stand-ready’ performance and respective revenues is recognized over contract period on a straight-line basis.

- **Logistics and freight services**

The Group provides procurement of commodities, freight and logistic connected services. At the inception of each contract, the Group identifies the performance obligations in the contract. Distinct performance obligations may include sale of goods and materials, transport, operation of containers and/or related consulting activities. Revenues from the sale of goods and materials are recognized at the point in time when the control is transferred to the customer. Revenues from freight services are recognized over a period of time as the customer is obliged to pay for the performance completed to date.

- **Delivery of letters and parcels**

Parcels and letters revenue relating to public, retail and business stamp and meter sales is recognised when the sale is made, adjusted to reflect a value of a stamp and meter credits held but not used by the customer.

Where products are sold through third-party agents, such as the Post Office, but the responsibility to fulfil the service lies with the Group, the revenue receivable is recognised gross, with any commission payments being charged to operating costs. Where sales are known to have occurred through a third-party vendor at the balance sheet day, and the proceeds are yet to be received, the revenue for the sale is recognised, with the amount still to be received recognised as a contract asset.

- **Sales from wholesale and retail gastronomy business**

The Group recognises the revenues when the respective performance obligations have been satisfied by transferring goods to wholesale customers or providing services. The goods are deemed to have been transferred at the time at which the customer gains control over them. This applies to store-based retail and the delivery business as well as the online business. For services, control over the services is transferred over time, thus satisfying the performance obligation. Revenue is recognised in the amount of the consideration received or expected to be received in exchange for the goods or services.

Under the wholesale business models, the customers are granted the right to exchange or return goods under certain conditions or in accordance with contractual agreements or on a legal basis. Refund liabilities that are based on empirical data regarding data quotas and periods are recorded for expected returns in this context. Assets for the right to recover products from a customer upon settling these refund liabilities are measured at the initial carrying amount of the respective inventories (less settlement costs and any indicated impairment and reported under other non-financial assets.

- **Sales of the franchise models**

The Group provides franchise products and services. In case of multi-component franchise models the individual contractual components are made available to customers in a subsidised form, so that the entire agreed consideration is allocated to the individual components in accordance with the relative stand-alone selling process.

In some cases, the Group acts as an agent for the delivery of goods or the provision of services. In these cases, the Group recognises the expected fee or commission as revenue.

ii. Derivatives where the underlying asset is a commodity

Cash-settled contracts and contracts that do not qualify for the application of the own-use exemption are regarded as trading derivatives.

The following procedure applies to other commodity and financial derivatives that are not designated as hedging derivatives and are not intended for the sale of electricity from the Group’s sources, for delivery to end customers or for consumption as a part of the Group’s ordinary business (the own-use exemption is not applied).

At the date of the financial statements, trading derivatives are measured at fair value. The change in fair value is recognised in profit or loss. For the purposes of Group reporting, where trading with commodity derivatives forms a significant part of the Group’s total trading activities, the measurement effect is recognised in “Gain (loss) from commodity and freight derivatives, net”, a separate line item under “Revenues” for commodity derivatives with electricity, gas, coal and freight. The measurement effect for commodity derivatives with emission rights is included in line item “Emission rights, net”.

iii. Rental income

Rental income from investment property is recognised in profit or loss on a straight-line basis over the term of the lease.

q) Government grants

Government grants are recognised initially at fair value as deferred income when there is reasonable assurance that they will be received and that the Company will comply with the conditions associated with the grant. Grants that compensate the Company for expenses incurred are recognised in profit or loss on a systematic basis in the same periods in which the expenses the grant is intended to compensate are recognised. Grants that compensate the Company for the cost of an asset are recognised in profit or loss on a systematic basis over the useful life of the asset.

r) Finance income and costs

i. Finance income

Finance income comprises interest income on funds invested, dividend income, changes in the fair value of financial assets at fair value through profit or loss, foreign currency gains, gains on sale of investments in securities and gains on hedging instruments that are recognised in profit or loss. Interest income is recognised in profit or loss as it accrues, using the effective interest method. Dividend income is recognised in profit or loss on the date that the Group’s right to receive payment is established.

ii. Finance costs

Finance costs comprise interest expense on borrowings, unwinding of the discount on provisions, foreign currency losses, changes in the fair value of financial assets at fair value through profit or loss, fees and commissions expense for payment transactions and guarantees, impairment losses recognised on financial assets, and losses on hedging instruments that are recognised in profit or loss.

iii. Borrowing costs

Borrowing costs that arise in connection with the acquisition, construction or production of a qualifying asset, from the time of acquisition or from the beginning of construction or production until entry into service, are capitalised and subsequently amortised alongside the related asset. In the case of a specific financing arrangement, the respective borrowing costs for that arrangement are used. For non-specific financing arrangements, borrowing costs to be capitalised are determined based on a weighted average of the borrowing costs.

s) Income taxes

Income taxes comprise current and deferred tax. Income taxes are recognised in profit or loss, except to the extent that they relate to a business combination or to items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the reporting period, using tax rates enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is measured using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. No deferred tax is recognised on the following temporary differences: temporary differences arising from the initial recognition of assets or liabilities that is not a business combination and that affects neither accounting nor taxable profit or loss, and temporary differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future. No deferred tax is recognised on the initial recognition of goodwill.

The amount of deferred tax is based on the expected manner of realisation or settlement of the temporary differences, using tax rates enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but there is an intention to settle current tax liabilities and assets on a net basis, or the tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the unused tax losses, tax credits and deductible temporary differences can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

t) Dividends

Dividends are recognised as distributions within equity upon approval by the Company’s shareholders.

u) Non-current assets held for sale and disposal groups

Non-current assets (or disposal groups comprising assets and liabilities) which are expected to be recovered primarily through sale rather than through continuing use are classified as held for sale. Immediately before classification as held for sale, the assets (and all assets and liabilities in a disposal group) are re-measured in accordance with the Group’s relevant accounting policies. Then, on initial classification as held for sale, non-current assets and disposal groups are recognised at the lower of their carrying amount and fair value less costs to sell. If an investment or portion of an investment in associate or joint venture is classified as held for sale, it is measured at the lower of its existing carrying amount and fair value less cost to sell. Equity method of accounting is ceased since the classification as held for sale.

Any impairment loss on a disposal group is first allocated to goodwill, and then to the remaining assets and liabilities on a pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, and investment property, which continue to be measured in accordance with the Group’s accounting policies.

Impairment losses on initial classification as held for sale are included in profit or loss. The same applies to gains and losses on subsequent re-measurement. Gains are not recognised in excess of any cumulative impairment loss.

Any gain or loss on the re-measurement of a non-current asset (or disposal group) classified as held for sale that does not meet the definition of a discontinued operation is included in profit or loss from continuing operations.

v) Segment reporting

Segment results that are reported to the Group’s Board of Directors (the chief operating decision maker) include items directly attributable to the segment as well as those that can be allocated on a reasonable basis. The support is provided by four executive committees: a strategic committee, an investment committee, a risk management committee, and a compliance committee.

4. Determination of fair values

Several of the Group’s accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

a) Property, plant and equipment

The fair value of property, plant and equipment recognised as a result of a business combination is based on three different approaches which may be employed to determine the fair value:

Market approach uses prices and other relevant information generated by market transactions involving identical or comparable (i.e. similar) assets, liabilities or a group of assets and liabilities, such as a business. For example, valuation techniques consistent with the market approach often use market multiples derived from a set of comparables.

Income approach converts future amounts (e.g. cash flows or income and expenses) to a single current (i.e. discounted) amount. When the income approach is used, the fair value measurement reflects current market expectations about those future amounts.

Cost approach is based on the premise that a prudent investor would pay no more for an asset than its replacement or reproduction cost. The depreciated replacement cost approach involves establishing the gross current replacement cost of the asset and then depreciating this value to reflect the anticipated effective working life of the asset from new, the age of the asset, the estimated residual value at the end of the asset's working life and the loss in service potential.

IFRS 13 requires fair value measurements of assets to assume the highest and best use of the asset by market participants, provided that the use is physically possible, financially feasible and not illegal. Highest and best use might differ from the intended use by an individual acquirer. Although all three valuation approaches should be considered in the valuation analysis, the fact pattern surrounding each business combination, the purpose of valuation, the nature of the assets, and the availability of data dictate which approach or approaches including accounting-oriented approaches are ultimately utilized to calculate the value of each tangible asset.

Certain items of property, plant and equipment – specifically, gas transmission pipeline owned and operated by eustream, a.s. (“Eustream”) and gas distribution pipelines owned and operated by SPP – distribúcia, a.s. (“SPPD”) – have been recognized at revalued amount in accordance with IAS 16 since 1 January 2019 and 1 January 2020, respectively. The revalued amount represents the fair value as at the date of the most recent revaluation, net of any subsequent accumulated depreciation and subsequent accumulated impairment. Regular, independent revaluations are conducted at least every five years to ensure that the carrying amount on the statement of financial position does not differ materially from fair value. The most recent revaluation was conducted as at 30 June 2024 for Eustream and as at 1 January 2023 for SPPD.

Each revaluation was conducted by an independent expert who used mainly the depreciated replacement cost approach supported by the market approach for some types of assets. In general, the replacement cost method was used and the indexed historical cost method for assets where reproductive rates were not available. By determining the fair value of individual assets with the cost approach, physical deterioration, plus technological and economic obsolescence of assets was acknowledged.

The assumptions used in the revaluation model are based on the reports of the independent appraisers. The resulting reported amounts of these assets and the related revaluation surplus of assets do not necessarily represent the value in which these assets could or will be sold. There are uncertainties about future economic conditions, changes in technology and the competitive environment within the industry, which could potentially result in future adjustments to estimated revaluations and useful lives of assets that can significantly modify the reported financial position and profit. For further information, refer to Note 15 – Property, plant and equipment.

b) Intangible assets

The fair value of intangible assets recognised as a result of a business combination is based on the discounted cash flows expected to be derived from the use or eventual sale of the assets.

c) Investment property

The fair value of investment property is determined by an independent registered valuer. The fair value is assessed based on current prices in an active market for similar properties in the same location and condition, or where not available, by applying generally applicable valuation methodologies that consider the aggregate of the estimated cash flows expected to be received from renting out the property. A yield that reflects the specific risks inherent in the net cash flows is then applied to the net annual cash flows to arrive at the property valuation (discounting).

Valuations reflect, when appropriate, the type of tenants actually in occupation or responsible for meeting lease commitments or likely to be in occupation after letting vacant accommodation, the allocation of maintenance and insurance responsibilities between the Group and the lessee, and the remaining economic life of the property. When rent reviews or lease renewals are pending with anticipated reversionary increases, it is assumed that all notices, and when appropriate counter-notices, have been served validly and within the appropriate time.

d) Inventories

The fair value of inventories acquired in a business combination is determined based on the estimated selling price in the ordinary course of business less the estimated costs of completion and sale, and a reasonable profit margin based on the effort required to complete and sell the inventories.

The fair value of inventories held by commodity traders (for trading purposes) is based on their listed market price and is adjusted for transport costs.

e) Non-derivative financial assets

The fair value of financial assets at fair value through profit or loss, debt and equity instruments at FVOCI and financial assets at amortized cost is based on their quoted market price at the reporting date without any deduction for transaction costs. If a quoted market price is not available, the fair value of the instrument is estimated by management using pricing models or discounted cash flows techniques.

Where discounted cash flow techniques are used, estimated future cash flows are based on management’s best estimates and the discount rate is a market-related rate at the reporting date for an instrument with similar terms and conditions. Where pricing models are used, inputs are based on market-related measures at the reporting date.

The fair value of trade and other receivables is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date.

The fair value of trade and other receivables and of financial assets at amortized cost is determined for disclosure purposes only.

f) Non-derivative financial liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date. For finance leases the market rate of interest is determined by reference to similar lease agreements.

g) Derivatives

The fair value of forward electricity, gas and emission rights contracts is based on their listed market price, if available. If a listed market price is not available, then fair value is estimated by discounting the difference between the contractual forward price and the current forward price for the residual maturity of the contract using a risk-free interest rate (based on zero coupon rates).

The fair value of interest rate swaps is based on broker quotes or internal valuations based on market prices. Those quotes or valuations are tested for reasonableness by discounting estimated future cash flows based on the terms and maturity of each contract and using market interest rates for a similar instrument at the measurement date.

The fair value of other derivatives (exchange rate, commodity, foreign CPI indices) embedded in a contract is estimated by discounting the difference between the forward values and the current values for the residual maturity of the contract using a risk-free interest rate (based on zero coupon rates).

Fair values reflect the credit risk of the instrument and include adjustments to take account of the credit risk of the Group entity and counterparty when appropriate.

5. Operating segments

EP Group is a diversified European group with a focus on three core segments: i) Energy, ii) Logistics and iii) Wholesale & Retail. Apart from these three core segments, it holds several other investments mainly into the media segment. The Group operates across multiple European countries and in diversified markets.

EP Group comprises over 800 companies. For the purposes of segment reporting under IFRS 8 Operating Segments, the Board of Directors, acting as the Group’s chief operating decision maker, reviews internal management reporting and assesses the performance of the Group based on three core reportable segments: Energy, Logistics, Wholesale & Retail and with the rest of the activities presented under Other.

The reportable segments reflect the nature of the products and services provided and aggregate components with similar economic characteristics, including the type of services provided, commodities involved and regulatory environment. The primary performance measures reviewed by the Board of Directors are Underlying EBITDA, CAPEX and free cash flow from operations. Transfer prices between operating segments are on an arm’s-length basis in a manner similar to transactions with third parties.

Energy

The Energy segment comprises EP Group’s integrated pan-European energy activities, primarily carried out through EPH and its controlled entities. It covers a broad value chain across electricity, heat and gas, including energy infrastructure, power and heat generation, energy supply, trading and related services. The segment includes activities across a number of European markets, with principal operations in the Czech Republic, the Slovak Republic, Germany, France, Italy, the Netherlands, Ireland, Switzerland and the United Kingdom.

The segment combines critical infrastructure assets with a diversified portfolio of conventional, renewable and carbon-free generation sources, including gas-fired, nuclear, hydro, biomass and other renewable technologies. Its activities include gas transmission, gas and electricity distribution, gas storage, district heating and combined heat and power, together with flexible generation, balancing services and related commodity procurement, supply and trading. A significant part of the segment’s business is regulated, quasi-regulated, contracted or otherwise structured.

The Energy segment also includes the Group’s ongoing energy transition activities, including the gradual transformation of legacy fossil-based assets, investments in low-emission and renewable technologies, and development of solutions supporting security of supply and system stability.

Logistics

The Logistics segment is represented primarily by International Distribution Services Ltd (“IDS”), comprising the Royal Mail and GLS businesses, and forms EP Group’s principal platform in postal, parcel and related logistics services.

Royal Mail is the designated Universal Service Provider in the United Kingdom and has a statutory obligation to deliver postal items at a uniform price. It operates one of the largest commercial vehicle fleets in the United Kingdom, providing nationwide coverage across letters and parcels.

GLS is parcel delivery operators, with a direct presence across key European markets and a growing footprint in North America. Headquartered in Amsterdam, GLS serves customers in more than 50 countries and nation states through more than 1,600 depots and over 130,000 out-of-home (OOH) parcel access points. In addition to core parcel services, GLS also offers freight, fulfilment and express services in selected markets.

Wholesale & Retail

The Wholesale & Retail segment comprises a portfolio of food wholesale, food service distribution, grocery retail and e-commerce businesses operating across several European markets. The segment is primarily represented by METRO AG and its subsidiaries (“METRO”) and further includes selected retail and e-commerce investments, such as Supratuc 2020 (joint venture integrating Caprabo and Eroski), FAST ČR and Košík Holding a.s. (“Košík”).

METRO, an international food wholesaler headquartered in Düsseldorf, focused primarily on professional customers in the HoReCa sector and independent traders. METRO operates a multichannel model combining a broad cash-and-carry store network, delivery-based Food Service Distribution (FSD) and digital channels.

Alongside METRO, the segment also includes selected retail and online businesses that broaden the Group’s exposure across formats and channels. In particular, Košík is an online grocery platform in the Czech Republic and Slovakia, while other investments contribute to the segment’s diversification across wholesale, proximity retail and digital distribution models.

Other

The Other segment is primarily represented by fifty percent share in Czech Media Invest (“CMI”) through which EP Group holds a portfolio of media and publishing assets across multiple European markets, including print, digital, radio and publishing activities. The Other segment also includes several holding companies.

Reconciliation between revised segment structure and former segment structure

In 2025, in connection with the new acquisitions that have had a significant impact on the scope of the activities in which the Group operates, the Group revised the structure of its reportable operating segments. Comparative information for 2024 have been restated. Revised segments reconcile to the segment structure before revision as follows:

- Energy – this segment includes entities formerly presented within separate reportable segments Gas transmission, Gas and power distribution, Gas storage, Heat infra, Flexible power generation, Renewable energy, Carbon neutral and Energy transition as well as entities formerly presented within Other segment of EPG Energy Group except for those entities from Other segment that are newly presented within Logistics segment. Additionally, the segment includes holding entities attributable to the Energy segment.
- Logistics – this segment includes newly acquired IDS Group as well as entities active in logistics activities formerly included in Other segment of EPG Energy Group;
- Wholesale & Retail – this segment includes entities formerly presented within separate reportable segments E-commerce and Retail as well as newly acquired METRO Group;
- Other – includes all entities not managed within other segments.

Profit or loss

For the year ended 31 December 2025
In millions of EUR

	Energy	Logistics	Wholesale & Retail	Other	Total segments	Inter- segment eliminations	Consolidated Financial Information
Revenues: Energy and related services	29,151	–	–	–	29,151	–	29,151
<i>external revenues</i>	29,151	–	–	–	29,151	–	29,151
<i>of which: electricity</i>	17,975	–	–	–	17,975	–	17,975
<i>gas</i>	10,376	–	–	–	10,376	–	10,376
<i>coal</i>	371	–	–	–	371	–	371
<i>heat</i>	294	–	–	–	294	–	294
<i>other energy products</i>	135	–	–	–	135	–	135
<i>inter-segment revenues</i>	–	–	–	–	–	–	–
Revenues: Wholesale & Retail	–	–	25,783	–	25,783	–	25,783
<i>external revenues</i>	–	–	25,783	–	25,783	–	25,783
<i>inter-segment revenues</i>	–	–	–	–	–	–	–
Revenues: Mail, Parcel & Logistics	37	10,687	46	–	10,770	(24)	10,746
<i>external revenues</i>	37	10,663	46	–	10,746	–	10,746
<i>inter-segment revenues</i>	–	24	–	–	24	(24)	–
Revenues: Other	958	26	–	2	986	(10)	976
<i>external revenues</i>	949	26	–	1	976	–	976
<i>inter-segment revenues</i>	9	–	–	1	10	(10)	–
Gain (loss) from commodity and freight derivatives, net	181	–	–	–	181	–	181
Total revenues	30,327	10,713	25,829	2	66,871	(34)	66,837
Purchases and consumables	(19,918)	(3,418)	(21,243)	–	(44,579)	9	(44,570)
<i>external purchases and consumables</i>	(19,910)	(3,418)	(21,242)	–	(44,570)	–	(44,570)
<i>inter-segment purchases and consumables</i>	(8)	–	(1)	–	(9)	9	–
Services	(1,310)	(1,497)	(1,020)	(39)	(3,866)	28	(3,838)
Personnel expenses	(1,663)	(4,986)	(2,501)	(3)	(9,153)	–	(9,153)
Depreciation, amortization and impairment	(1,378)	(688)	(747)	(1)	(2,814)	–	(2,814)
<i>of which: depreciation and amortization</i>	(1,295)	(686)	(720)	(1)	(2,702)	–	(2,702)
<i>of which: impairment</i>	(83)	(2)	(27)	–	(112)	–	(112)
Emission rights, net	(4,048)	–	–	–	(4,048)	–	(4,048)
Bargain purchase gain	451	1,829	–	–	2,280	–	2,280
Own work, capitalized	102	–	34	–	136	–	136
Other operating income (expense), net	331	(317)	(41)	5	(22)	(2)	(24)
Profit (loss) from operations	2,894	1,636	311	(36)	4,805	1	4,806

	Energy	Logistics	Wholesale & Retail	Other	Total segments	Inter- segment eliminations	Consolidated Financial Information
Finance income	1,483	144	8	(179)	1,456	(22)	1,434
<i>external finance income</i>	1,481	124	8	(179)	1,434	–	1,434
<i>inter-segment finance income</i>	2	20	–	–	22	(22)	–
Change in impairment on financial instruments and other financial assets	6	(7)	(71)	(10)	(82)	–	(82)
Finance expense	(562)	(141)	(405)	(135)	(1,243)	22	(1,221)
Net finance income (expense)	927	(4)	(468)	(324)	131	–	131
Share of profit (loss) of equity accounted investees, net of tax	156	5	10	(91)	80	–	80
Gain on disposal of subsidiaries, joint ventures, joint operations and associates	29	–	8	129	166	–	166
Profit (loss) before income tax	4,006	1,637	(139)	(322)	5,182	1	5,183
Income tax expenses	(567)	(19)	(47)	–	(633)	–	(633)
Profit (loss) for the year	3,439	1,618	(186)	(322)	4,549	1	4,550

Other financial information:							
Underlying EBITDA ⁽¹⁾	3,821	495	1,058	(35)	5,339	1	5,340

(1) Underlying EBITDA represents profit (loss) for the year from continuing operations before income tax expenses, finance expense, finance income, change in impairment on financial instruments and other financial assets, share of profit (loss) of equity accounted investees, net of tax, gain on disposal of subsidiaries, joint ventures, joint operations and associates, depreciation, amortization and impairment of tangible and intangible assets and bargain purchase gain.

Profit or loss

For the year ended 31 December 2024
In millions of EUR

	Energy	Logistics	Wholesale & Retail	Other	Total segments	Inter- segment eliminations	Consolidated Financial Information
Revenues: Energy and related services	25,180	-	-	-	25,180	-	25,180
<i>external revenues</i>	25,180	-	-	-	25,180	-	25,180
<i>of which: electricity</i>	16,796	-	-	-	16,796	-	16,796
<i>gas</i>	7,588	-	-	-	7,588	-	7,588
<i>coal</i>	470	-	-	-	470	-	470
<i>heat</i>	228	-	-	-	228	-	228
<i>other energy products</i>	98	-	-	-	98	-	98
<i>inter-segment revenues</i>	-	-	-	-	-	-	-
Revenues: Wholesale & Retail	-	-	127	-	127	-	127
<i>external revenues</i>	-	-	127	-	127	-	127
<i>inter-segment revenues</i>	-	-	-	-	-	-	-
Revenues: Mail, Parcel & Logistics	349	203	-	-	552	(37)	515
<i>external revenues</i>	349	166	-	-	515	-	515
<i>inter-segment revenues</i>	-	37	-	-	37	(37)	-
Revenues: Other	762	26	-	4	792	(13)	779
<i>external revenues</i>	753	24	-	2	779	-	779
<i>inter-segment revenues</i>	9	2	-	2	13	(13)	-
Gain (loss) from commodity and freight derivatives, net	948	-	-	-	948	-	948
Total revenues	27,239	229	127	4	27,599	(50)	27,549
Purchases and consumables	(15,953)	(51)	(93)	(1)	(16,098)	21	(16,077)
<i>external purchases and consumables</i>	(15,932)	(51)	(93)	(1)	(16,077)	-	(16,077)
<i>inter-segment purchases and consumables</i>	(21)	-	-	-	(21)	21	-
Services	(1,248)	(96)	(45)	(21)	(1,410)	30	(1,380)
Personnel expenses	(1,341)	(42)	(15)	(2)	(1,400)	-	(1,400)
Depreciation, amortization and impairment	(1,740)	(39)	(8)	(2)	(1,789)	-	(1,789)
<i>of which: depreciation and amortization</i>	(1,660)	(39)	(8)	(2)	(1,709)	-	(1,709)
<i>of which: impairment</i>	(80)	-	-	-	(80)	-	(80)
Emission rights, net	(4,378)	-	-	-	(4,378)	-	(4,378)
Bargain purchase gain	-	-	-	-	-	-	-
Own work, capitalized	61	-	4	-	65	-	65
Other operating income (expense), net	(765)	2	(9)	3	(769)	(1)	(770)
Profit (loss) from operations	1,875	3	(39)	(19)	1,820	-	1,820

	Energy	Logistics	Wholesale & Retail	Other	Total segments	Inter- segment eliminations	Consolidated Financial Information
Finance income	281	(2)	78	42	399	(32)	367
<i>external finance income</i>	280	(2)	78	11	367	-	367
<i>inter-segment finance income</i>	1	-	-	31	32	(32)	-
Change in impairment on financial instruments and other financial assets	13	-	(18)	35	30	-	30
Finance expense	(548)	(5)	(130)	(109)	(792)	33	(759)
Net finance income (expense)	(254)	(7)	(70)	(32)	(363)	1	(362)
Share of profit (loss) of equity accounted investees, net of tax	350	6	(2)	(33)	321	-	321
Gain on disposal of subsidiaries, joint ventures, joint operations and associates	-	-	-	1	1	-	1
Profit (loss) before income tax	1,971	2	(111)	(83)	1,779	1	1,780
Income tax expenses	(659)	-	(1)	(8)	(668)	-	(668)
Profit (loss) for the year	1,312	2	(112)	(91)	1,111	1	1,112

* EUR 1,915 million is attributable to intra-group dividends primarily recognised by EPPE Germany, a.s., EP Power Europe, a.s, SPP Infrastructure, a.s., EP France S.A.S. and EP UK Investments Ltd.

Other financial information:							
Underlying EBITDA ⁽¹⁾	3,615	42	(31)	(17)	3,609	-	3,609

(1) Underlying EBITDA represents profit (loss) for the year from continuing operations before income tax expenses, finance expense, finance income, change in impairment on financial instruments and other financial assets, share of profit (loss) of equity accounted investees, net of tax, gain on disposal of subsidiaries, joint ventures, joint operations and associates, depreciation, amortization and impairment of tangible and intangible assets and bargain purchase gain.

Underlying EBITDA reconciliation to the closest IFRS measure

The underlying EBITDA reconciles to the profit from continuing operations as follows:

For the year ended 31 December 2025

In millions of EUR

	Energy	Logistics	Wholesale & Retail	Other	Total segments	Inter- segment eliminations	Consolidated Financial Information
Underlying EBITDA	3,821	495	1,058	(35)	5,339	1	5,340
Depreciation, amortization and impairment	(1,378)	(688)	(747)	(1)	(2,814)	-	(2,814)
Bargain purchase gain	451	1,829	-	-	2,280	-	2,280
Finance income	1,483	144	8	(179)	1,456	(22)	1,434
Change in impairment on financial instruments and other financial assets	6	(7)	(71)	(10)	(82)	-	(82)
Finance expense	(562)	(141)	(405)	(135)	(1,243)	22	(1,221)
Share of profit (loss) of equity accounted investees, net of tax	156	5	10	(91)	80	-	80
Gain on disposal of subsidiaries, joint ventures, joint operations and associates	29	-	8	129	166	-	166
Income tax	(567)	(19)	(47)	-	(633)	-	(633)
Profit (loss) for the year	3,439	1,618	(186)	(322)	4,549	1	4,550

For the year ended 31 December 2024

In millions of EUR

	Energy	Logistics	Wholesale & Retail	Other	Total segments	Inter- segment eliminations	Consolidated Financial Information
Underlying EBITDA	3,615	42	(31)	(17)	3,609	-	3,609
Depreciation, amortization and impairment	(1,740)	(39)	(8)	(2)	(1,789)	-	(1,789)
Bargain purchase gain	-	-	-	-	-	-	-
Finance income	281	(2)	78	42	399	(32)	367
Change in impairment on financial instruments and other financial assets	13	-	(18)	35	30	-	30
Finance expense	(548)	(5)	(130)	(109)	(792)	33	(759)
Share of profit (loss) of equity accounted investees, net of tax	350	6	(2)	(33)	321	-	321
Gain on disposal of subsidiaries, joint ventures, joint operations and associates	-	-	-	1	1	-	1
Income tax	(659)	-	(1)	(8)	(668)	-	(668)
Profit (loss) for the year	1,312	2	(112)	(91)	1,111	1	1,112

Segment assets and liabilities

For the year ended 31 December 2025

In millions of EUR

	Energy	Logistics	Wholesale & Retail	Other	Total segments	Inter- segment eliminations	Consolidated Financial Information
Reportable segment assets	49,205	14,919	12,937	276	77,337	(2,777)	74,560
Reportable segment liabilities	(32,693)	(9,385)	(11,586)	(2,737)	(56,401)	2,778	(53,623)
Additions to tangible and intangible assets ⁽¹⁾	7,496	528	803	1	8,828	-	8,828
Acquisition of property, plant and equipment, investment property and intangible assets (excl. emission rights, right-of-use assets and goodwill)	1,505	292	401	1	2,199	-	2,199
Equity accounted investees	281	225	287	208	1,001	-	1,001

(1) This balance includes additions to right of use assets, emission rights and goodwill.

For the year ended 31 December 2024

In millions of EUR

	Energy	Logistics	Wholesale & Retail	Other	Total segments	Inter- segment eliminations	Consolidated Financial Information
Reportable segment assets	38,458	350	1,076	1,398	41,282	(899)	40,383
Reportable segment liabilities	(25,917)	(199)	(2,509)	(553)	(29,178)	899	(28,279)
Additions to tangible and intangible assets ⁽¹⁾	8,342	78	7	1	8,428	-	8,428
Acquisition of property, plant and equipment, investment property and intangible assets (excl. emission rights, right-of-use assets and goodwill)	1,023	12	5	1	1,041	-	1,041
Equity accounted investees	1,012	99	229	270	1,610	-	1,610

(1) This balance includes additions to right of use assets, emission rights and goodwill.

Information about geographical areas

In presenting information on the basis of geography, segment revenue is based on geographical location of delivery of goods and services and segment assets are based on the geographical location of the assets.

For the year ended 31 December 2025

In millions of EUR

	United Kingdom	Germany	France	Italy	Slovakia	Nether-lands	Russia	Spain	Czech Republic	Other	Total
Property, plant and equipment	4,156	4,677	1,179	1,928	20,015	805	585	547	1,300	2,955	38,147
Intangible assets and goodwill	1,257	2,513	170	118	72	150	15	62	241	179	4,777
Investment property	18	84	–	2	–	–	–	–	3	4	111
Total	5,431	7,274	1,349	2,048	20,087	955	600	609	1,544	3,138	43,035

In millions of EUR

	United Kingdom	Germany	France	Italy	Slovakia	Nether-lands	Russia	Spain	Czech Republic	Other	Total
Revenues from customers	12,391	10,235	8,069	5,446	3,825	2,401	2,139	1,893	1,929	18,328	66,656
Gain (loss) from commodity and freight derivatives, net	275	(144)	186	33	(19)	12	–	–	(55)	(107)	181
Total	12,666	10,091	8,255	5,479	3,806	2,413	2,139	1,893	1,874	18,221	66,837

The geographical area “Other” comprises income items primarily from Luxembourg, Switzerland, Poland and Romania.⁽¹⁾

(1) Revenues from Luxembourg (EUR 3,421 million) include mainly derivative transactions on energy exchanges.

For the year ended 31 December 2024

In millions of EUR

	Czech Republic	Slovakia	Germany	Italy	United Kingdom	Ireland	France	Nether-lands	Switzer-land	Other	Total
Property, plant and equipment	832	8,962	2,319	1,153	841	71	149	550	2	3	14,882
Intangible assets and goodwill	315	46	2,629	36	55	16	78	64	–	–	3,239
Investment property	3	–	26	–	20	–	–	–	–	–	49
Total	1,150	9,008	4,974	1,189	916	87	227	614	2	3	18,170

In millions of EUR

	Czech Republic	Slovakia	Germany	Italy	United Kingdom	Ireland	France	Nether-lands	Switzer-land	Other	Total
Revenues from customers	978	1,881	4,928	2,784	4,535	1,261	1,087	1,581	3,725	3,841	26,601
Gain (loss) from commodity and freight derivatives, net	46	71	69	(22)	446	(5)	217	13	77	36	948
Total	1,024	1,952	4,997	2,762	4,981	1,256	1,304	1,594	3,802	3,877	27,549

The geographical area “Other” comprises income items primarily from Luxembourg.⁽¹⁾

(1) Revenues from Luxembourg (EUR 2,740 million) include mainly derivative transactions on energy exchanges.

6.

Acquisitions and disposals of subsidiaries, joint ventures, joint operations and associates

a) Acquisitions and step acquisitions

i. 31 December 2025

In millions of EUR			
	Date of acquisition	Equity interest acquired ⁽¹⁾ %	Equity interest after acquisition %
New subsidiaries			
METRO AG and its subsidiaries and associates (“METRO”)	27/03/2025	18.27	67.94
National Minerals Corporation and NMC Transportation, LLC (“NMC Group”)	31/03/2025	100	100
International Distribution Services Limited (“IDS Group”)	30/04/2025	92.8	92.8
GVS Group GmbH and its subsidiaries and associates (“GVS Group”)	22/05/2025	100	100
Slovak Power Holding B.V., Slovenské elektrárne, a.s. and its subsidiaries and associates	24/05/2025	50/33 ⁽¹⁾	100/66 ⁽¹⁾
Corby Power Limited	27/08/2025	100	100
EnBW Kraftwerk Lippendorf Beteiligungsgesellschaft mbH (“Lippendorf”)	31/12/2025	100	100
New associates			
Collect+Brand Limited ⁽²⁾	18/07/2025	20	20
ePost Global LLC	01/12/2025	35	35

(1) The Group acquired additional 50% share in Slovak Power Holding B.V. which is the owner of 66% share in SE. Thus, the Group indirectly acquired 33% share in SE. The acquisition of additional interest in SE has led to the change of measurement method from equity accounted investee to full consolidation.

(2) On 30 September 2025, the Group increased its share by 29%, the equity interest after the transaction was 49% and did not lead to change of measurement method as equity accounted investee.

METRO

On 27 March 2025, EP Global Commerce, a.s. through its subsidiary EP Global Commerce GmbH gained control over METRO AG, Europe’s largest cash & carry and food service delivery network. The EP Global Commerce subgroup became part of the EP Group during a business combination under common control that took place on 18 December 2025. Under the Group’s policy the EP Group financial statements were restated, hence the METRO AG is included in EP Group consolidated financial statements since EP Global Commerce gained control over it in March 2025. Prior to obtaining control, the shares in METRO AG were recognized in the restated financial statements as financial assets measured at FVOCI.

NMC Group

On 31 March 2025, the Group through its subsidiary EP Power Minerals Americas INC. acquired a 100% share in National Minerals Corporation and its subsidiary NMC Transportation, LLC. With the acquisition of these US located entities, the Group has expanded into the US market in the field of supplementary cementitious materials.

IDS Group

On 30 April 2025, the Group acquired through its subsidiary EP Project Finance, a.s. a 92.8% share in IDS Group, comprising the Royal Mail Group Limited subgroup and the General Logistics Systems B.V. subgroup. This acquisition significantly expanded the Group’s Logistics segment, as IDS Group primarily operates in mail and parcel delivery services.

Slovenské elektrárne

On 24 May 2025, the Group through its subsidiary EPH successfully completed the acquisition of an additional 50% stake in Slovak Power Holding B.V. (“SPH”). As a result, EPH now owns a 100% stake in SPH, which in turn owns a 66% majority stake in Slovenské elektrárne, a.s. (“SE”), Slovakia’s largest electricity producer. SE generated 20.8 TWh of electricity in 2024 and now operates exclusively carbon-free generation assets, including nuclear, hydro, and solar power plants, following the shutdown of its last coal-fired unit last year. The total consideration for the acquisition of 100% of SPH’s share capital in the amount of EUR 150 million was already paid by EPH during the completion of the first phase of the transaction in 2016, when the 50% stake in SPH was acquired.

Corby Power Limited

On 27 August 2025, the Group through its subsidiary EP UK Investments Ltd., acquired 100% of the shares in Corby Power Limited. The acquired company is the owner of Corby Power Station, a 350MW CCGT located in Northamptonshire in the UK.

GVS Group

On 22 May 2025, METRO acquired a 100% share in GVS Group, a specialized supplier for systemized gastronomy in Germany.

Lippendorf

On 31 December 2025, the Group through its subsidiary EP Energy Transition, a.s. a 100% share in EnBW Kraftwerk Lippendorf Beteiligungsgesellschaft mbH, which represents one of the two blocks in the Lippendorf lignite power plant, while the other block was already owned by LEAG. This acquisition enables the Group to develop and implement a comprehensive strategy for the Lippendorf power plant, with the objective of supporting its decarbonization and transformation.

Acquisition of non-controlling interest

On 21 March 2025, the Group through its 56% subsidiary EP Energy Transition, a.s. increased its share in LEAG GmbH, resulting in decrease of the indirect non-controlling interest from 60.8% to 44%. The Group held put option over non-controlling interest in LEAG, which was settled during the transaction (refer to note 30).

Due to changes in Group structure on 31 March 2025, indirect non-controlling interest in Elektrárny Opatovice, Industrial Park Opatovice s.r.o., Patamon a.s., United Energy a.s., EP Sourcing, a.s. decreased from 61.36 % to 44%.

On 8 April 2025, the Group acquired additional 16.33% share in SPEDICA GROUP COMPANIES s.r.o. (“SGC”) and as a result of this transaction increased its interest in SGC and its subsidiaries to 100%.

On 30 June 2025 and on 30 July 2025, the Group acquired additional 7.2% share in IDS Group and as a result of this transaction increased its interest in IDS Group to 100%.

The transactions resulted in the derecognition of non-controlling interest in amount of EUR 1,868 million.

ii. 31 December 2024

In millions of EUR	Date of acquisition	Equity interest acquired %	Equity interest after acquisition ⁽¹⁾ %
New subsidiaries			
Scandbio AB and its subsidiaries and associates ("Scandbio Group")	29/11/2024	100	100
New joint ventures and associates			
SAS Editions du Sons-Sol ⁽²⁾	06/09/2024	75	75
West Burton Flexible Generation Limited, UK T-Power 2 Limited, UK Transition Power Ltd. and West Burton B Limited ("West Burton")	13/12/2024	50	50
Groupe Delcourt SAS and its subsidiaries ⁽²⁾	30/12/2024	100	100

(1) Equity interest held by direct parent entity or investor, excluding indirect non-controlling interest.
(2) Part of CZECH MEDIA INVEST a.s. Group (equity accounted investee).

Scandbio AB

On 29 November 2024, the Group closed, via its subsidiary Lausitz Energie Verwaltungs GmbH (“LEAG Group”), the acquisition of Scandbio AB and its subsidiaries Scandbio Latvia Ltd, Fastighets AB Gävle-Lomshed, Fastighets AB Söderhamn-Ljusne, Fastighets AB Ydre Kammarp and associate Norbergs Järnväg AB. The Scandbio Group is a lead sustainable pellets producer, with a combined annual capacity of 510,000 tonnes of pellets, located in Sweden and Latvia.

West Burton

On 13 December 2024, EP UK Investments Ltd., a 100% subsidiary of EPH, acquired a 50% stake in West Burton Energy from TotalEnergies. West Burton Energy owns a 1.3 GW gas power plant and a 49 MW battery storage system, which strengthens our presence in the UK energy market. By partnering with TotalEnergies, the Group collaborates with a leading player in the energy sector. TotalEnergies is renowned for its expertise in renewable and flexible power generation, including modern gas-fired power plants.



Groupe Delcourt SAS

On 30 December 2024, the CZECH MEDIA INVEST a.s., a 50% joint venture of EP Group, through its 100% subsidiary Editis Holding S.A. acquired a 100% stake in Groupe Delcourt SAS. Groupe Delcourt is the independent publishing house of comics, manga and webtoons in France. Groupe Delcourt is the 10th biggest publisher in France with a catalogue of 13 thousand titles.

Acquisition of non-controlling interest

Due to changes in the Group structure on 23 December 2024, indirect non-controlling interest in EP New Energies GmbH, EP New Energy Italia S.r.l., Fusine Energia S.r.l., Biomasse Crotone S.p.A., Biomasse Servizi S.r.l. and Biomasse Italia S.p.A decreased from 52.23% to 44.00%.

Due to changes in the Group structure on 27 June 2024, indirect non-controlling interest in Leag Renewables GmbH increased from 47.36% to 60.80%.

On 14 February 2024, the Group through its 56% subsidiary EC Investments a.s. increased its share in Parcel Delivery Holding s.r.o. from 80.00% to 82.89%

The transactions resulted in the derecognition of non-controlling interest in amount of EUR 10 million.

Increase of investment in associates

On 31 January 2024, Parcel Delivery Holding increased its investment in DoDo Group SE from 41.85% to 46.00%.

b) Effect of acquisitions

i. 31 December 2025

Subsidiaries

The carrying value and fair value of the amounts recognized for assets acquired and liabilities assumed as at the acquisition dates of METRO, IDS Group, GVS Group, Slovenské elektrárne, a.s., Corby Power Limited, NMC Group and Lippendorf are provided in the following table.

In millions of EUR	Carrying amount ⁽¹⁾	Fair value adjustment	2025 Total ⁽¹⁾
Property, plant and equipment	19,874	3,371	23,245
Intangible assets	1,063	1,206	2,269
Investment property	78	–	78
Equity accounted investees	160	–	160
Financial instruments and other financial assets	547	24	571
Trade receivables and other assets	4,139	–	4,139
Pension fund surplus	1,917	–	1,917
Receivables from nuclear and mining funds	1,801	–	1,801
Deferred tax assets	91	224	315
Inventories	3,199	8	3,207
Current income tax receivables	125	–	125
Cash and cash equivalents	1,990	–	1,990
Assets/disposal groups held for sale	2	–	2
Loans and borrowings	(11,263)	(30)	(11,293)
Financial instruments and other financial liabilities	(170)	6	(164)
Provisions	(4,245)	–	(4,245)
Deferred tax liabilities	(707)	(954)	(1,661)
Contract liabilities	(73)	–	(73)
Trade payables and other liabilities	(7,287)	(256)	(7,543)
Current income tax liability	(373)	–	(373)
Net identifiable assets and liabilities	10,868	3,599	14,467
Loans and borrowings	(11)	–	(11)
Net identifiable assets and liabilities	36	–	36
Non-controlling interest			(3,226)
Goodwill on acquisitions of subsidiaries			31
Bargain purchase gain on acquisition of subsidiaries			(2,280)
Cost of acquisition			8,992
Consideration paid, satisfied in cash (A)			3,124
Fair value of the previously held share			3,070
Consideration, other ⁽²⁾			2,789
Consideration, contingent			9
Total consideration transferred			8,992
Less: Cash acquired (B)			1,990
Net cash inflow (outflow) (C) = (B – A)			(1,134)

(1) Represents values at 100% share.
(2) Consideration, other consists of fair value of equity option to acquire additional 33 per cent share in SE as of 24 May 2025 and consideration transferred in amount of EUR 75 million for the purchase of additional 33 per cent share in Slovenské elektrárne, a.s. which was settled with the receivable of the Group against the seller related to the purchase of the first 33 per cent share in Slovenské elektrárne, a.s. in 2016. Consideration, other in amount of EUR 1,116 was subject to set-off of receivables.

During the year ended 31 December 2025, the Group has changed its measurement method of its selected investments from non-consolidated subsidiaries measured at fair value through other comprehensive income to full consolidation. Initial consolidation of the subsidiaries has led to recognition of goodwill in the amount of EUR 10 million. Initial consolidation did not have a material impact on other items of the financial statements of the Group.

ii. 31 December 2024

Subsidiaries

The fair value of the amounts recognized for assets acquired and liabilities assumed as at the acquisition dates of Scandbio AB and its subsidiaries and associates are provided in the following table.

In millions of EUR	Carrying amount	Fair value adjustment	2024 Total
Property, plant, equipment, land, buildings	16	–	16
Trade receivables and other assets	11	–	11
Inventories	28	–	28
Cash and cash equivalents	9	–	9
Loans and borrowings	(11)	–	(11)
Trade payables and other liabilities	(17)	–	(17)
Net identifiable assets and liabilities	36	–	36
Goodwill on acquisitions of subsidiaries/joint operation			8
Cost of acquisition			44
Consideration paid, satisfied in cash (A)			44
Total consideration transferred			44
Less: Cash acquired (B)			9
Net cash inflow (outflow) (C) = (B – A)			(35)

Joint ventures

The fair value of the amounts recognized for assets acquired and liabilities assumed as at the acquisition date of West Burton and Groupe Delcourt SAS are provided in the following table.

In millions of EUR	2024 Total
Non-current assets	532
Current assets	141
Fair value of assets	673
Non-current liabilities	(639)
Current liabilities	(180)
Fair value of liabilities	(819)
Fair value of identifiable net assets	(146)
Net assets value attributable to the Group's share	(73)

Acquisition of investment in SAS Editions du Sons-Sol did not have a material impact on the financial statements of the Group and the impact is therefore not disclosed.

iii. Rationale for acquisitions

The Group’s strategic rationale for realised acquisitions comprised several factors, including:

- diversification of EP Group’s business portfolio across sectors with long-term strategic relevance;
- the acquired businesses are complementary to EP Group’s portfolio;
- potential for synergic effects;
- the subsidiaries have an advantageous position within the market;
- subject industries are expected to grow in the future;
- further vertical integration of the trading activities with the generation activities.

As part of its strategic objectives, the Group aims to further expand its presence in the energy sectors of the countries in which it operates, while also diversifying its business portfolio. To achieve this, the Group invests in both energy companies and wholesale, retail, and logistics businesses. The Group’s view is that there is long-term strategic value in these investments due to the development of the market.

In 2025, the Group recognized a gain from bargain purchase of EUR 2,280 million.

Gain from bargain purchase of EUR 1,829 million is attributable to the acquisition of IDS Group. This gain arose primarily from the recognition of a significant defined benefit pension scheme surplus within the Royal Mail segment, which was measured in accordance with IAS 19 as required by IFRS 3, notwithstanding that the Group’s ability to realise the related economic benefits is substantially restricted by legal, regulatory and other factors. In addition, the gain was partially attributable to the recognition of deferred tax assets in relation to previously unrecognised tax losses and other deductible temporary differences, measured based on the revised assessment of recoverability at the acquisition date.

Gain from bargain purchase of EUR 435 million related to the acquisition of Slovenské elektrárne, a.s. This gain is attributable to the purchase terms being agreed upon during the initial acquisition of a shareholding in 2016, while the completion of the additional share purchase occurred in May 2025, at which point several uncertainties – particularly those related to the construction of EMO3 and EMO4 – had been resolved or significantly mitigated. The gain also reflects changes in market conditions since the original agreement, which positively influenced the fair value of the acquired net assets. With the change of measurement method of Slovenské elektrárne, a.s. from equity accounted investee to full consolidation, the Group recognized revaluation gain in the amount of EUR 1,064 million.

Additionally, gain from bargain purchase of EUR 16 million was recognized form the acquisition of Lippendorf.

For all three acquisitions, the Group reassessed the identification and measurement of all acquired assets and assumed liabilities and confirmed that the resulting gain appropriately reflects the circumstances of the transaction in accordance with IFRS 3.

Additionally, in 2025, the Group recognized goodwill of EUR 31 million from the acquisitions of GVS Group, National Minerals Corporation and Corby Power.

The following table provides information on revenues and profit or loss of acquirees that have been included in the consolidated statement of comprehensive income for the reporting period.

In millions of EUR		2025
Revenue of the acquirees recognised since the acquisition date		38,253
Profit (loss) of the acquirees recognised since the acquisition date		327

In millions of EUR		2024
Revenue of the acquirees recognised since the acquisition date		10
Profit (loss) of the acquirees recognised since the acquisition date		-

The following table provides information on the estimated revenues and profit or loss that would have been included in the consolidated statement of comprehensive income, if the acquisition had occurred at the beginning of the reporting period (i.e. as at 1 January 2025 or as at 1 January 2024); this financial information was derived from the statutory or IFRS financial statements of the acquired entities.

In millions of EUR		2025
Revenue of the acquirees recognised in the year ended 31 December 2025*		52,429
Profit (loss) of the acquires recognised in the year ended 31 December 2025*		970

In millions of EUR		2024
Revenue of the acquirees recognised in the year ended 31 December 2024*		99
Profit (loss) of the acquires recognised in the year ended 31 December 2024*		3

* Before intercompany elimination; based on local statutory financial information.

For details on major acquisitions please refer also to Appendix 1 – Business combinations.

c) Business combinations – acquisition accounting 2025 and 2024

The acquiree’s identifiable assets, liabilities and contingent liabilities were recognised and measured at their fair values at the acquisition date by the parent company EP Group, a.s. (except for acquisitions under common control, which are carried in net book values); in line with the above, the established fair values were subsequently reported in the consolidated financial statements of the Company. Allocation of the total purchase price among the net assets acquired for financial statement reporting purposes was performed with the support of professional advisors.

The valuation analysis is based on historical and prospective information prevailing as at the date of the business combination (which also involves certain estimates and approximations such as business plan forecasts, useful life of assets, and the weighted average cost of capital components). Any prospective information that may impact the future value of the acquired assets is based on management’s expectations of the competitive and economic environments that will prevail at the time.

The results of the valuation analyses are also used for determining the amortisation and depreciation periods of the values allocated to specific intangible and tangible fixed assets.

Purchase price allocation was performed for all business combinations within the scope of IFRS 3.

Fair value adjustments resulting from business combinations in 2025 are presented in detail per company Appendix 1 – Business combinations. The purchase price allocation has been finalized.

The fair value adjustments resulting the acquisition and purchase price allocation of Scandbio AB in 2024 were not significant and therefore the management of the Group decided not to recognize any fair value adjustments resulting from this acquisition.

d) Disposal of investments

i. 31 December 2025

During the year 2025 the Group disposed of its investments in:

In millions of EUR	Date of disposal	Equity interest disposed ⁽¹⁾ %
Subsidiaries disposed		
EP Resources DE GmbH	08/01/2025	51
EP Resources CZ a.s.	16/01/2025	51
EP Resources PL S.A.	17/01/2025	51
EP Resources AG	05/02/2025	51
EP Real Estate, a.s. and its subsidiaries	25/06/2025	56
Associates and joint ventures disposed		
Peter Glinicke Grundstücks-GmbH & Co. KG ⁽²⁾	13/08/2025	50
Gourmet F&B Korea Ltd.	13/11/2025	28

(1) Equity interest disposed by direct parent entity or investor, excluding indirect non-controlling interest.
(2) The investment in associate was classified as asset held for sale prior to the disposal.

During January and February 2025, the Group disposed of 51% of its share in EP Resources AG, EP Resources DE GmbH, EP Resources CZ a.s. and EP Resources PL S.A. and lost control over the entities. The disposed entities were classified as held for sale as of 31 December 2024. After the disposal, the Group has retained 49% interest in the entities and applies equity method of measurement over the retained interest.

The effect of disposals of subsidiaries is provided in the following table (disposed assets presented as negative amounts and disposed liabilities as positive amounts):

In millions of EUR	Net assets disposed in 2025
Property, plant and equipment	(67)
Financial instruments and other financial assets	(54)
Trade receivables and other assets	(2)
Inventories	(19)
Cash and cash equivalents	(4)
Assets/disposal groups held for sale	(397)
Deferred tax liabilities	3
Trade payables and other liabilities	1
Liabilities held for sale	222
Net identifiable assets and liabilities	(317)
Non-controlling interest (direct)	49
Net assets value disposed (D)	(268)
Consideration received, satisfied in cash (A)	306
Consideration, other ⁽¹⁾	20
Fair value of retained interest ⁽²⁾	100
Total consideration received (E)	426
Less: Cash disposed of (B)	(4)
Net cash inflow (C)=(A+B)	302
Gain on disposal (F)=(D+E)	158

(1) Selling price receivable in amount of EUR 20 million from the disposal of investments in EP Resources PL S.A. and EP Resources DE GmbH was disposed of with the deconsolidation of EP Resources CZ a.s. and thus the related receivable is not reported on the consolidated balance sheet as at 31 December 2025.
(2) Represents fair value of retained 49% interests in EP Resources DE GmbH, EP Resources CZ a.s., EP Resources PL S.A. and EP Resources AG reported as investment in equity accounted investees as of the respective date of deconsolidation.

ii. 31 December 2024

During the year 2024 the Group disposed of its investments in:

In millions of EUR	Date of disposal	Equity interest disposed ⁽¹⁾ %
Subsidiaries, associates and joint ventures disposed		
Groš reality I s.r.o.	23/07/2024	100
Rezidence Vyhřídalo, s.r.o.	28/05/2024	100

(1) Equity interest disposed by direct parent entity or investor, excluding indirect non-controlling interest.

None of the above-mentioned disposals had significant impact on the Group’s financial statements.

7. Revenues

In millions of EUR

	2025	2024
Revenues: Energy and related services		
<i>of which: Electricity</i>	17,975	16,796
<i>Gas</i>	10,376	7,588
<i>Coal</i>	371	470
<i>Heat</i>	294	228
<i>Other energy products</i>	135	98
Total Energy and related services	29,151	25,180
Revenues: Wholesale and Retail	25,783	127
Revenues: Mail, Parcel & Logistics	10,746	515
Revenues: Other	976	779
Total Revenues from customers	66,656	26,601
Gain from commodity and freight derivatives, net	181	948
Total	66,837	27,549

For disaggregation of revenue based on type of service and based on geographical area refer to Note 5 – Operating segments.

Revenues: Energy and related services: Gas include revenues from sale of gas of EUR 9,348 million (2024: EUR 6,244 million) and also revenue from distribution of gas of EUR 518 million (2024: EUR 512 million), gas storage of EUR 270 million (2024: EUR 312 million) and from gas transmission of EUR 244 million (2024: EUR 483 million).

Revenues: Energy and related services: Electricity consists primarily of sale of electricity of EUR 17,805 million (2024: EUR 16,584 million). The amount of EUR 144 million (2024: EUR 213 million) relates to distribution of electricity.

Revenues: Wholesale and Retail consist primarily of sale of food and non-food goods of EUR 25,721 million (2024: EUR 125 million) and sale of services of EUR 62 million (2024: EUR 2 million).

Revenues: Mail, Parcel & Logistics consist primarily of sale of parcel services of EUR 7,473 million (2024: EUR 0 million), letter services of EUR 3,005 million (2024: EUR 0 million) and logistics and freight services of EUR 268 million (2024: EUR 515 million).

In 2025 and 2024, no revenue was recognised from performance obligations satisfied (or partially satisfied) in previous periods.

Line item “Gain (loss) from commodity and freight derivatives, net” comprises of transactions related mostly to derivatives held for risk management purposes for which hedge accounting documentation under IFRS is however not prepared. This includes measurement of unsettled derivatives to fair value as at the balance sheet date as well as certain reclassification adjustments between gain (loss) from commodity derivatives and revenues from energy and related services related to derivative contract held for risk management purposes, which are reported as trading derivatives according to IFRS requirements. As a result of IFRS treatment, revenues from sale of underlying commodity are measured using fair value of the underlying commodity as at the date of settlement of the derivative contract and difference between contracted price and fair value is included in Gain (loss) from commodity and freight derivatives.

Total revenues less total purchases and consumables are presented in line “Subtotal” in the statement of comprehensive income.

Contract liabilities

Contract liabilities primarily relate to not invoiced part of fulfilled performance obligation, received payments for services and goods where control over the assets was not transferred to customer and deferred income related to grid connection fees collected and free-of-charge non-current assets transferred from customers.

Several items of gas equipment (typically connection terminals) were obtained “free of charge” from developers and from local authorities (this does not represent a grant, because in such cases the local authorities act in the role of a developer). This equipment was recorded as property, plant, and equipment at the costs incurred by the developers and local authorities with a corresponding amount recorded as contract liability as receipt of the free of charge property is related to obligation to provide services to the customers in the future periods. These costs approximate the fair value of the obtained assets. This contract liability is released in the income statement on a straight-line basis in the amount of depreciation charges of non-current tangible assets acquired free of charge.

The amount of EUR 123 million recognised in current contract liabilities at the beginning of the year was recognised as revenue during the year 2025.

8. Purchases and consumables

In millions of EUR		
	2025	2024
Purchase cost of food sold	19,463	90
Purchase cost of sold gas and other energy products	9,698	6,302
Purchase cost of sold electricity	6,707	5,776
Purchase costs related to logistics and delivery	3,707	195
Consumption of energy	2,261	2,252
Changes in WIP, semi-finished products and finished goods	(152)	260
Consumption of fuel and other material	1,369	615
Other purchase costs	1,517	587
Total purchases and consumables	44,570	16,077

Purchases and consumables presented in the above table contain only purchase costs of sold food, energy and materials consumed in producing energy output and costs related to sold logistics and delivery services (mainly domestic and international conveyance), it does not contain directly attributable overhead (particularly services, personnel expenses, depreciation and amortization, emission rights etc.).

9. Services

In millions of EUR		
	2025	2024 (restated)*
Repairs and maintenance	909	446
Outsourcing and other administration fees	693	68
Rent expenses	334	52
Information technologies costs	327	66
Consulting expenses	233	123
Transport expenses	229	127
Post office service fees	221	–
Advertising expenses	183	30
Network fees	125	167
Insurance expenses	98	71
Security services	65	12
Industrial waste	51	44
Communication expenses	51	8
Training, courses, conferences	27	9
Cost for stamps and other commissions	19	–
Recruitment	16	–
Environmental protection	13	18
Other	244	139
Total	3,838	1,380

* Restated 2024 comparative information includes modifications described in Note 3(a) and Appendix 2.

Fees payable to statutory auditors

In millions of EUR		
	2025	2024
Statutory audits	28	12
Services in addition to the statutory audits	6	2
Total	34	14

Fees payable to statutory auditors include expenses recorded by all subsidiaries and also joint operations accounted for using proportionate consolidation. Statutory audits include fees payable for statutory audits of financial statements. Services in addition to the statutory audits include primarily the following services: review of the condensed interim consolidated financial statements of EPIF and EPH Groups; assistance with the compilation of the Sustainability Report; expert opinion on R&D allowance; provision of comfort letter, Pro-forma report and other special reports (covenant compliance; gas flow; AUP over Slovak FS; review report).

10.

Personnel expenses

In millions of EUR		
	2025	2024 (restated)*
Wages and salaries	6,993	1,040
Compulsory social security contributions	1,366	256
Expenses and revenues related to employee benefits (IAS 19)	91	22
Board members' remuneration (including boards of subsidiaries)	12	7
Other social expenses	691	75
Total	9,153	1,400

* Restated 2024 comparative information includes modifications described in Note 3(a) and Appendix 2.

The average number of employees during 2025 was 184,064 (2024: 17,682), of which 4,199 were executives (2024: 323). Average number of employees from acquired entities (refer to Note 6(a)) was adjusted to cover only the period for which the entities were part of the Group.

Increase in the average number of employees in 2025 is a result of the acquisitions of mainly Royal Mail Group, METRO AG Group and GLS Group.

11.

Emission rights

In millions of EUR		
	2025	2024
Deferred income (grant) released to profit and loss	103	230
Profit (loss) from sale of emission rights	2,057	(63)
Creation and release of provision for emission rights	(4,706)	(4,106)
Loss from commodity derivatives for trading with emission rights, net	(1,502)	(439)
Total	(4,048)	(4,378)

12.

Other operating income
(expense), net

In millions of EUR		
	2025	2024
Revenues from other liabilities ⁽¹⁾	184	–
Government grants received	93	39
Consulting fees	87	25
Rental income	66	24
Compensation from insurance and other companies	27	29
Creation and reversal of provision	9	–
Profit from sales of material	8	1
Revenues from write-off payables	6	33
Ecological tax reimbursement	5	6
Contractual penalties	4	4
Gain on disposal of tangible and intangible assets	–	9
Other	280	102
Other operating income	769	272
Taxes and charges	(287)	(115)
Office equipment and other material	(196)	(187)
Intermediation fees	(52)	(12)
Cost for IT innovation	(34)	–
Shortages and damages	(22)	(2)
Contractual penalties	(19)	(7)
Loss on disposal of tangible and intangible assets	(8)	–
Gifts and sponsorship	(4)	(10)
Re-transmission fee	(2)	(4)
Creation and reversal of provision	–	(642)
Repairs and maintenance material	–	–
Trading fees	–	–
Change in impairment	10	5
Other	(179)	(68)
Other operating expense	(793)	(1,042)
Other operating income (expense), net	(24)	(770)

(1) Revenues from other liabilities represent release of own use contracts for power with negative fair value recognized upon acquisition of Slovenské elektrárne, a.s. These contracts were recognized at their acquisition-date fair values and are released to income statement with the delivery of the underlying commodity.

Taxes and charges include carbon price support tax, property tax, electricity tax, gas tax and other taxes and charges.

No material research and development expenses were recognized in profit and loss for the years ended 31 December 2025 and 31 December 2024.

13. Net finance income (expense)

In millions of EUR	2025	2024
Interest income	438	322
Dividend income	24	108
Fee and commission income	19	10
Net foreign exchange gain	-	20
Finance income	481	460
Profit from revaluation of previously held interest in equity accounted investee ⁽¹⁾	1,064	-
Profit (loss) from sale of financial instruments	37	(23)
Profit (loss) from revaluation of financial instruments at fair value	11	(1)
Loss from trading derivatives ⁽²⁾	(6)	(3)
Profit (loss) from hedging derivatives	(39)	4
Net foreign exchange loss	(98)	-
Effect of indexation for subsidiaries with hyperinflation	(16)	-
Loss from financial liabilities at amortized cost	-	(70)
Profit (loss) from financial instruments	953	(93)
Total finance income	1,434	367
Change in impairment on financial assets	(82)	30
Total change in impairment on financial assets	(82)	30
Interest expense	(798)	(598)
Interest expense from unwind of provision discounting	(198)	(108)
Fees and commissions expense for other services	(225)	(53)
Total finance expense	(1,221)	(759)
Net finance income (expense)	131	(362)

(1) On 24 May 2025, the Group gained control over Slovenské elektrárne, a.s. The Group previously held 33% share in SE which was accounted for as equity accounted investee. The line represents profit from revaluation of 33% share in equity accounted investee SE to its acquisition-date fair value. For details on acquisition of SE refer to Note 6.

(2) All derivatives are for the risk management purposes.

As of June 2022, Turkey is classified as a hyperinflationary economy in accordance with IAS 29 due to its high rates of inflation. The cumulative inflation of the last 3 years exceeds the value of 100 %. The subsidiaries in Turkey whose functional currency is the Turkish lira were converted into the currently applicable purchasing power unit at the end of the reporting period (refer to accounting policy described in Note 3(c)(iii)). The cumulative consumer goods price index used is the index published by the Turkish Statistical Institute. The index value applied at the closing date was 3,513.87 (the index value applied at the acquisition date of the Turkish subsidiaries of METRO AG was 2,954.69).

14. Income tax expenses

Income taxes recognized in profit or loss

In millions of EUR	2025	2024
Current taxes:		
Current year	(673)	(650)
Withholding tax	(16)	(3)
Adjustment for prior periods	87	(98)
Total current taxes	(602)	(751)
Deferred taxes:		
Origination and reversal of temporary differences ⁽¹⁾	(42)	193
Change in tax rate	11	(110)
Total deferred taxes	(31)	83
Total income tax expense recognised in profit or loss	(633)	(668)

(1) For details refer to Note 18 – Deferred tax assets and liabilities.

Balance of current income tax liability in amount of EUR 641 million (2024: EUR 574 million) is mainly represented by METRO AG of EUR 213 million (2024: EUR 0 million), EP Mehrum GmbH of EUR 135 million (2024: EUR 117 million), Slovenské elektrárne, a.s. of EUR 116 million (2024: EUR 0 million), LEAG Group of EUR 33 million (2024: EUR 224 million), EP NL Group of EUR 21 million (2024: EUR 22 million), and SPP – distribúcia, a.s. of EUR 11 million (2024: EUR 8 million).

Deferred taxes are calculated using currently enacted tax rates expected to apply when the asset is realized or the liability settled. The corporate income tax rates in respective countries with potentially material income tax exposure were as follows:

Country	Tax rate	
	2025	2024
Belgium	25%	25%
The Czech Republic	21%	21%
Denmark ⁽¹⁾	25%	–
Finland ⁽¹⁾	20%	–
France	25%	25%
Germany	13.83% – 32.61%	12.5% – 32.61%
Ireland	12.5%	12.5%
Italy	24%	24%
The Netherlands	19% – 25.8%	19% – 25.8%
Poland	19%	19%
Romania ⁽¹⁾	16%	–
Russia ⁽¹⁾	25%	–
Slovakia	21% – 24%	21%
Spain ⁽¹⁾	25%	–
Switzerland	12.5%	12.5%
The United Kingdom	25%	25%
The United States of America ⁽¹⁾	9.59%	–

(1) In 2024, the Group had no material subsidiaries in these jurisdictions, therefore the tax rate was not applicable.

Current year income tax includes also special sector tax effective in Slovakia, the Czech Republic, the United Kingdom and Italy.

Pillar Two income tax (Global minimum top-up tax)

The Group is within the scope of the OECD Pillar Two model rules starting from, and including 2024.

In a nutshell, the Pillar Two rules provide that, if in certain jurisdictions where the Group operates the effective tax rate (given by the ratio between adjusted accounting result and adjusted corporate income taxes in the jurisdiction) falls below 15%, the Group will be required to pay an additional tax (so-called top-up tax) to reach the 15% tax rate threshold.

The relevant set of rules also provides for a transition period in which the in-scope groups may avoid undergoing the complex effective tax rate calculation required by the new piece of legislation. In particular, the Pillar Two legislation provides for a transitional safe harbour (“TSH”) that is available for the 2025 period. TSH relies on simplified calculations, mainly based on data extracted from the Country-by-Country Reporting under BEPS Action 13 and three types of alternative tests. In any jurisdiction where the Group operates and the TSH test is satisfied, the top-up tax due for such jurisdiction will be deemed to be zero.

The Group has performed an assessment of its potential exposure for Pillar Two top-up taxes in 2025. The assessment relies on the most recent information available regarding the financial performance of the Group’s entities. This includes the 2024 Country-by-Country Reporting and available preliminary financial data for 2025.

Based on the assessment performed, most jurisdictions where the Group has operations should benefit from the TSH. For countries where the Group might not benefit from the TSH, the Group has provisionally calculated the potential top-up tax exposure.



Only Switzerland and Ireland would fail to meet the 15% minimum ETR with a limited top-up tax potentially due in an amount around EUR 2.6 million. The potential top-up tax due was calculated based on the 2025 preliminary financial data and the difference between the effective tax rate and the minimum tax rate of 15%.

The above analysis has to be considered as an estimated exposure as the indicative calculation is based on complex regulations that have only recently been enacted (and are still subject to amendments in various jurisdictions) with limited guidelines and not all relevant data available to perform the full Pillar Two calculation.

In relation to deferred taxes, the Group continues to apply a temporary mandatory exemption from deferred tax accounting impact and neither recognizes nor discloses information about deferred tax related to Pillar Two income taxes. The Group at the same time continues to monitor developments in the Pillar Two legislation.

Income tax recognised in other comprehensive income

In millions of EUR	2025		
	Gross	Income tax	Net of income tax
Items that are not reclassified subsequently to profit or loss			
Fair value reserve included in other comprehensive income	113	(4)	109
Share of the other comprehensive income of equity accounted investees ⁽¹⁾	1	–	1
Items that are or may be reclassified subsequently to profit or loss			
Foreign currency translation differences for foreign operations	(63)	–	(63)
Effective portion of changes in fair value of cash-flow hedges	(69)	37	(32)
Share of the other comprehensive income of equity accounted investees ⁽¹⁾	(4)	–	(4)
Total	(22)	33	11

(1) Deferred tax recognized in other comprehensive income of equity accounted investees is not shown in the table as it is not relevant to the financial statements of the Group.

In millions of EUR	2024		
	Gross	Income tax	Net of income tax
Items that are not reclassified subsequently to profit or loss			
Revaluation reserve included in other comprehensive income	(31)	(108)	(139)
Fair value reserve included in other comprehensive income	(372)	–	(372)
Share of the other comprehensive income of equity accounted investees ⁽¹⁾	(1)	–	(1)
Items that are or may be reclassified subsequently to profit or loss			
Foreign currency translation differences for foreign operations	18	–	18
Effective portion of changes in fair value of cash-flow hedges	(241)	34	(207)
Share of the other comprehensive income of equity accounted investees ⁽¹⁾	(133)	–	(133)
Total	(760)	(74)	(834)

(1) Deferred tax recognized in other comprehensive income of equity accounted investees is not shown in the table as it is not relevant to the financial statements of the Group.

Reconciliation of the effective tax rate

In millions of EUR

	%	2025	%	2024
Profit before tax		5,183		1,780
Income tax using the Company's domestic rate (21%)	21.0%	1,088	21.0%	374
Effect of tax rates in foreign jurisdictions	2.8%	145	(3.1%)	(56)
Change in tax rate	(0.2%)	(11)	6.2%	110
Non-deductible expenses ⁽¹⁾	2.6%	137	10.7%	191
Non-taxable income ⁽²⁾	(15.4%)	(799)	4.7%	84
Share of (profit) loss of equity accounted investees	(0.3%)	(17)	(3.8%)	(67)
Tax incentives	(0.8%)	(43)	(0.1%)	(2)
Recognition of previously unrecognized tax losses	(0.8%)	(44)	(0.5%)	(9)
Effect of special levy for business in regulated services ⁽³⁾	1.1%	57	2.7%	48
Current year losses for which no deferred tax asset was recognized	2.1%	109	0.8%	14
Change in temporary differences for which no deferred tax asset is recognized	-	-	(0.6%)	(10)
Current period adjustment for deferred tax recognized in prior period	1.8%	93	(6.5%)	(115)
Effect of progressive tax rate	-	-	0.3%	5
Withholding tax, income tax adjustments for prior periods	(1.6%)	(82)	5.7%	101
Income taxes recognized in profit or loss	12.3%	633	37.5%	668

(1) The basis consists mainly of non-deductible interest expenses of EUR 229 million (2024: EUR 338 million), non-deductible acquisition-related expenses of EUR 64 million, non-deductible provision expenses for restoration and decommissioning of EUR 62 million and in the year ended 31 December 2024 also non-deductible expenses from revaluation of contingent consideration and equity option of EUR 93 million.

(2) The basis mainly contains a bargain purchase gain of EUR 2,317 million, profit from revaluation of previously held interest in equity accounted investees on gain of control of EUR 1,064 million and non-taxable gain from the disposal of EP Real Estate Group of EUR 79 million and EP Resources Group of EUR 29 million.

(3) The item relates to special industry taxes.

15. Property, plant and equipment

In millions of EUR

	Land and buildings ⁽¹⁾	Gas trans- mission pipelines – fair value model	Gas distribution pipelines – fair value model	Technical equipment, plant and machinery ⁽¹⁾	Other equipment, fixtures and fittings	Under construction	Advance payments for property, plant and equipment	Total
Cost or revaluation		Level 3	Level 3					
Balance at 1 January 2025	3,394	3,453	4,152	8,102	60	712	486	20,359
Effects of movements in foreign exchange	(36)	-	-	(58)	11	-	2	(81)
Additions	642	-	14	799	4	948	192	2,599
Capitalization of borrowing costs	1	-	-	8	-	71	-	80
Additions through business combinations ⁽²⁾	11,854	-	-	8,717	38	2,603	33	23,245
Reclassification to other assets	39	-	-	-	-	-	-	39
Change from lease modifications	68	-	-	(1)	-	-	-	67
Disposals	(73)	-	(12)	(133)	-	(44)	(1)	(263)
Disposed entities ⁽³⁾	(114)	-	-	(13)	-	(4)	-	(131)
Transfers to/from intangible assets	(1)	-	-	(3)	-	(5)	-	(9)
Transfers	151	3	31	238	9	(330)	(102)	-
Transfer to disposal group held for sale	(35)	-	-	-	-	-	-	(35)
Change in provision recorded in PPE	(15)	-	-	3	-	11	-	(1)
Balance at 31 December 2025	15,875	3,456	4,185	17,659	122	3,962	610	45,869
Depreciation and impairment losses								
Balance at 1 January 2025	(1,227)	(39)	(329)	(3,840)	(20)	(22)	-	(5,477)
Effects of movements in foreign exchange	(42)	-	-	7	(8)	-	-	(43)
Depreciation charge for the year	(805)	(92)	(172)	(1,212)	(14)	-	-	(2,295)
Reclassification to other assets	(13)	-	-	-	-	-	-	(13)
Disposals	18	-	12	104	-	5	-	139
Disposed entities	50	-	-	13	1	-	-	64
Transfers to/from intangible assets	4	-	-	5	-	-	-	9
Transfer	(1)	-	-	1	-	-	-	-
Impairment losses recognised in profit or loss	(48)	-	-	(43)	-	(15)	-	(106)
Balance at 31 December 2025	(2,064)	(131)	(489)	(4,965)	(41)	(32)	-	(7,722)
Carrying amounts								
At 1 January 2025	2,167	3,414	3,823	4,262	40	690	486	14,882
At 31 December 2025	13,811	3,325	3,696	12,694	81	3,930	610	38,147

(1) Including right-of-use assets.

(2) Mainly purchase of Slovenské elektrárne, a.s., METRO AG and IDS Group.

(3) Disposal of EP Resources Group and EP Real Estate Group.

In millions of EUR	Land and buildings ⁽¹⁾	Gas trans- mission pipelines – fair value model	Gas distribution pipelines – fair value model	Technical equipment, plant and machinery ⁽¹⁾	Other equipment, fixtures and fittings	Under construction	Advance payments for property, plant and equipment	Total
Cost or revaluation		Level 3	Level 3					
Balance at 1 January 2024	3,245	3,918	4,100	7,105	60	681	665	19,774
Effects of movements in foreign exchange	(13)	–	–	59	(2)	4	–	48
Additions	61	–	52	503	1	377	195	1,189
Additions through business combinations ⁽²⁾	5	–	–	10	–	1	–	16
Revaluation	–	(465)	–	–	–	–	–	(465)
Disposals	(12)	–	(6)	(153)	(1)	(8)	–	(180)
Transfers to intangible assets	–	–	–	(1)	–	–	–	(1)
Transfers	100	–	6	609	2	(343)	(374)	–
Transfer to disposal group held for sale	(2)	–	–	(45)	–	–	–	(47)
Change in provision recorded in PPE	10	–	–	15	–	–	–	25
Balance at 31 December 2024	3,394	3,453	4,152	8,102	60	712	486	20,359
Depreciation and impairment losses								
Balance at 1 January 2024	(1,124)	(380)	(166)	(3,221)	(17)	(15)	–	(4,923)
Effects of movements in foreign exchange	5	–	–	(35)	–	–	–	(30)
Depreciation charge for the year	(112)	(90)	(169)	(702)	(3)	–	–	(1,076)
Disposals	11	–	6	146	–	–	–	163
Revaluation	–	431	–	–	–	–	–	431
Impairment losses recognised in profit or loss	(7)	–	–	(46)	–	(7)	–	(60)
Transfer to disposal group held for sale	–	–	–	18	–	–	–	18
Balance at 31 December 2024	(1,227)	(39)	(329)	(3,840)	(20)	(22)	–	(5,477)
Carrying amounts								
At 1 January 2024	2,121	3,538	3,934	3,884	43	666	665	14,851
At 31 December 2024	2,167	3,414	3,823	4,262	40	690	486	14,882

(1) Including right-of-use assets.
(2) Purchase of Scandbio AB Group.

Revaluation of gas pipeline

The gas distribution pipeline owned and operated by SPP – distribúcia, a.s. and the gas transmission pipeline owned and operated by eustream a.s. are recognised at revalued amount, primarily using the cost approach, especially the replacement cost method. Replacement costs are based on the acquisition cost of equivalent assets (EA) and are the estimated net book value of the assets from the acquisition cost of EA, useful lives and age of existing assets (replacement cost less depreciation methodology). For more details on revaluation, refer to Note 3(k) Note 4(a).

Revalued asset is depreciated on a straight-line basis, revaluation surplus is released to retained earnings as the asset is depreciated. If the revalued asset is derecognised or sold, the revaluation surplus as a whole is transferred to retained earnings. These transfers are made directly in equity and do not affect other comprehensive income.

If the pipelines were accounted for using the cost model, the net book value of the asset as at 31 December 2025 would be EUR 3,402 million (2024: EUR 3,471 million), of which net book value of Eustream’s assets EUR 1,538 million (2024: EUR 1,575 million) and net book value of SPPD’s assets EUR 1,864 million (2024: EUR 1,896 million).

Impairment testing of property, plant and equipment

The Group performs regular impairment assessments of its property, plant and equipment in accordance with its accounting policy described in Note 3(j) Impairment. The Group operates a diversified portfolio of assets across multiple sectors and geographies. As a result, potential impairment triggers may arise from a range of factors, including macroeconomic developments, regulatory changes, commodity price movements and geopolitical events, with individual segments affected differently depending on their specific exposures.

In relation to the ongoing military invasion in the territory of Ukraine and associated sanctions targeting the Russian Federation (further described in the Note 2(c) Recent developments and key events for the Group), the interruption of gas transit through Ukraine to Slovakia, and other significant events or conditions that might impact the Group’s operations, the Parent Company analysed the impacts of the situation on its business and assessed the need for impairment testing as at the reporting date. The assessment further reflects recent developments within the EU energy framework, particularly the REPowerEU initiative, which aims to phase out the EU’s dependency on Russian fossil fuels and strengthen energy security.

Within the Energy segment, detailed impairment tests were performed for selected cash generating units where management identified factors indicating the need for a detailed assessment, primarily in relation to gas transmission infrastructure. For other CGUs in the Energy segment, as well as for CGUs in the Logistics and Wholesale & Retail segments, an assessment of impairment indicators was performed in accordance with IAS 36 and no circumstances requiring detailed impairment testing were identified. Cash generating units containing goodwill across the Group were tested for impairment at the CGU level as described in Note 16.

For the purposes of detailed assessment, the Parent Company assessed various scenarios concerning the potential future utilisation of gas transmission infrastructure and the development of gas flows within the Central and Eastern European region. The assessment incorporated expected regional gas supply needs, the capacity and configuration of the available transmission infrastructure, and the broader geopolitical and regulatory environment. Management evaluated a range of plausible developments, including scenarios in which Russian gas supplies remain suspended and transit through Ukraine does not resume, with the implications of the REPowerEU framework reflected in the assessed scenarios through a gradual reorientation of European supply routes.

The recoverable amount of the relevant assets was determined using the value in use basis, derived from estimated future cash flows discounted to present value. These projections are supported by the Group’s mid term business plans and long term assumptions and reflect expectations regarding the infrastructure utilisation in a reoriented European gas supply landscape, including anticipated west to east supply patterns and the continued strategic importance of the Group’s transmission network in ensuring gas supply for Slovakia and providing sourcing routes for Ukraine.

For assessment of recoverable amount of PPE following assumptions were used:

- commodity prices are based on prevailing forward curves at the time of the assessment;
- discount rates applied are calculated as Weighted Average Cost of Capital (WACC) of each CGU. Cost of Equity was determined using the Capital Asset Pricing Model, while parameters were based on the reputable external sources and peer-group entities relevant to each CGU. Among other things, Cost of Equity takes into account a risk premium rate considering the recent developments.

In case of Group's transmission system the following specific underlying assumptions were considered for base scenario:

- regulatory parameters and tariffs are based on the latest applicable regulatory framework and available regulatory guidance, which assumes an increase in tariffs for gas transmission;
- in the short term, Russian gas supplies to Hungary via Turkish Stream II are expected to continue, while transit of Russian gas through Ukraine remains halted and the related transit payments have ceased;
- in the longer term, gas flow patterns are assumed to evolve in line with REPowerEU objectives and the broader EU policy objective of phasing out Russian gas, resulting in a structural reorientation of regional supply flows;
- natural gas demand in Slovakia and neighbouring countries is expected to remain broadly in line with historical consumption levels;
- in the long term, the impairment assessment of gas-related assets assumes the continued use of natural gas through the application of a terminal value, as there is currently no defined year in which the Group would move away from natural gas;
- the Group aims to facilitate the transition to a hydrogen future; therefore, a potential transformation of the business is envisaged, although this is not incorporated into the assumptions underlying the impairment assessment and represents strategic optionality beyond the current modelling horizon.

Based on the aforementioned assessment, the Parent Company has not identified any material impairment of property, plant and equipment requiring a correction of their carrying amounts. However, given the uncertainties relating to future geopolitical, regulatory and market developments, future changes to the carrying value of property, plant and equipment cannot be ruled out.

Idle assets

As at 31 December 2025 and 31 December 2024 the Group had no significant idle assets.

Security

At 31 December 2025, property, plant and equipment with a carrying value of EUR 955 million (2024: EUR 892 million) are subject to pledges from financial indebtedness.

16. Intangible assets (including goodwill)

In millions of EUR

	Goodwill	Software	Emission rights	Customer relationship and other contracts	Brands and trademarks	Other intangible assets	Total
Cost							
Balance at 1 January 2025	347	184	2,777	1,946	-	93	5,347
Effect of movements in foreign exchange	4	(8)	2	(4)	(12)	(5)	(23)
Additions	9	112	5,987	1	-	119	6,228
Additions through business combinations ⁽¹⁾	31	892	4	514	676	183	2,300
Disposals	-	(6)	(6,546)	(1,838)	-	(13)	(8,403)
Transfers to/from tangible assets	-	7	-	-	-	(7)	-
Transfers	-	137	-	-	-	(137)	-
Balance at 31 December 2025	391	1,318	2,224	619	664	233	5,449
Amortisation and impairment losses							
Balance at 1 January 2025	(121)	(137)	-	(1,824)	-	(26)	(2,108)
Effect of movements in foreign exchange	-	-	-	4	-	-	4
Amortisation for the year	-	(263)	-	(128)	-	(13)	(404)
Disposals	-	6	-	1,838	-	1	1,845
Impairment losses recognised in profit or loss	(3)	(6)	-	-	-	-	(9)
Transfers to/from tangible assets	-	(1)	-	-	-	1	-
Balance at 31 December 2025	(124)	(401)	-	(110)	-	(37)	(672)
Carrying amount							
At 1 January 2025	226	47	2,777	122	-	67	3,239
At 31 December 2025	267	917	2,224	509	664	196	4,777

(1) Mainly purchase of Slovenské elektrárne, a.s., METRO AG and IDS Group..

In millions of EUR

	Goodwill	Software	Emission rights	Customer relationship and other contracts	Other intangible assets	Total
Cost						
Balance at 1 January 2024	340	167	3,331	1,945	97	5,880
Effect of movements in foreign exchange	(1)	–	(1)	1	(1)	(2)
Additions	–	15	7,134	–	14	7,163
Additions through business combinations ⁽¹⁾	8	–	–	–	–	8
Disposals	–	(2)	(7,686)	–	(14)	(7,702)
Transfers from tangible assets	–	–	–	–	1	1
Transfers to Asset held for sale	–	–	(1)	–	–	(1)
Transfers	–	4	–	–	(4)	–
Balance at 31 December 2024	347	184	2,777	1,946	93	5,347
Amortisation and impairment losses						
Balance at 1 January 2024	(101)	(121)	–	(1,217)	(19)	(1,458)
Effect of movements in foreign exchange	–	–	–	(1)	–	(1)
Amortisation for the year	–	(19)	–	(606)	(8)	(633)
Disposals	–	3	–	–	1	4
Impairment losses recognised in profit or loss	(20)	–	–	–	–	(20)
Balance at 31 December 2024	(121)	(137)	–	(1,824)	(26)	(2,108)
Carrying amount						
At 1 January 2024	239	46	3,331	728	78	4,422
At 31 December 2024	226	47	2,777	122	67	3,239

(1) Purchase of Scandbio AB Group.

In 2025, the Group purchased emission allowances of EUR 5,955 million (2024: EUR 7,101 million). The remaining part of EUR 32 million (2024: EUR 33 million) was allocated to the Group by the respective authorities and counterparties.

In 2025, in relation to acquisition of IDS Group were identified two brands with indefinite useful life: Royal Mail trademark portfolio and valuable rights and GLS trademark portfolio. Furthermore, as a part of METRO Group balances were acquired trademarks (Classic Fine Foods, Pro à Pro, Johan I Hallen & Bergfalk and others) with indefinite useful life.

All intangible assets, excluding goodwill and the above-mentioned brands and trademarks were recognised as assets with definite useful life.

Amortization of intangible assets is included in the row Depreciation, amortization and impairment in the consolidated statement of comprehensive income.

Other intangible assets comprise valuable rights, capacity market certificates, intangible assets under construction and advanced payments for intangible assets.

The Group did not capitalise any development costs in 2025 and 2024.

The Group has also carried out research activities reflected in these consolidated financial statements. Research costs are recognised as operating expenses in the income statement immediately when incurred. No significant research costs were incurred during 2025 and 2024.

Impairment testing for cash-generating units containing goodwill

For the purpose of impairment testing, goodwill is allocated to the Group’s cash-generating units which represent the lowest level within the Group at which goodwill is monitored for internal management purposes.

The aggregate carrying amounts of goodwill allocated to single cash generating units are as follows:

In millions of EUR	31 December 2025	31 December 2024
EOP Distribuce, a.s.	55	52
Košík.cz s.r.o.	43	41
EP Power Minerals GmbH	22	22
EP NL Rijnmond 2 B.V.	20	20
Enecogen V.O.F.	17	17
Biomasse Italia S.p.A.	16	16
EP Power Grit GmbH	11	11
GVS Group	12	–
Corby Power Limited	9	–
National Minerals Corporation	8	–
Scandbio AB	8	8
Elektrárny Opatovice, a.s.	7	7
LOCON Logistik & Consulting AG	6	7
EP Power Grit Oy AB	6	–
EP Cargo a.s.	5	5
EP ENERGY TRADING, a.s.	5	5
FVE Holding, s.r.o.	4	3
EP Power Grit B.V.	4	–
Other, individually immaterial	9	12
Total goodwill	267	226

In 2025, the balance of goodwill increased by EUR 12 million due to acquisition of GVS Group, EUR 9 million due to acquisition of Corby Power Ltd. and by EUR 8 million due to acquisition of National Minerals Corporation. Furthermore, the increase in goodwill relates to initial consolidation of previously non-consolidated subsidiaries (refer to Note 6(b) for details).

Goodwill is tested for impairment annually and whenever there is an indication that the carrying amount of the relevant cash-generating unit may not be recoverable. The recoverable amount is determined based on value in use, calculated using discounted future cash flows derived from management forecasts. The impairment tests were performed in a similar manner as described in Note 15.

Intangible assets with indefinite useful life

In addition to goodwill, the Group recognises certain intangible assets with indefinite useful lives, mainly comprising trademarks, brands and other valuable rights. These assets are not amortised and are tested for impairment annually and whenever there is an indication that they may be impaired. These assets were recognised as having an indefinite useful life at the acquisition date, as there is no foreseeable limit to the period over which they are expected to generate economic benefits. This assessment reflects their established market position, ongoing brand support and the absence of legal, regulatory or contractual limitations, and continues to be appropriate as at the reporting date.

The most significant trademarks are Royal Mail trademark portfolio (EUR 305 million) an GLS trademark portfolio (EUR 244 million). Furthermore, as a part of METRO trademark portfolio were acquired among others trademarks Classic Fine Foods, Pro à Pro and Johan i Hallen & Bergfalk (JHB). As at 31 December 2025, the brands and trademarks with indefinite useful life amounted to EUR 664 million (31 December 2024: EUR nil million).

Other intangible assets with indefinite useful lives mainly comprise the Postcode Address File (PAF), which represents a database-related intangible asset within Royal Mail, generating licence revenues. These assets were identified and recognised as part of business combinations completed during the year. As at 31 December 2024, valuable rights with indefinite useful life amounted to EUR 12 million.

The recoverable amounts of trademark portfolios and individual trademarks were determined using valuation methods appropriate to the nature of the assets, primarily the relief-from-royalty method. The key assumptions used in the impairment testing included forecast revenues attributable to the relevant trademarks and brands, royalty rates, discount rates, terminal growth assumptions and applicable tax assumptions. For other intangible assets with indefinite useful lives, the recoverable amount was assessed using valuation methods reflecting the expected future economic benefits attributable to the relevant rights.

The values of key assumptions used in testing of the Royal Mail and GLS trademark portfolios were terminal growth rate of 2% and royalty rate of 0.6%.

Based on the impairment testing performed as at 31 December 2025, management concluded that the recoverable amounts of goodwill and intangible assets with indefinite useful lives exceeded their carrying amounts. No impairment loss was recognised in respect of goodwill or intangible assets with indefinite useful lives.

Management has performed sensitivity analysis on the key assumptions. Based on this analysis, no reasonably possible change in any individual key assumption would cause the recoverable amount of the Royal Mail and GLS trademark portfolios to fall below their carrying amount.

17. Equity accounted investees

The Group has the following investments in associates and joint ventures:

In millions of EUR

Associates and joint ventures	Country ⁽²⁾	Ownership ⁽¹⁾ 31 December 2025 %	Carrying amount 31 December 2025
CMI Group	⁽³⁾	⁽⁴⁾ 50.00%	208
SŽ EP Group	⁽³⁾	⁽⁴⁾ 49.00%	98
ResInvest Group	⁽³⁾	⁽⁴⁾ 49.00%	85
Ergosud S.p.A	Italy	50.00%	75
Heureka Group a.s. Group	Czech Republic	50.00%	73
West Burton	United Kingdom	50.00%	72
EPH HoldCo a.s.	Czech Republic	50.00%	65
<i>out of which: SUPRATUC2020 SOCIEDAD LIMITADA</i>	<i>Spain</i>	<i>50.00%</i>	<i>115</i>
ACS Postal Services S.A.	Greece	20.00%	54
Collect+Brand Limited	United Kingdom	49.00%	52
CE Electronic Holding, a.s. Group	Czech Republic	50.00%	41
OPCI FRENCH WHOLESALE STORES – FWS	France	25.00%	40
DoDo Group SE Group	Czech Republic	46.00%	24
ePost Global LLC	USA	35.00%	20
MUEG Mitteldeutsche Umwelt- und Entsorgung GmbH	Germany	50.00%	16
Habib METRO Pakistan (Pvt) Ltd	Pakistan	40.00%	16
EP Lower Saxony GmbH	Germany	30.84%	14
OPCI FRENCH WHOLESALE PROPERTIES – FWP	France	5.00%	13
HHEGV Group	Hungary	50.00%	11
Titancoin International a.s. Group	Czech Republic	40.00%	2
Other individually immaterial associates		–	22
Total		–	1,001

(1) Ownership percentage represents the share held by the direct parent of the associate or joint venture.
(2) Country of incorporation of the main operating entities of the subgroup.
(3) Country of incorporation varies.
(4) Represents ownership interest in major equity-accounted investees of the Group.

In millions of EUR

Associates and joint ventures	Country ⁽²⁾	Ownership ⁽¹⁾ 31 December 2024 %	Carrying amount 31 December 2024
SPH Group	⁽³⁾	⁽⁴⁾ 33.00 %	880
CMI Group	⁽³⁾	⁽⁴⁾ 50.00 %	268
Heureka Group a.s. Group	Czech Republic	50.00 %	114
SŽ EP Group	⁽³⁾	⁽⁴⁾ 49.00 %	99
Ergosud S.p.A.	Italy	50.00 %	74
EP HoldCo a.s. Group	Czech Republic	50.00 %	54
<i>of which: SUPRATUC2020 SOCIEDAD LIMITADA Group</i>	<i>Spain</i>	<i>50.00 %</i>	<i>116</i>
HHEGV Group	Czech Republic	50.00 %	29
CE Electronics Holding, a.s. Group	Czech Republic	40.00 %	26
DoDo Group SE Group	Czech Republic	46.00 %	25
Titancoin International a.s. Group	Czech Republic	40.00 %	11
MUEG Mitteldeutsche Umwelt- und Entsorgung GmbH	Germany	50.00 %	16
EP Lower Saxony GmbH	Germany	30.84 %	8
Other individually immaterial associates		–	6
Total		–	1,610

- (1) Ownership percentage represents the share held by the direct parent of the associate or joint venture.
- (2) Country of incorporation of the main operating entities of the subgroup.
- (3) Country of incorporation varies.
- (4) Represents ownership interest in major equity-accounted investees of the Group.

HHE Group Ventures Group

Effective 1 January 2024, the Group commenced applying the equity method to its interest in HHE Group Ventures Kft. and its subsidiaries. Prior to this date, HHE Group Ventures Group was held at cost and the equity method was not applied due to immateriality. The initial application of the equity method resulted in the recognition of equity investee in amount of EUR 27 million.

SPH Group

Equity accounted investee SPH Group in amount of EUR 1,045 million was derecognized as of 24 May 2025 when the Group gained control over SPH Group and started to apply full method of consolidation over the investee. Reported share of profit of equity accounted investee SPH Group, a.s. includes profit from 1 January 2025 until 31 May 2025 as the Group considers the impact of eight days between date of acquisition and the end of the month immaterial.

The Group has the following shares in the profit (loss) of associates and joint ventures:

In millions of EUR

Associates and joint ventures	Country ⁽²⁾	Ownership ⁽¹⁾ 31 December 2025 %	Share of profit (loss) 2025
SPH Group	⁽³⁾	⁽⁵⁾ 33.00 %	148
CMI Group	⁽³⁾	⁽⁴⁾ 50.00 %	(91)
Heureka Group a.s. Group	Czech Republic	50.00 %	2
SŽ EP Group	⁽³⁾	⁽⁴⁾ 49.00 %	3
ResInvest Group	⁽³⁾	⁽⁴⁾ 49.00 %	6
Ergosud S.p.A	Italy	50.00 %	1
West Burton	United Kingdom	50.00 %	(12)
EPH HoldCo a.s.	Czech Republic	50.00 %	5
<i>out of which: SUPRATUC2020 SOCIEDAD LIMITADA</i>	<i>Spain</i>	<i>50.00 %</i>	<i>9</i>
Collect+Brand Limited	United Kingdom	49.00 %	1
OPCI FRENCH WHOLESALE STORES – FWS	France	25.00 %	(2)
CE Electronic Holding, a.s. Group	Czech Republic	50.00 %	3
HHEGV Group	Hungary	50.00 %	8
DoDo Group SE Group	Czech Republic	46.00 %	(2)
MUEG Mitteldeutsche Umwelt- und Entsorgung GmbH	Germany	50.00 %	4
Titancoin International a.s. Group	Czech Republic	40.00 %	(1)
Other individually immaterial associates		–	7
Total		–	80

In millions of EUR

Associates and joint ventures	Country ⁽³⁾	Ownership ⁽²⁾ 31 December 2024 %	Share of profit (loss) 2024
SPH Group	Slovakia	⁽⁴⁾ 33.00 %	322
CMI Group	⁽³⁾	⁽⁴⁾ 50.00 %	(37)
Heureka Group a.s. Group	Czech Republic	50.00 %	3
SŽ EP Group	⁽³⁾	⁽⁴⁾ 49.00 %	6
Ergosud S.p.A.	Italy	50.00 %	4
EP HoldCo a.s. Group	Czech Republic	50.00 %	(7)
<i>of which: SUPRATUC2020 SOCIEDAD LIMITADA Group</i>	<i>Spain</i>	<i>50.00 %</i>	<i>(2)</i>
HHEGV Group	Hungary	50.00 %	19
CE Electronics Holding, a.s. Group	Czech Republic	40.00 %	4
DoDo Group SE Group	Czech Republic	46.00 %	(2)
MUEG Mitteldeutsche Umwelt- und Entsorgung GmbH	Germany	50.00 %	3
Other individually immaterial associates		–	6
Total		–	321

- (1) Ownership percentage represents the share held by the direct parent of the associate or joint venture.
- (2) Country of incorporation of the main operating entities of the subgroup.
- (3) Country of incorporation varies.
- (4) Represents ownership interest of major equity-accounted investees of the Group.
- (5) Includes share of profit of equity accounted investee SPH Group from 1 January to 24 May 2025 when the Group gained control over SPH Group and started applying full method of consolidation.

The table below provides summary financial information for joint venture CMI Group, presented at 100 % as of 31 December 2025 and 2024 and for the years then ended.

In millions of EUR

	2025	2024
Statement of financial position information		
Total assets	1,546	1,681
Non-current assets	1,062	1,147
Current assets	484	534
<i>of which: cash and cash equivalents</i>	<i>81</i>	<i>90</i>
<i>other current assets</i>	<i>403</i>	<i>444</i>
Total liabilities	1,197	1,206
Non-current liabilities	543	515
<i>of which: financial liabilities (excluding trade payables)</i>	<i>425</i>	<i>421</i>
<i>other non-current liabilities</i>	<i>118</i>	<i>94</i>
Current liabilities	654	691
<i>of which: financial liabilities (excluding trade payables)</i>	<i>91</i>	<i>103</i>
<i>other current liabilities</i>	<i>563</i>	<i>588</i>
Equity	349	475
Statement of comprehensive income information		
Revenues	1,183	1,129
<i>of which: interest income</i>	<i>2</i>	<i>3</i>
Depreciation and amortization	(302)	(289)
Interest expense	(33)	(22)
Income tax expense	(1)	6
Profit (loss) for the year	(191)	(73)
Other comprehensive income	1	(5)
Total comprehensive income for the year	(190)	(78)

As of 31 December 2025, the Group reported a valuation allowance of EUR 10 million (2024: EUR 0 million) to its financial investment in CMI Group.

The table below provides summary financial information for joint venture SŽ EP Group, presented at 100 % as at 31 December 2025 and 2024 and for the years then ended.

In millions of EUR

	2025	2024
Statement of financial position information		
Total assets	334	334
Non-current assets	221	180
Current assets	113	154
<i>of which: cash and cash equivalents</i>	<i>38</i>	<i>52</i>
<i>other current assets</i>	<i>75</i>	<i>102</i>
Total liabilities	134	133
Non-current liabilities	72	77
<i>of which: financial liabilities (excluding trade payables)</i>	<i>68</i>	<i>73</i>
<i>other non-current liabilities</i>	<i>4</i>	<i>4</i>
Current liabilities	62	56
<i>of which: financial liabilities (excluding trade payables)</i>	<i>20</i>	<i>18</i>
<i>other current liabilities</i>	<i>42</i>	<i>38</i>
Equity	200	201
Statement of comprehensive income information		
Revenues	221	227
<i>of which: interest income</i>	<i>2</i>	<i>4</i>
Depreciation and amortization	(31)	(31)
Interest expense	(2)	(3)
Income tax expense	(1)	(1)
Profit (loss) for the year	5	12
Other comprehensive income	–	–
Total comprehensive income for the year	5	12

The table below provides summary financial information for joint venture West Burton, presented at 100 % as at 31 December 2025 and 2024. Income statement information for 2024 are not presented as joint control over West Burton was obtained at the end of 2024.

In millions of EUR

	2025	2024
Statement of financial position information		
Total assets	659	506
Non-current assets	591	416
Current assets	68	90
<i>of which: cash and cash equivalents</i>	<i>19</i>	<i>10</i>
<i>other current assets</i>	<i>49</i>	<i>80</i>
Total liabilities	582	771
Non-current liabilities	470	619
<i>of which: financial liabilities (excluding trade payables)</i>	<i>369</i>	<i>568</i>
<i>other non-current liabilities</i>	<i>101</i>	<i>51</i>
Current liabilities	112	152
<i>of which: financial liabilities (excluding trade payables)</i>	<i>1</i>	<i>-</i>
<i>other current liabilities</i>	<i>111</i>	<i>152</i>
Equity	77	(265)
Statement of comprehensive income information		
Revenues	407	-
<i>of which: interest income</i>	<i>2</i>	<i>-</i>
Depreciation and amortization	(70)	-
Interest expense	(34)	-
Income tax expense	9	-
Profit (loss) for the year	(24)	-
Other comprehensive income	15	-
Total comprehensive income for the year	(9)	-

The table below provides summary financial information for joint venture HHE Group Ventures Group presented at 100 % as at 31 December 2025 and 2024 and for the years then ended.

In millions of EUR

	2025	2024
Statement of financial position information		
Total assets	145	145
Non-current assets	80	87
Current assets	65	58
<i>of which: cash and cash equivalents</i>	<i>20</i>	<i>9</i>
<i>other current assets</i>	<i>45</i>	<i>49</i>
Total liabilities	129	94
Non-current liabilities	38	40
<i>of which: financial liabilities (excluding trade payables)</i>	<i>35</i>	<i>37</i>
<i>other non-current liabilities</i>	<i>3</i>	<i>3</i>
Current liabilities	91	54
<i>of which: financial liabilities (excluding trade payables)</i>	<i>-</i>	<i>10</i>
<i>other current liabilities</i>	<i>91</i>	<i>44</i>
Equity	16	51
Statement of comprehensive income information		
Revenues	133	125
<i>of which: interest income</i>	<i>1</i>	<i>-</i>
Depreciation and amortization	(11)	(7)
Interest expense	(3)	(2)
Income tax expense	(21)	(25)
Profit (loss) for the year	17	35
Other comprehensive income	(3)	9
Total comprehensive income for the year	14	44

Summary financial information for standalone associates and joint ventures, presented at 100 % as at 31 December 2025 and for the year then ended.

In millions of EUR

Associates and joint ventures	Revenue	Profit (loss)	Other comprehensive income	Total comprehensive income	Equity
SPH Group ⁽¹⁾	1,720	404	59	463	-
Ergosud S.P.A.	74	2	-	2	152
SUPRATUC2020 SOCIEDAD LIMITADA Group	36	36	-	36	554
Heureka Group a.s. Group	2,408	121	-	121	13
CE Electronics Holding, a.s. Group	-	-	3	3	82
DoDo Group SE Group	70	(6)	-	(6)	7
Titancoin International a.s. Group	69	(2)	-	(2)	23
MUEG Mitteldeutsche Umwelt- und Entsorgung GmbH ⁽²⁾	53	8	-	8	24
EP Lower Saxony GmbH ⁽²⁾	-	-	-	-	16
ResInvest Group	1,100	23	(10)	13	175
Habib METRO Pakistan (Pvt) Ltd	10	6	-	6	31
OPCI FRENCH WHOLESALE PROPERTIES – FWP	28	23	-	23	259
OPCI FRENCH WHOLESALE STORES – FWS	28	18	-	18	161
Collect+Brand Limited	3	2	-	2	3
ePost Global LLC	26	2	-	2	7
ACS Postal Services S.A.	114	2	-	2	93

(1) Includes share of profit of equity accounted investee SPH Group from 1 January to 24 May 2025 when the Group gained control over SPH Group and started applying full method of consolidation.

(2) Data from standalone financial statements according to German GAAP.



In millions of EUR

Associates and joint ventures	Non-current assets	Current assets	Non-current liabilities	Current liabilities
Ergosud S.P.A.	145	78	10	61
SUPRATUC2020 SOCIEDAD LIMITADA Group	887	219	247	306
Heureka Group a.s. Group	113	21	98	23
CE Electronics Holding, a.s. Group	130	251	117	182
DoDo Group SE Group	17	17	5	23
Titancoin International a.s. Group	5	28	1	9
MUEG Mitteldeutsche Umwelt- und Entsorgung GmbH ⁽¹⁾	20	31	25	2
EP Lower Saxony GmbH ⁽¹⁾	17	3	4	-
ResInvest Group	92	365	22	260
Habib METRO Pakistan (Pvt) Ltd	17	23	4	5
OPCI FRENCH WHOLESALE PROPERTIES – FWP	258	1	-	-
OPCI FRENCH WHOLESALE STORES – FWS	250	1	90	-
Collect+Brand Limited	2	3	-	2
ePost Global LLC	12	27	6	26
ACS Postal Services S.A.	73	63	7	36

(1) Data from standalone financial statements according to German GAAP.

Summary financial information for standalone associates and joint ventures, presented at 100 % as at 31 December 2024 and for the year then ended.

In millions of EUR

Associates and joint ventures	Revenue	Profit (loss)	Other comprehensive income	Total comprehensive income	Equity
SPH Group	3,736	978	(386)	592	2,665
Ergosud S.P.A.	93	8	–	8	147
SUPRATUC2020 SOCIEDAD LIMITADA Group	(7)	(7)	–	(7)	557
Heureka Group a.s. Group	108	5	–	5	(1)
CE Electronics Holding, a.s. Group	658	6	–	6	73
DoDo Group SE Group	69	(7)	–	(7)	11
Titancoin International a.s. Group	72	1	–	1	26
MUEG Mitteldeutsche Umwelt- und Entsorgung GmbH ⁽¹⁾	48	7	–	7	24
EP Lower Saxony GmbH ⁽¹⁾	–	–	–	–	29

(1) Data from standalone financial statements according to German GAAP.

In millions of EUR

Associates and joint ventures	Non-current assets	Current assets	Non-current liabilities	Current liabilities
SPH Group	9,378	1,379	5,099	2,993
Ergosud S.P.A.	146	96	21	74
SUPRATUC2020 SOCIEDAD LIMITADA Group	887	183	247	266
Heureka Group a.s. Group	111	30	11	131
CE Electronics Holding, a.s. Group	90	251	111	157
DoDo Group SE Group	23	19	9	22
Titancoin International a.s. Group	5	29	1	7
MUEG Mitteldeutsche Umwelt- und Entsorgung GmbH ⁽¹⁾	21	29	24	2
EP Lower Saxony GmbH ⁽¹⁾	5	24	–	–

(1) Data from standalone financial statements according to German GAAP.

18. Deferred tax assets and liabilities

The following deferred tax assets and (liabilities) have been recognised:

In millions of EUR

Temporary difference related to:	31 December 2025			31 December 2024		
	Assets	Liabilities	Net	Assets	Liabilities	Net
Property, plant and equipment	320	(4,287)	(3,967)	158	(2,346)	(2,188)
Intangible assets	31	(410)	(379)	3	(184)	(181)
Investment property	(1)	(16)	(17)	–	(8)	(8)
Inventories	32	(17)	15	27	–	27
Trade receivables and other assets	129	(30)	99	8	(50)	(42)
Provisions	167	726	893	132	(114)	18
Employee benefits (IAS 19)	71	(85)	(14)	31	(65)	(34)
Loans and borrowings	15	(16)	(1)	10	(11)	(1)
Tax losses	314	–	314	39	–	39
Derivatives	81	85	166	309	(151)	158
Right-of-use assets	591	(569)	22	22	(22)	–
Receivables to nuclear and mining funds	–	(376)	(376)	–	–	–
Other	126	(13)	113	462	(49)	413
Subtotal	1,876	(5,008)	(3,132)	1,201	(3,000)	(1,799)
Set-off tax	(1,634)	1,634	–	(787)	787	–
Total	242	(3,374)	(3,132)	414	(2,213)	(1,799)

Movements in deferred tax during the

In millions of EUR

Balances related to:	Balance at 1 January 2025	Recognised in profit or loss	Recognised in other compre- hensive income	Transfer	Acquired in business combina- tions	Effect of disposal of subsidiaries	Effect of movements in foreign exchange rate	Balance at 31 December 2025
Property, plant and equipment	(2,188)	(56)	-	(53)	1,680	3	7	(3,967)
Intangible assets	(181)	211	-	-	(405)	-	(4)	(379)
Investment property	(8)	9	-	-	(19)	-	1	(17)
Inventories	27	(35)	-	-	24	-	(1)	15
Loans and borrowings	(1)	-	-	-	(1)	-	1	(1)
Trade receivables and other assets	(42)	118	-	-	23	-	-	99
Provisions	18	75	(1)	(10)	811	-	-	893
Employee benefits (IAS 19)	(34)	(5)	(3)	-	28	-	-	(14)
Tax losses	39	28	-	5	246	-	(4)	314
Derivatives	158	(20)	37	11	(20)	-	-	166
Right-of-use assets	-	(43)	-	-	66	-	(1)	22
Receivables to nuclear and mining funds	-	-	-	-	(376)	-	-	(376)
Other	413	(313)	-	47	(43)	-	9	113
Total	(1,799)	(31)	33	-	(1,346)	3	8	(3,132)

In millions of EUR

Balances related to:	Balance at 1 January 2024	Recognised in profit or loss	Recognised in other com- prehensive income	Transfer	Transfer to assets held for sale	Effect of movements in foreign exchange rate	Balance at 31 December 2024
Property, plant and equipment	(1,936)	(141)	(107)	-	-	(4)	(2,188)
Intangible assets	(348)	167	-	-	-	-	(181)
Investment property	(7)	(1)	-	-	-	-	(8)
Inventories	(1)	28	-	-	-	-	27
Loans and borrowings	14	(15)	-	-	-	-	(1)
Trade receivables and other assets	11	(53)	-	-	-	-	(42)
Provisions	258	(243)	3	-	-	-	18
Employee benefits (IAS 19)	(28)	(2)	(3)	-	-	(1)	(34)
Tax losses	34	5	-	-	-	-	39
Derivatives	235	(108)	34	(1)	1	(3)	158
Right-of-use assets	2	(1)	-	(1)	1	(1)	-
Other	(34)	447	(1)	2	-	(1)	413
Total	(1,800)	83	(74)	-	2	(10)	(1,799)

Unrecognised deferred tax assets

A deferred tax asset has not been recognised in respect of the tax losses that are available for carry forward by certain EPG Group entities:

In millions of EUR

	31 December 2025	31 December 2024
Tax losses carried forward	11,288	1,534
Total	11,288	1,534

A deferred tax asset that has not been recognised in respect of the tax losses is attributable to the following entities:

In millions of EUR

	31 December 2025	31 December 2024
METRO AG and its subsidiaries	8,454	-
Royal Mail Group Limited and its subsidiaries	1,019	-
EP France S.A.S. and its subsidiaries	821	806
Slovak Gas Holding B.V.	389	388
Košík.cz s.r.o.	165	129
EP UK BidCo Limited	94	-
General Logistics Systems B.V. and its subsidiaries	89	-
Humbly Grove Energy Limited	88	93
LEAG GmbH and its subsidiaries	49	11
EP NL Rijnmond 1 B.V.	24	-
Eggborough Power Limited	24	-
SPP Infrastructure, a. s.	23	20
Czech Gas Holding Investment B.V	13	13
EP Power Grit B.V.	10	-
EP Slovakia B.V.	5	-
EP Cargo a.s.	4	-
Košík Holding a.s.	3	3
EP CARGO POLSKA SPÓŁKA AKCYJNA	3	-
EP Distribution Services a.s.	2	-
EP Energie Deutschland GmbH	2	-
SGL – Schienen Güter Logistik GmbH	2	-
Windpark Breunsdorf I GmbH	2	-
EP Intermodal a.s.	1	1
EP Ukraine B.V.	1	1
EP CARGO TRUCKING PL Sp.z o.o.	1	-
EP Resources AG	-	63
EP Resources DE GmbH	-	6
Total	11,288	1,534

The deferred tax assets arising from tax loss carryforwards in Royal Mail Group and METRO Group have been recognised to the extent that their recovery is considered probable against existing taxable temporary differences. Unrecognised tax loss carryforwards represent amounts for which no deferred tax asset has been recorded, as their utilisation would result in deferred tax assets exceeding available deferred tax liabilities and there is insufficient convincing evidence that future taxable profits will be available.

The remaining entities are mostly holding companies with insignificant operating activities. The Group does not expect significant taxable profit growth for these entities, therefore no deferred tax was recognized.

If sufficient taxable profit were to be achieved in 2025, then the associated tax income (savings) would be up to EUR 3,288 million (2024: EUR 283 million).

A deferred tax asset is recognised for the carry-forward of unused tax losses only to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised. An estimate of the expiry of tax losses is shown below:

	2026	2027	2028	2029	After 2030	Total
Tax losses	122	98	120	131	10,817	11,288

Tax losses expire over a period of 5 years in the Czech Republic and Slovakia, 6 years (9 years for losses up to 2018) in the Netherlands for standard tax losses and indefinitely in France, Germany and the UK. Under current tax legislation, some deductible temporary differences do not expire. Deferred tax assets have not been recognised in respect of these items because, due to the varying nature of the sources of these profits, it is not probable that future taxable profit against which the Group can utilise the benefits from the deferred tax assets will be available.

19. Inventories

In millions of EUR

	31 December 2025	31 December 2024
Finished goods and merchandise	2,609	43
Nuclear fuel	525	-
Spare parts	374	277
Extracted minerals and mineral products	188	220
Fossil fuel	149	186
Raw materials and supplies	115	120
Inventories for trading held at fair value	48	62
Overburden	43	78
Work in progress	17	28
Total	4,068	1,014

In 2025, inventories of EUR 23,744 million (2024: EUR 2,631 million) were recognized as an expense during the year and included in Purchases and consumables. These values exclude expenses reported by EP Commodities, a.s. and EP Commodities AG which are related to trading activities without physical delivery.

Inventories for trading held at fair value are categorized within Level 1 of the fair value hierarchy (for detail of valuation methods refer to Note 2(e) i – Assumption and estimation uncertainties).

Inventories (exclusively nuclear fuel) in total value of EUR 462 million are expected to be recovered within a period of more than twelve months following the balance sheet date.

As at 31 December 2025, no inventories were subject to pledges (2024: inventories in amount of EUR 19 million were subject to pledges).

20.

Trade receivables and other assets

In millions of EUR

	31 December 2025	31 December 2024 restated*
Trade receivables	4,683	2,281
Uninvoiced revenues	541	358
Receivables from suppliers	415	–
Expected compensations	345	279
Other advance payments	327	195
Value added tax receivables	313	256
Margin of stock exchange derivatives	166	658
Estimated receivables	143	41
Accrued income ⁽¹⁾	130	158
Receivables from assets disposal	99	–
Receivable from the sale of Gabčíkovo hydro power plant ⁽²⁾	93	–
Subsidies related to renewable energy	46	58
Receivables from emission rights granted free-of-charge	42	38
Other taxes receivables, net	32	21
Deposits for capacity market auctions	21	20
Contract assets	4	–
Other receivables and assets	508	138
Allowance for bad debts	(97)	(67)
Total	7,811	4,434
<i>Non-current</i>	611	408
<i>Current</i>	7,200	4,026
Total	7,811	4,434

* Restated 2024 comparative information includes modifications described in Note 3(a) and Appendix 3.

(1) For more detail on accrued income refer to Note 31 – Commitments and contingencies.

(2) Receivable from the sale of Gabčíkovo hydro power plant (“VEG”) was recognized based on the Agreement on settlement on legal relations with respect to VEG assets, signed in 2006, in the value determined by an expert. The balance as of 31 December 2025 represents its discounted value.

The balance of receivables from suppliers is related to the subsequent supplier compensation (such as bonuses and advertising subsidies) in the Wholesale & Retail segment.

In 2025, EUR 1 million receivables were written off through profit or loss (2024: EUR 7 million).

As at 31 December 2025, trade receivables with a carrying value of EUR 402 million are subject to pledges (2024: EUR 272 million).

As at 31 December 2025, trade receivables and other assets amounting EUR 7,196 million are not past due (2024: EUR 4,335 million) remaining net balance of EUR 615 million is overdue (2024: EUR 99 million). For more detailed aging analysis refer to Note 33(a)(ii) – Risk management – credit risk (impairment losses).

As at 31 December 2025 and 2024, the fair value of trade receivables and other assets equal to its carrying amount.

The Group’s exposure to credit and currency risks and impairment losses related to trade and other receivables is disclosed in Note 33 – Risk management policies and disclosures.

21.

Receivables to nuclear and mining funds

Right for reimbursement from the National Nuclear Fund

According to the Act No. 308/2018, Group company Slovenské elektrárne, a.s. is obliged to contribute to the National Nuclear Fund for the purpose of decommissioning activities in respect of nuclear facilities SE operates. The amount of contribution is separately calculated for each nuclear facility. Mandatory contributions are paid on yearly basis, in the month of November each year and are designated for decommissioning of nuclear facilities owned by SE including management of radioactive waste from such decommissioning.

The National Nuclear Fund, reporting to the Ministry of Economy of Slovak Republic, is not controlled by the Group and the Group does not have any representative in the Fund. Contributions paid to the National Nuclear Fund are recognized as a separate asset and represents the reimbursement right in line with the interpretation IFRIC 5 Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds.

The following table reconciles the right for reimbursement from the National Nuclear Fund which represents financial amounts on the subaccounts of the National Nuclear Fund designated for decommissioning of nuclear facilities owned by the Group including management of radioactive waste from such decommissioning:

In millions of EUR

Balance as at 1 June 2025(1)	1,801
Payments to the fund during 2025	98
Interest received	19
Fund administration fee	(1)
Balance as at 31 December 2025	1,917

(1) Reconciliation is presented from the date of acquisition of SE into the Group.

Deposits in mining funds

Under the German Federal Mining Act, mining authorities require operators to provide financial securities during operation to ensure they can meet their legal duty to rehabilitate and secure mining sites after closure.

In order to financially secure the recultivation of the areas used for opencast mining in Brandenburg and Saxony, the States of Brandenburg and Saxony have concluded agreements with LEAG. For this purpose, a special purpose vehicle (“SPV”) was set up. A special mining fund was established under this SPV, which invests in a diversified portfolio of financial assets to achieve the required investment return until the funds are needed for recultivation of the mine sites.

The deposits in mining funds (master funds) therefore function as mandated financial collateral for statutory obligations to recultivate and manage post mining landscapes, and deposits into these vehicles are the mechanism by which LEAG fulfils those security requirements.

The assets are managed in an insolvency-proof manner and largely independently of LEAG. In return, LEAG has the opportunity to influence the investments made with the help of the paid-in assets.

In millions of EUR

	31 December 2025	31 December 2024
Non-current receivables from mining funds	622	-
Total receivables from mining funds	622	-

22. Cash and cash equivalents

In millions of EUR

	31 December 2025	31 December 2024
Current accounts with banks	4,695	5,103
Term deposits	4,643	3,380
Cash in money market funds	321	-
Cash on hand	30	7
Bills of exchange	-	50
Total	9,689	8,540

Term deposits, bills of exchange issued by banks and debentures with original maturity of up to three months are classified as cash equivalents.

As at 31 December 2025 cash equivalents of EUR 217 million are subject to pledges (2024: EUR 82 million) in case the Group defaults on some of its indebtedness. As such, pledged cash is readily available and is not classified as restricted.

The cash of the Russian Group companies is constantly monitored for relevant restrictions in light of increased governmental interventions. They are not currently subject to any restrictions within Russia; in certain cases, cross-border foreign exchange/capital transfers require approval from the authorities. As of 31 December 2025, the cash of the Russian companies amounts to EUR 68 million (no cash reported in Russian companies as of 31 December 2024).

23.

Assets and liabilities held for sale

The following items are presented within assets/disposal groups held for sale:

In millions of EUR

	31 December 2025	31 December 2024
Property, plant and equipment	26	29
Intangible assets and goodwill	–	1
Financial instruments and other financial assets	–	33
Trade receivables and other assets	–	87
Prepayments and other deferrals	–	6
Income tax receivables	–	3
Restricted cash	–	16
Deferred tax assets	–	1
Inventories, extracted minerals and mineral products	–	113
Cash and cash equivalents	–	50
Total	26	339

The following items are presented within liabilities from disposal groups held for sale:

In millions of EUR

	31 December 2025	31 December 2024
Loans and borrowings	–	136
Provisions	–	5
Deferred income	–	3
Deferred tax liabilities	–	3
Trade payables and other liabilities	–	111
Contract liabilities	–	24
Total	–	282

As at 31 December 2025, assets classified as held for sale relate to land and buildings in London, United Kingdom, and Graz, Austria, which are expected to be disposed of during 2026.

As at 31 December 2024, balances are represented by companies EP Resources AG, EP Resources CZ a.s., EP Resources PL S.A. and EP Resources DE GmbH (“EPR Group”). Controlling 51% share in companies in EPR Group was disposed of during the first half of 2025 and the retained 49% share has been classified as an equity investee (see Note 6(d)).

24.

Equity

Share capital, share premium

The authorised, issued and fully paid share capital as at 31 December 2025 consisted of 4,480,002 ordinary shares with a par value of CZK 14,300 each (2024: 4,480,002 ordinary shares with a par value of CZK 14,300 each).

The shareholder is entitled to receive dividends and to cast 1 vote per 1 share of nominal value CZK 14,300 at meetings of the Company’s shareholders.

In 2025, the Company declared dividends in amount of EUR 129 million (2024: EUR 696 million) to its shareholders. Dividend declared per share in 2025 was EUR 29 (2024: EUR 155).

31 December 2025	Number of shares 14,300 CZK	Ownership %	Voting rights %
EP Investment S.à r.l.	4,000,002	89.29%	89.29%
Tiliacordata Limited	480,000	10.71%	10.71%
Total	4,480,002	100.00%	100.00%

31 December 2024	Number of shares 14,300 CZK	Ownership %	Voting rights %
EP Investment S.à r.l.	4,000,002	89.29%	89.29%
Tiliacordata Limited	480,000	10.71%	10.71%
Total	4,480,002	100.00%	100.00%

The reconciliation of the number of shares outstanding at the beginning and at the end of the year is provided as follows:

	Number of shares 2025 14,300 CZK
Shares outstanding at the beginning of the year	4,480,002
Shares outstanding at the end of the year	4,480,002

	Number of shares 2024 14,300 CZK
Shares outstanding at the beginning of the year	4,480,002
Shares outstanding at the end of the year	4,480,002

Reserves

Reserves recognised in equity comprise the following items:

In millions of EUR

	31 December 2025	31 December 2024 restated
Other capital funds from capital contributions	1,495	755
Fair value reserve	513	531
Revaluation reserve	(644)	(704)
Non-distributable reserves	51	30
Hedging reserve	18	27
Translation reserve	155	137
Other capital reserves	(2,968)	(3,187)
Total	(1,380)	(2,411)

Non-distributable reserves

The legal reserve of EUR 18 million was reported as at 31 December 2025 (2024: EUR 12 million).

Translation reserve

The translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations of the Group. As at 1 January 2022, EUR has become the Group’s functional as well as presentation currency. Translation reserve arising from entities with EUR functional currency and translation reserve arising from entities with CZK functional currency from historical translation of EUR dividends was transferred to retained earnings as at 1 January 2022.

Translation reserve includes also translation reserve arising from translation of the consolidated financial statements to presentation currency until 31 December 2021. Translation reserve arising historically on translation into presentation currency from entities with CZK functional currency remains to be presented within translation reserve and will not be reclassified subsequently to profit or loss. Translation reserve arising historically on translation into presentation currency from entities with GBP, USD or PLN functional currencies remains to be presented within translation reserve and will be reclassified to profit or loss on disposal of such foreign operations.

Other capital reserves

The Group accounted for pricing differences which arose from establishment of the Group and acquisition of certain new subsidiaries in the subsequent period. Such subsidiaries were acquired under common control of EP Investment S.à r.l. (which held controlling interest in the Group at the time of acquisition of the subsidiaries), and therefore excluded from the scope of IFRS 3, which defines recognition of goodwill raised from a business combination as the excess of the cost of an acquisition over the fair value of the Group’s share of the net identifiable assets, liabilities and contingent liabilities of the acquired subsidiary. Acquirees under common control are treated under the net book value presented in the Consolidated financial statements of Energetický a průmyslový holding, a.s. (i.e., including historical goodwill less potential impairment). The difference between the cost of acquisition and carrying values of net assets of the acquiree and original goodwill carried forward as at the acquisition date were recorded to consolidated equity as pricing differences presented within other capital reserves.

The balance of other capital reserves also includes equity impact of recognition and revaluation of option over non-controlling interest, where the owner of the put option is a minority shareholder (see policy 3(b)xi).

Hedging reserves

The effective portion of fair value changes in financial derivatives designated as cash flow hedges are recognised in equity (for more details please refer to Note 29 – Financial instruments and Note 33 – Risk management policies and disclosure).

Fair value reserve

Fair value reserve comprises mainly actuarial gains and losses related to IAS 19 pension plan provisions.

Revaluation reserve

Revaluation reserve represents an effect from revaluation of the gas transmission and the gas distribution pipelines as per IAS 16 to fair value. For detail refer to Note 4(a).

25. Non-controlling interest

31 December 2025								
In millions of EUR	EP Infrastructure, a.s. and its subsidiaries	Slovenské elektrárne, a.s. and its subsidiaries	Energetický a průmyslový holding a.s. subgroup ⁽¹⁾	EP Energy Transition, a.s. subgroup ⁽⁶⁾	EP Global Commerce, a.s. subgroup	EP Project Finance, a.s. subgroup ⁽⁷⁾	Other individually immaterial ⁽⁸⁾	Total
Non-controlling percentage ⁽²⁾	31.00%	34.00%	44.00%	44.00%	44.00%	44.00%		
Statement of financial position ⁽³⁾								
Total assets	11,804	14,686	36,274	15,581	13,726	14,886		
of which: non-current	9,469	13,179	26,916	7,547	7,463	11,994		
current	2,335	1,507	9,358	8,034	6,263	2,892		
Total liabilities	6,854	8,302	24,180	11,374	12,678	12,192		
of which: non-current	5,288	7,335	16,611	5,068	5,306	8,343		
current	1,566	967	7,569	6,306	7,372	3,849		
Net assets	4,950	6,384	12,094	4,207	1,048	2,694		
Non-controlling interest calculation	643	2,171	3,768	548	73	1,861		
Subgroup's non-controlling interest entering consolidation – other ⁽⁴⁾	3,299	–	6,182	–	589	–		
Carrying amount of NCI at 31 December 2025	3,942	2,171	9,950	548	662	1,107	407	12,674
Statement of comprehensive income ⁽³⁾								
Total revenues	3,193	2,327	28,672	5,019	25,943	10,604	–	–
of which: dividends received	5	–	14	–	10	–	–	–
Profit after tax	475	574	3,150	541	(111)	1,371	–	–
Total other comprehensive income for the year, net of tax	44	(78)	(121)	60	104	(11)	–	–
Total comprehensive income for the year ⁽³⁾	519	496	3,029	601	(7)	1,360	–	–
Profit allocated to non-controlling interest	88	195	1,010	274	(41)	599	(17)	2,274
OCI allocated to non-controlling interest	10	(27)	(50)	37	94	(154)	23	(53)
Share of profit of subgroup's non-controlling interest entering consolidation ⁽⁴⁾	190	–	471	–	(22)	–	–	–
Share of other comprehensive income of sub-group's non-controlling interest entering consolidation ⁽⁴⁾	13	–	4	–	(7)	–	–	–
Total comprehensive income attributable to non-controlling interest	301	168	1,435	311	24	445	6	2,221
Net cash inflows (outflows)	(46)	50	963	(1,102)	775	559	–	–
Dividends declared ⁽⁵⁾	(484)	(170)	(938)	–	–	(90)	–	(1,028)

(1) Including Slovenské elektrárne a.s. and its subsidiaries and EP Infrastructure, a.s. subgroup (EPIF) (refer to Note 35 Group entities).

(2) Non-controlling percentage of Slovenské elektrárne, a.s. and EP Infrastructure, a.s. represents non-controlling interest on the level of EPH subgroup. Non-controlling percentage of Energetický a průmyslový holding a.s. subgroup, EP Energy transition, a.s. subgroup, EP Global Commerce, a.s. subgroup and EP Project Finance, a.s. subgroup represents the non-controlling interest on the level of EP Group a.s.

(3) Financial information derived from financial statements prepared in accordance with IFRS including fair value adjustments arising from the acquisition by the Group.

(4) The non-controlling interest of EP Global Commerce, a.s. subgroup is related to METRO AG subgroup.

(5) Dividends declared by EPH subgroup represent dividends declared by subsidiaries of EPH attributable to non-controlling interest in the amount of EUR 366 million and dividends declared to direct non-controlling interest in amount of EUR 572 million. Dividends declared by EPIF subgroup represents dividends declared by subsidiaries of EPIF attributable to non-controlling interest in the amount of EUR 272 million and dividends declared to direct non-controlling interest in amount of EUR 272 million.

(6) EP Energy Transition, a.s. subgroup consist mainly of LEAG Group, in 2024 there was direct non-controlling interest in LEAG Group, on 21 March 2025, this direct non-controlling interest was purchased by EP Energy transition (refer to Note 6.a). As at 31 December 2025, there is only indirect non-controlling interest in LEAG Group on the level of EP Energy Transition, a.s. subgroup.

(7) EP Project Finance, a.s. subgroup consists mainly of IDS Group, which was acquired on 30 April 2025, after additional purchases of shares in IDS during 2025, IDS became fully owned subsidiary of EP Project Finance a.s. (refer to Note 6(a)).

(8) Column “Other” represents primarily non-controlling interest in EP Heat & Power, a.s. and ECI subgroup.

31 December 2024					
In millions of EUR					
	EP Infrastructure, a.s. and its subsidiaries	Energetický a průmyslový holding a.s. subgroup ⁽¹⁾	LEAG Group	Other individually immaterial ⁽⁶⁾	Total
Non-controlling percentage ⁽²⁾	31%	44%	60.80%		
Statement of financial position ⁽³⁾					
Total assets	12,596	26,410	12,640		
of which: non-current	10,042	15,423	4,650		
current	2,554	10,987	7,990		
Total liabilities	7,075	18,271	8,273		
of which: non-current	5,477	9,758	3,865		
current	1,598	8,513	4,408		
Net assets	5,521	8,139	4,367		
Non-controlling interest calculation	727	3,417	1,435		
Subgroup's non-controlling interest entering consolidation – other ⁽⁴⁾	3,308	4,103	–		
Carrying amount of NCI at 31 December 2024	4,035	7,520	1,435	(535)	8,420
Statement of comprehensive income ⁽³⁾					
Total revenues	3,693	24,241	5,157	–	–
of which: dividends received	3	9	–	–	–
Profit after tax	556	1,036	335	–	–
Total other comprehensive income for the year, net of tax	(166)	(374)	(22)	–	–
Total comprehensive income for the year ⁽³⁾	390	662	313	–	–
Profit allocated to non-controlling interest	88	261	204	(81)	777
OCI allocated to non-controlling interest	(29)	(119)	(35)	(206)	(465)
Share of profit of subgroup's non-controlling interest entering consolidation ⁽⁴⁾	271	393	–	–	–
Share of other comprehensive income of sub-group's non-controlling interest entering consolidation ⁽⁴⁾	(72)	(105)	–	–	–
Total comprehensive income attributable to non-controlling interest	59	430	169	(287)	312
Net cash inflows (outflows)	59	(184)	1,207	–	–
Dividends declared ⁽⁵⁾	(310)	(990)	–	–	(990)

(1) Including EP Infrastructure, a.s. subgroup (EPIF) (refer to Note 35 Group entities).

(2) Non-controlling percentage of EP Infrastructure, a.s. represents non-controlling interest on the level of EPH subgroup. Non-controlling percentage of Energetický a průmyslový holding a.s. subgroup and LEAG Group represents the non-controlling interest on the level of EP Group a.s.

(3) Financial information derived from financial statements prepared in accordance with IFRS including fair value adjustments arising from the acquisition by the Group.

(4) The non-controlling interest of EPH subgroup is mainly related to EPIF subgroup. The non-controlling interest of EPIF subgroup is mainly related to SPP Infrastructure, a.s. and its subsidiaries.

(5) Dividends declared by EPH subgroup represent dividends declared by subsidiaries of EPH attributable to non-controlling interest in the amount of EUR 298 million and dividends declared to direct non-controlling interest in amount of EUR 692 million. Dividends declared by EPIF subgroup represents dividends declared by subsidiaries of EPIF attributable to non-controlling interest in the amount of EUR 217 million and dividends declared to direct non-controlling interest in amount of EUR 93 million.

(6) Column “Other” represents primarily non-controlling interest in EP Energy Transition, a.s., EP Real Estate, a.s. and ECI subgroup.

26. Loans and borrowings

In millions of EUR			
	31 December 2025	31 December 2024 restated	1 January 2024 restated
Issued debentures at amortised costs	10,193	4,767	4,680
Loans payable to credit institutions	6,254	3,156	3,339
Lease liabilities	4,813	254	242
Bank overdraft	52	–	–
Loans payable to other than credit institutions	43	1,343	965
Revolving credit facility	–	399	1,052
Factoring loans	–	1	103
Total	21,355	9,920	10,381
Non-current	18,781	7,445	7,690
Current	2,574	2,475	2,691
Total	21,355	9,920	10,381

The weighted average interest rate on loans and borrowings (excluding debentures) for 2025 was 4.77% (2024: 5.95%).

Issued debentures at amortised costs

Details about debentures issued as at 31 December 2025 are presented in the following table:

In millions of EUR	Principal	Accrued interest	Unamortised transactions cost	Issue date	Maturity	Intrest rate (%)	Effective interest rate (%)
SE Notes	750	3	(8)	20/11/2025	20/11/2032	3.875	4.020
EP Infrastructure 2026 Notes	600	4	–	30/07/2019	30/07/2026	1.698	1.795
EP Infrastructure 2028 Notes	500	2	(1)	09/10/2019	09/10/2028	2.045	2.117
EP Infrastructure 2031 Notes	500	8	(2)	02/03/2021	02/03/2031	1.816	1.888
EP Infrastructure 2033 Notes	600	2	(5)	27/11/2025	27/11/2033	4.125	4.297
eustream Notes	500	4	(1)	25/06/2020	25/06/2027	1.625	1.759
SPP – distribúcia Notes	500	3	(4)	09/06/2021	09/06/2031	1.000	1.079
EPH Financing CZ 2027 Notes	99	3	(1)	19/08/2022	19/08/2027	8.000	8.200
EPH Financing International 2028 Notes	600	5	1	13/11/2023	13/11/2028	6.651	⁽¹⁾ 6.773/5.599
EPH Financing International 2029 Notes	500	3	(3)	31/05/2024	30/11/2029	5.875	6.289
EPH Financing International 2032 Notes	500	12	(3)	02/07/2025	02/07/2032	4.625	4.940
EPH Private placements	71	1	(1)	22/1/2021–23/02/2024	22/1/2026–25/01/2027	⁽²⁾ –	⁽²⁾ –
Royal Mail 2026 Notes	543	2	–	01/10/2019	08/10/2026	1.250	1.400
Royal Mail 2028 Notes	527	8	(3)	07/09/2023	01/09/2028	5.250	5.500
Royal Mail 2029 Notes	650	5	(5)	24/09/2025	01/10/2029	3.250	3.500
Royal Mail 2030 Notes	287	19	(2)	09/07/2023	01/09/2030	7.375	7.500
Royal Mail 2032 Notes	749	7	(4)	24/09/2025	01/10/2032	4.000	4.100
METRO AG 2027 Notes	50	1	–	09/08/2012	09/08/2027	4.090	4.090
METRO AG 2029 Notes	502	19	–	07/03/2024	07/03/2029	4.625	4.780
METRO AG 2030 Notes	611	20	–	05/03/2025	05/03/2030	5.250	5.110
METRO AG Promissory note loans	300	3	(1)	10/2/2024–2/10/2024	10/4.2027–2/10/2029	⁽³⁾ –	⁽³⁾ –
METRO AG Commercial paper Notes	168	–	(5)	28/8/2025–22/12/2025	5/1/2026–22/5/2026	⁽³⁾ –	⁽³⁾ –
Total	10,107	134	(48)		–	–	–

(1) Different effective interest rates apply for initial EUR 500 million tranche and additional EUR 100 million tranche.
(2) Interest rates vary per issue and are fixed or a combination of reference interest rate (PRIBOR or EURIBOR) and margin set for relevant interest period.
(3) Interest rates vary per issue and are fixed or a combination of reference interest rate (EURIBOR) and margin set for relevant interest period.

Details about debentures issued as at 31 December 2024 are presented in the following table:

In millions of EUR	Principal	Accrued interest	Unamortised transactions cost	Issue date	Maturity	Intrest rate (%)	Effective interest rate (%)
EP Infrastructure 2026 Notes	600	4	(1)	30/07/2019	30/07/2026	1.698	1.795
EP Infrastructure 2028 Notes	500	2	(1)	09/10/2019	09/10/2028	2.045	2.117
EP Infrastructure 2031 Notes	500	8	(2)	02/03/2021	02/03/2031	1.816	1.888
eustream Notes	500	4	(2)	25/06/2020	25/06/2027	1.625	1.759
SPP Infrastructure Financing Notes	500	12	–	12/02/2015	12/02/2025	2.625	2.685
SPP – distribúcia Notes	500	4	(4)	09/06/2021	09/06/2031	1.000	1.079
EPH Financing CZ 2025 Notes	298	4	–	17/03/2020	17/03/2025	4.500	4.870
EPH Financing CZ 2027 Notes	95	3	(1)	19/08/2022	19/08/2027	8.000	8.200
EPH Financing International 2028 Notes	600	5	2	13/11/2023	13/11/2028	6.651	⁽¹⁾ 6.773/5.599
EPH Financing International 2029 Notes	500	3	(3)	31/05/2024	30/11/2029	5.875	6.289
EPH Private placements	138	2	(3)	14/08/2020–23/02/2024	19/07/2025–25/01/2027	⁽²⁾ –	⁽²⁾ –
Total	4,731	51	(15)		–	–	–

(1) Different effective interest rates apply for initial EUR 500 million tranche and additional EUR 100 million tranche.
(2) Interest rates vary per issue and are fixed or a combination of reference interest rate (PRIBOR or EURIBOR) and margin set for relevant interest period.

All EPH Financing CZ Notes and EPH Financing International Notes described above contain a covenant limiting certain types of distributions to the shareholders under certain circumstances. The Group has to monitor the ratio of total amount of Group’s net debt to Group’s EBITDA (i.e. net leverage) before certain types of distributions are carried out.

Certain EP Infrastructure Notes (2026 Notes, 2028 Notes and 2031 Notes; “the EPIF Notes”) contain a covenant limiting certain types of distributions to EPIF’s shareholders in certain circumstances. The EPIF Group has to monitor the ratio of total amount of Group’s net debt to Group’s EBITDA (i.e. net leverage) before certain types of distributions are carried out.

EP Infrastructure 2033 Notes

On 27 November 2025, EPIF placed its debut offering of green EUR 600 million 4.125% fixed-rate unsecured notes due in February 2033 in the denomination of EUR 100,000 each (“2033 Notes”), under its EMTN Programme. The 2033 Notes are listed on Irish Stock Exchange (Euronext Dublin). Unless previously redeemed or cancelled, the 2033 Notes will be redeemed at their principal amount on 27 February 2033. The net proceeds were allocated to finance or refinance eligible green projects in line with EPIF’s Green Finance Framework.

The 2033 Notes are stated net of debt issue costs of EUR 4 million. These costs are amortised to the profit and loss over the term of the 2033 Notes using an effective interest rate of 4.297%.

EPH Financing International 2032 Notes

On 2 July 2025, EPH Financing International, a.s., a 100 % subsidiary of EPH, issued bonds in the amount of EUR 500 million in the denomination of EUR 100,000 each, under the EUR 3,000,000,000 EMTN Programme, guaranteed by EPH (the “EPH Financing International 2032 Notes”). The EPH Financing International 2032 Notes were issued as “green bonds” with the net proceeds intended specifically to finance or refinance, in whole or in part, a portfolio of eligible green projects in line with the use of proceeds, project evaluation and selection process described in the Green Finance Framework, which is available at <https://www.epholding.cz/> under section ‘Sustainability’ and has been prepared in accordance with the Green Bond Principles published by ICMA. The EPH Financing International 2032 Notes are listed on the Official List of the Irish Stock Exchange and traded on the regulated market of Euronext Dublin. Unless previously redeemed or cancelled, the EPH Financing International 2032 Notes will be redeemed at their principal amount on 2 July 2032.

The EPH Financing International 2032 Notes bear a fixed interest rate of 4.625% p.a. and are stated net of debt issue costs. These costs are allocated to the profit and loss account through effective interest rate of 4.940%.

SE Notes

On 20 November 2025, SE issued bonds in the amount of EUR 750 million in the denomination of EUR 100,000 each, under the EUR 2 billion EMTN Programme (“SE Notes”). The SE Notes were issued as “green bonds” with the net proceeds intended specifically to finance or refinance eligible green projects in line with SE’s Green Finance Framework. The SE Notes are listed on the Euronext Dublin exchange and have a BBB rating from S&P and Fitch. Unless previously redeemed or cancelled, the SE Notes will be redeemed at their principal amount on 20 November 2032. The bonds bear a fixed interest of 3.875% p.a. and are stated net of debt issue costs. These costs are allocated to the profit and loss account through effective interest rate of 4.020%.

IDS Group Notes

All IDS Group Notes are listed on the London Stock Exchange, support the long-term funding of the Group’s logistics activities. There are no financial covenants on the issued Notes.

IDS Group 2029 Notes

On 24 September 2025, IDS Group issued bonds in the amount of EUR 650 million in the denomination of EUR 100,000 each. Unless previously redeemed or cancelled, the IDS Group Notes will be redeemed at their principal amount on 1 October 2029. The bonds bear a fixed interest of 3.250% p.a. and are stated net of debt issue costs. These costs are allocated to the profit and loss account through effective interest rate of 3.500%.

IDS Group 2032 Notes

On 24 September 2025, IDS Group issued bonds in the amount of EUR 750 million in the denomination of EUR 100,000 each. Unless previously redeemed or cancelled, the IDS Group Notes will be redeemed at their principal amount on 1 October 2032. The bonds bear a fixed interest of 4.000% p.a. and are stated net of debt issue costs. These costs are allocated to the profit and loss account through effective interest rate of 4.100%.

METRO AG Notes (2027, 2029 and 2030 Notes)

The Company’s medium-term and long-term financing needs are covered by a bond issuance program with a maximum volume of EUR 5,000 million. The utilized bond issuance program amounted to a total of EUR 1,150 million.

On 5 March 2025, METRO AG issued bonds in the amount of EUR 600 million. Unless previously redeemed or cancelled, the METRO AG Notes will be redeemed at their principal amount on 5 March 2030. The bonds bear a fixed interest of 5.25 % p.a. and are stated net of debt issue costs. These costs are allocated to the profit and loss account through effective interest rate of 5.110%.

METRO AG Promissory notes Loan

The promissory note loan for a total of EUR 300 million was placed on the market on 2 October 2024. The tranches have maturities of between 3 and 5 years and most of them have variable interest rates.

METRO AG Commercial Paper Notes

Short-term financing requirements of METRO AG are covered through the Euro Commercial Paper Programme with a maximum volume of EUR 2,000 million. As at 31 December 2025, the utilisation amounted to EUR 168 million.

Other loans and borrowings

Terms and debt repayment schedule

Terms and conditions of outstanding loans as at 31 December 2025 were as follows:

In millions of EUR

	Currency	Nominal interest rate	Year of maturity (up to)	Balance at 31/12/25	Due within 1 year	Due in 1–5 years	Due in following years
Unsecured bank loan	EUR	variable*	2033	4,279	117	4,162	–
Unsecured bank loan	JPY	variable*	2030	367	1	366	–
Unsecured bank loan	USD	variable*	2030	68	–	68	–
Secured bank loan	EUR	variable*	2035	1,273	38	1,226	9
Unsecured bank loan	EUR	fixed	2042	166	27	90	49
Secured bank loan	EUR	fixed	2029	74	6	55	13
Secured bank loan	CZK	variable*	2030	27	5	22	–
Secured loan	EUR	fixed	2039	37	23	4	10
Unsecured loan	EUR	variable*	2028	5	3	2	–
Unsecured loan	EUR	fixed	2040	1	–	–	1
Overdraft	PKR	variable*	2026	32	32	–	–
Overdraft	EUR	variable*	2026	20	20	–	–
Lease liabilities	n/a	n/a	n/a	4,813	823	2,321	1,669
Total interest-bearing liabilities				11,162	1,095	8,316	1,751

* Variable interest rate is derived as EURIBOR or PRIBOR plus a margin. All interest rates are market based.

Terms and conditions of outstanding loans as at 31 December 2024 were as follows:

In millions of EUR

	Currency	Nominal interest rate	Year of maturity (up to)	Balance at 31/12/24	Due within 1 year	Due in 1–5 years	Due in following years
Unsecured bank loan	EUR	variable*	2029	1,788	106	1,682	–
Unsecured bank loan	EUR	Fixed	2042	191	27	104	60
Secured bank loan	EUR	variable*	2028	438	30	408	–
Secured bank loan	CZK	variable*	2030	31	5	20	6
Secured bank loan	EUR	Fixed	2029	709	10	697	2
Unsecured loan	EUR	fixed*	2025	911	911	–	–
Unsecured loan	EUR	variable*	2028	47	43	4	–
Unsecured loan	EUR	Fixed	2040	371	17	347	7
Secured loan	EUR	Fixed	2039	14	1	4	9
Revolving credit facility	EUR	variable*	2026	399	349	50	–
Factoring loan	EUR	variable*	2025	1	1	–	–
Lease liabilities	n/a	n/a	n/a	254	62	147	45
Total interest-bearing liabilities				5,154	1,562	3,463	129

* Variable interest rate is derived as PRIBOR, EURIBOR, SONIA or Fedfunds plus a margin. All interest rates are market based.

Terms and conditions of outstanding loans as at 1 January 2024 were as follows:

In millions of EUR

	Currency	Nominal interest rate	Year of maturity (up to)	Balance at 01/01/2024	Due within 1 year	Due in 1–5 years	Due in following years
Unsecured bank loan	EUR	variable*	2029	1,993	101	1,832	60
Unsecured bank loan	EUR	variable*	2028	192	37	155	–
Secured bank loan	EUR	fixed	2033	211	27	14	170
Secured bank loan	CZK	variable*	2030	35	4	19	12
Secured bank loan	EUR	fixed	2030	24	3	16	5
Secured bank loan	EUR	variable	2024	884	884	–	–
Unsecured loan	EUR	variable*	2028	47	2	45	–
Unsecured loan	EUR	fixed	2025	15	2	13	–
Unsecured loan	EUR	fixed	2024	898	898	–	–
Secured loan	EUR	fixed	2039	5	1	2	2
Secured loan	EUR	variable*	0	–	–	–	–
Revolving credit facility	EUR	variable*	2026	1,052	11	1,041	–
Factoring loan	EUR	variable*	2025	103	50	53	–
Factoring loan	EUR	fixed	2023	–	–	–	–
Lease liabilities	n/a	n/a	n/a	242	72	103	67
Total interest-bearing liabilities				5,701	2,092	3,293	316

* Variable interest rate is derived as PRIBOR, EURIBOR, SONIA or Fedfunds plus a margin. All interest rates are market based.

EPIF Schuldschein loan agreements

EPIF is a party to EUR 285 million Schuldschein loan agreements under German law issued in line with EPIF’s green principles (so called “green Schuldschein”). The floating rate Schuldschein loan agreements have durations of three and five years, plus corresponding margins.

The debts of EPIF under the Schuldschein loan agreements are general, senior unsecured debts of the EPIF and rank equally in right of payment with EPIF’s existing and future indebtedness that is not subordinated in right of payment. The Schuldschein loan agreements contain certain restrictive provisions and also a change of control provision the triggering of which may result in mandatory prepayment.

On 18 December 2025, EPIF made a voluntary early repayment in the amount of EUR 75 million.

EPH Term and revolving facilities agreement

EPH is a party to a term and revolving facilities agreement dated 21 June 2023 with a syndicate of banks (the “EPH Facilities Agreement”), pursuant to which EPH has available loan facilities as of 31 December 2025 in the total amount of EUR 2,270 million.

The EPH’s obligations under the EPH Facilities Agreement are general, senior unsecured obligations and rank equally in right of payment with the EPH’s existing and future indebtedness that is not subordinated in right of payment. The EPH Facilities Agreement contains restrictive provisions which, among other things, prohibit the use of the funds from the facilities for coal or lignite related activity, limit the Group’s ability to incur additional financial indebtedness, make distributions and certain other payments, dispose of certain assets or create security over certain Group’s assets, and EPH’s ability to merge with other companies. The agreement obliges EPH to dispose of or close certain coal and lignite assets. The restrictions are subject to a number of exceptions and qualifications. For example, EPH may make distributions and certain other payments if (among other things), the Group net leverage does not exceed a certain limit, EPH and certain other Group members may incur additional financial indebtedness if (among other things) certain net leverage limits set for various Group levels are met. The EPH Facilities Agreement also contains change of control provisions the triggering of which may result in mandatory prepayment.

On 28 February 2025, EPH repaid part of term loan provided by banks in amount of EUR 500 million which was due in 2028. Subsequently on 2 July 2025, EPH repaid remaining outstanding part of term loan provided by banks in amount of EUR 425 million, which was due in 2028.

EPH Samurai loan

In February 2025, EPH has successfully raised its debut Japanese term loan credit facility (the “Samurai Loan”) totalling JPY 80.0 billion (equivalent EUR 510 million at the transaction date). The Samurai Loan marks the largest debut samurai transaction for a global corporate borrower since the global financial crisis. A samurai loan is a predominantly yen-denominated loan issued in Japan by a non-Japanese company. The Samurai Loan comprises a JPY 80.0 billion equivalent 5-year credit facility, maturing February 2030. The loan pays an interest margin of 160bps over TONAR, offering a highly attractive rate for the borrower. It was arranged by SMBC Group which acted as the Sole Coordinator, Sole Bookrunner, and Mandated Lead Arranger.

EPIF Facility agreement

From 2024, EPIF is a party to revolving facility agreement in the amount up to EUR 400 million (the “EPIF’s Facility Agreement”), which provides EPIF with an unsecured revolving facility until 8 November 2027.

The debts of EPIF under the EPIF’s Facilities Agreement are general, senior unsecured debts of the EPIF and rank equally in right of payment with the EPIF’s existing and future indebtedness that is not subordinated in right of payment.

Further, the EPIF’s Facility Agreement contain customary events of defaults, including, among other things, non-payment, other obligations, misrepresentation, cross-default, insolvency, insolvency proceedings, preventive restructuring, creditors’ process, unlawfulness and invalidity, cessation of business, repudiation and rescission of agreements and material adverse change. If any of such event of default occurs, the EPIF’s Facility Agreement may be cancelled and declared immediately due and payable or payable on demand.

SPPD and Eustream Finance Contracts

The SPPD and Eustream Finance Contracts contain a financial covenant ensuring that at the end of each measurement period (being a period of 12 months ending on 31 January and 31 July of any year), the SPPD or Eustream group’s net debt to group’s EBITDA ratio (i.e. net leverage) is not more than 2.65 to 1.

In addition, both finance contracts contain customary events of defaults, including, among other things, non-payment, misrepresentation, cross-default of the company or its subsidiaries, insolvency, insolvency proceedings, litigation and administrative proceedings, other obligations, creditors’ process, material adverse change and unlawfulness. If any of such event of default occurs, the finance contracts may be declared immediately due and payable on demand.

EP Centrale Ostiglia and EP Centrale Tavazzano Montanaso Project finance facilities

EP Centrale Ostiglia S.p.A. is a party to EUR 320 million project finance facility, which will cover costs incurred in relation to construction of a new 881 MW CCGT power plant in Italy.

EP Centrale Tavazzano Montanaso S.p.A. is a party to EUR 230 million project finance facility, which will cover costs incurred in relation to construction of a new 803 MW CCGT power plant in Italy.

Both facilities are subject to financial covenants tested annually. These covenants measure historic and forecast Annual Debt Service Cover Ratio (ratio of available cash flows to pay the debt obligation and the debt obligation) and Debt to Equity ratio. The loans become repayable on demand if the financial covenants are not met at the testing date unless the non-compliance is covered by the equity contribution by the parent company, subject to which the failure is cured. Both companies complied with the covenants in 2025.

SE Term and Revolving Facilities Agreement

As part of the acquisition of Slovenské elektrárne in May 2025, the Group recognized SE’s borrowings in the consolidated statement of financial position. As at the acquisition date, SE’s total borrowings amounted to EUR 3,328 million, of which EUR 23 million related to lease liabilities. The borrowings primarily consist of senior unsecured facilities under a Term and Revolving Facilities Agreement entered into with a syndicate of banks in December 2024, with a total committed amount of EUR 3,580 million. The agreement includes two term loan tranches of up to EUR 1,665 million each, maturing in December 2027 and December 2029, respectively, and a revolving credit facility of EUR 250 million. In addition, SE had two purpose-specific bank loans with extended maturities until the end of 2030.

This senior unsecured financing bears variable interest rate linked to EURIBOR and mandates SE to comply with certain financial covenants linked to maintaining ratio of EBITDA and indebtedness. As of the date of preparation of these financial statements, SE was not in noncompliance with any obligations arising from its loan agreements.

IDS Group Term and Revolving Facility loan

IDS Group is a party to a EUR 1,315 million (originally GBP 1,100 million) Facility A loan agreement. The Facility A loan related to the acquisition financing was novated in November 2025 from EP Distribution Services Limited (formerly EP UK Bidco Limited). The term loan matures in February 2030 and bears a variable interest rate linked to EURIBOR plus a floating margin.

Upon completion of the acquisition, IDS’s original GBP 925 million revolving credit facility (RCF) was replaced by a new GBP 425 million RCF guaranteed by IDS and GLS, supplemented by a GBP 500 million RCF under EP UK BidCo's acquisition financing. This was subsequently combined into a single GBP 925 million facility held at IDS, therefore total available liquidity of the group was maintained. A group-wide cash pool was established for efficient liquidity management across entities.

The Group is subject to financial covenants under its financing arrangements, primarily comprising a leverage ratio (Total Net Debt to Consolidated EBITDA), which must not exceed a specified threshold at defined testing dates. The covenant is assessed periodically, typically at each half-year and year-end, based on the Group’s reported financial statements. Covenant testing is only required if certain conditions are not met, such as the Group not maintaining an investment-grade credit rating from recognized rating agencies.

EP Global Commerce GmbH Term loan and Revolving credit facility

EP Global Commerce GmbH is a party to a facilities agreement dated 18 October 2024 comprising Term Facility (Tranche 1), Term Facility (Tranche 2) and a Revolving Facility. The facilities were entered into in connection with the acquisition financing. The agreement includes two term loan of up to EUR 690 million for tranche 1 and of up to EUR 300 million for tranche 2, and a revolving credit facility of EUR 250 million. The term facilities mature in October 2029, while the revolving facility matures in May 2026. The term facilities bear a variable interest rate linked to EURIBOR plus the applicable floating margin and mature in accordance with the terms of the facilities agreement. The agreement contains customary financial covenants which are tested on a semi-annual basis.

Fair value information

The fair value of interest-bearing instruments held at amortised costs is shown in the table below:

In millions of EUR	31 December 2025		31 December 2024	
	Carrying amount	Fair Value	Carrying amount	Fair Value
Issued debentures at amortised costs	10,193	10,246	4,767	4,572
Loans payable to credit institutions	6,254	6,174	3,156	3,189
Lease liabilities	4,813	4,823	254	250
Bank overdraft	52	52	–	–
Loans payable to other than credit institutions	43	43	1,343	1,349
Revolving credit facility	–	–	399	401
Factoring loans	–	–	1	1
Total	21,355	21,338	9,920	9,762

Issued notes are categorised within Level 1 or 2 of the fair value hierarchy. Bank loans are categorised within Level 2 or 3 of the fair value hierarchy (for detail of valuation methods refer to Note 2(e) i – Assumption and estimation uncertainties).

Significant investing and financing activities not requiring cash:

In millions of EUR

	31 December 2025	31 December 2024
Investing activities	(945)	–
Financing activities	(949)	(753)
Total	(1,894)	(753)

For the year 2025, significant non-cash financing activities comprised set-off of a loan granted by minority shareholder to EP Global Commerce, a.s. of EUR 945 million against a receivable from contributions to other funds, set-off of other payables of EP Project Finance, a.s. and receivables from contribution to other capital funds in amount of EUR 491 million from J&T Capital Partners, a.s. Furthermore, other payables in amount of EUR 201 million between EP Heat & Power and EPH were ceded to J&T ENERGY HOLDING, a.s. and set-off against dividends declared by EPH and contribution to other funds of EP Heat & Power, a.s. Liabilities from dividends declared by EP Group, a.s. to its shareholders were set-off against receivables from loans provided in the amount of EUR 129 million and receivable from contributions to other capital funds of EP Group, a.s. from its shareholders were set-off with payable in the amount of EUR 625 million. The non-cash investing activities include set-off of loan granted to the equity accounted investee with the payable from capital contribution into the equity accounted investee in amount of EUR 171 million and purchase price of subsidiaries acquired with receivables from capital contributions in amount of EUR 1,116 million.

For the year 2024, non-cash financing activities include partial set-off of liabilities from dividends declared by EPH to J&T ENERGY HOLDING, a.s. in amount of EUR 159 million with receivables from loans provided and dividends in amount of EUR 79 million were set off with receivables from contributions to other capital funds. Liabilities from dividends declared by EP Group, a.s. to its shareholders were set off with receivables from loans provided in amount EUR 594 million.

Reconciliation of movement of liabilities to cash flows arising from financing activities

In millions of EUR

in millions of EUR	Liabilities					Equity						
	Loans from credit institutions	Loans from other than credit institutions	Revolving credit facility	Factoring loans	Bank overdraft	Issued notes	Lease liabilities	Share capital	Reserves	Retained earnings	Non-controlling interest	Total
Balance at 1 January 2025	3,156	1,343	399	1	-	4,767	254	2,577	(2,411)	3,518	8,420	22,024
Changes from financing cash flows												
Proceeds from loans and borrowings	6,244	72	450	-	7	3,858	-	-	-	-	-	10,631
Repayment of borrowings	(6,411)	(448)	(850)	(1)	-	(1,830)	-	-	-	-	-	(9,540)
Transaction cost related to loans and borrowings	(14)	-	-	-	-	(17)	-	-	-	-	-	(31)
Payment of lease liabilities	-	-	-	-	-	-	(566)	-	-	-	-	(566)
Contributions to other funds	-	-	-	-	-	-			115	-	310	425
Distributions of other funds	-	-	-	-	-	-	-	-	-	-	(227)	(227)
Set off with other payables	-	-	-	-	-	-	-	-	625	-	491	1,116
Set-off of dividends with loans provided	-	-	-	-	-	-	-	-	-	(129)	(38)	(167)
Set-off of contributions to other funds with loans received	-	(945)	-	-	-	-	-	-	-	-	945	-
Dividend paid	-	-	-	-	-	-	-	-	-	-	(828)	(828)
Total change from financing cash flows	(181)	(1,321)	(400)	(1)	7	2,011	(566)	-	740	(129)	653	813
Changes arising from obtaining or losing of control of subsidiaries	3,369	-	-	-	47	3,388	4,489	-	-	-	-	11,293
Transfer to liabilities held for sale	-	-	-	-	-	-	-	-	-	-	-	-
Total effect of changes in foreign exchange rates	(291)	-	-	-	(2)	18	(46)	-	18	-	(68)	(371)
Other changes												
Liability related												
Interest expense	277	81	8	-	-	276	182	-	-	-	-	824
Interest paid	(156)	(60)	(7)	-	-	(267)	(182)	-	-	-	-	(672)
Capitalized borrowings costs	80	-	-	-	-	-	-	-	-	-	-	80
Increase of lease liability	-	-	-	-	-	-	682	-	-	-	-	682
Liability from dividends not paid	-	-	-	-	-	-	-	-	-	-	1	1
Total liability-related other changes	201	21	1	-	-	9	682	-	-	-	1	915
Equity related												
Other equity related changes	-	-	-	-	-	-	-	-	273	3,677	3,668	7,618
Total equity-related other changes	-	-	-	-	-	-	-	-	273	3,677	3,668	7,618
Balance at 31 December 2025	6,254	43	-	-	52	10,193	4,813	2,577	(1,380)	7,066	12,674	42,292

In millions of EUR

	Liabilities				Equity						
	Loans from credit institutions	Loans from other than credit institutions	Revolving credit facility	Factoring loans	Issued notes	Lease liabilities	Share capital	Reserves	Retained earnings	Non-controlling interest	Total
Balance at 1 January 2024	3,357	935	1,052	103	4,680	242	2,577	(2,597)	3,869	8,589	22,807
Changes from financing cash flows											
Proceeds from loans and borrowings	1,127	369	610	-	641	-	-	-	-	-	2,747
Repayment of borrowings	(1,216)	(10)	(1,271)	(103)	(547)	-	-	-	-	-	(3,147)
Transaction cost related to loans and borrowings	(12)	-	-	-	(4)	-	-	-	-	-	(16)
Payment of lease liabilities	-	-	-	-	-	(99)	-	-	-	-	(99)
Contributions to other funds	-	-	-	-	-	-	-	69	-	74	143
Set-off of dividends with receivable	-	-	-	-	-	-	-	-	(594)	(159)	(753)
Dividend paid	-	-	-	-	-	-	-	-	(178)	(826)	(1,004)
Total change from financing cash flows	(101)	359	(661)	(103)	90	(99)	-	69	(772)	(911)	(2,129)
Changes arising from obtaining or losing of control of subsidiaries	-	5	-	-	-	-	-	-	-	-	5
Transfer to liabilities held for sale	(107)	-	-	-	-	(29)	-	-	-	-	(136)
Total effect of changes in foreign exchange rates	10	(2)	-	-	(7)	3	-	32	-	(19)	17
Other changes											
Liability related											
Interest expense	230	47	44	6	154	8	-	-	-	-	489
Interest paid	(233)	(1)	(36)	(5)	(150)	(8)	-	-	-	-	(433)
Increase of lease liability	-	-	-	-	-	137	-	-	-	-	137
Liability from dividends not paid	-	-	-	-	-	-	-	-	76	60	136
Total liability-related other changes	(3)	46	8	1	4	137	-	-	76	60	329
Equity related											
Other equity related changes	-	-	-	-	-	-	-	85	345	701	1,131
Total equity-related other changes	-	-	-	-	-	-	-	85	345	701	1,131
Balance at 31 December 2024	3,156	1,343	399	1	4,767	254	2,577	(2,411)	3,518	8,420	22,024

27.

Provisions

In millions of EUR

	Employee benefits	Provision for emission rights	Onerous contracts	Provision for lawsuits and litigations	Environmental provision	Provision for restructuring	Provision for restoration and decommissioning ⁽³⁾	Provision for nuclear decommissioning and storage costs	Other	Total
Balance at 1 January 2025	283	4,285	268	23	113	30	4,636	–	100	9,738
Provisions made during the period	119	4,706	114	21	–	112	220	6	184	5,482
Provisions used during the period	(79)	(4,308)	(199)	(15)	(4)	(32)	(202)	(12)	(120)	(4,971)
Provisions released during the period	(28)	–	(16)	(26)	(8)	(4)	(533)	–	(85)	(700)
Actuarial gains/losses	(42)	–	–	–	–	–	–	–	–	(42)
Change in provision recorded in property, plant and equipment	–	–	–	–	–	9	(10)	–	–	(1)
Acquisitions through business combinations ⁽¹⁾	498	–	6	85	20	44	205	3,043	344	4,245
Transfer	(1)	–	–	–	–	–	(2)	–	3	–
Unwind of discount ⁽²⁾	23	–	1	–	4	1	87	70	1	187
Effect of movements in foreign exchange rates	(1)	(4)	–	–	–	–	(5)	–	(10)	(20)
Balance at 31 December 2025	772	4,679	174	88	125	160	4,396	3,107	417	13,918
Non-current	705	–	26	56	119	37	4,092	3,087	130	8,252
Current	67	4,679	148	32	6	123	304	20	287	5,666

(1) The acquisition of Slovenské elektrárne, a.s, METRO AG, Royal Mail Group Limited, General Logistics Systems B.V., Corby Power Limited.

(2) Unwinding of discount is included in interest expense.

(3) As at 31 December 2025, the balance mainly consists of represents mining related provisions recorded by Lausitz Energie Verwaltungs GmbH in amount of EUR 2,849 million and mining related provisions recorded by MIBRAG GmbH in amount of EUR 691 million.

In millions of EUR

	Employee benefits	Provision for emission rights	Onerous contracts	Provision for lawsuits and litigations	Environmental provision	Provision for restructuring	Provision for restoration and decommissioning ⁽²⁾	Other	Total
Balance at 1 January 2024	321	5,017	41	30	117	38	4,227	104	9,895
Provisions made during the period	25	4,106	241	4	1	–	826	27	5,230
Provisions used during the period	(48)	(4,842)	–	(11)	(1)	(3)	(131)	12	(5,024)
Provisions released during the period	(3)	–	(15)	(2)	(6)	(5)	(408)	(40)	(479)
Actuarial gains/losses	(22)	–	–	–	–	–	–	–	(22)
Change in provision recorded in property, plant and equipment	–	–	–	–	–	–	25	–	25
Transfer to liabilities held for sale	(1)	(1)	–	–	–	–	–	(3)	(5)
Unwind of discount ⁽¹⁾	13	–	1	–	3	–	91	1	109
Effect of movements in foreign exchange rates	(2)	5	–	2	(1)	–	6	(1)	9
Balance at 31 December 2024	283	4,285	268	23	113	30	4,636	100	9,738
Non-current	233	–	54	8	109	14	4,414	26	4,858
Current	50	4,285	214	15	4	16	222	74	4,880

(1) Unwinding of discount is included in interest expense.

(2) As at 31 December 2024, the balance mainly consists of represents mining related provisions recorded by Lausitz Energie Verwaltungs GmbH in amount of EUR 3,213 million and mining related provisions recorded by MIBRAG GmbH in amount of EUR 638 million.

Accounting for provisions involves frequent use of estimates, such as probability of occurrence of uncertain events or calculation of the expected outcome. Such estimates are based on past experience, statistical models and professional judgement.

Employee benefits

The Group recorded a significant amount as provision for long-term employee benefits related to its employees. Valuations of these provisions are sensitive to assumptions used in the calculations, such as future salary and benefit levels, discount rates, employee leaving rate, late retirement rate, mortality and life expectancy. The management considered various estimated factors and how these estimates would impact the recognised provision. As a result of this analysis, no significant variances to the recorded provision are expected.

When the fair value of plan assets exceeds the present value of the defined benefit obligation, the employee benefits result in pension fund surplus. The breakdown of the net pension fund surplus (obligation) is in the following table:

In millions of EUR	31 December 2025	31 December 2024
Pension fund surplus	1,880	52
Provision for employee benefits	(772)	(283)
Net pension fund surplus (obligation)	1,108	(231)

The pension fund surplus in in 2025 was mainly related to Royal Mail Group Limited subgroup (2024: EUR 52 million, mainly related to other companies located in the United Kingdom). Other entities with net provision for employee benefits are mainly represented by METRO AG, LEAG GmbH, Gazel Energie Generation S.A.S.

i. METRO AG subgroup

The provision recorded by METRO AG subgroup amounts to EUR 342 million, consists of commitments primarily related to benefits defined by the provisions of company pension plans. These take the form of defined benefit plans directly from the employer (employer's commitments) and defined benefit plans from external pension providers (benevolent funds in Germany and international pension funds). The external providers' assets serve exclusively to finance the pension entitlements and qualify as plan assets. The benefits under the different plans are based on performance and length of service. The plan assets of EUR 588 million are largely attributable to Germany in the amount of EUR 136 million and the Netherlands in the amount of EUR 427 million.

The provisions for obligations similar to pensions essentially comprise commitments from employment anniversary allowances, death benefits and partial retirement plans. Provisions amounting to EUR 26 million were allocated for these commitments.

Provisions for employee benefits other than post-employment benefits are reported in amount of EUR 58 million.

The schedules below summarise information about the defined benefit obligations and plan assets.

In millions of EUR

31 December 2025	
Plan A	
Fair value of plan asset	588
Present value of obligations	(930)
Total employee (benefit) asset	(342)
Plan B	
Fair value of plan asset	-
Present value of obligations	(26)
Total employee (benefit) asset	(26)

From the date of acquisition of the METRO AG subgroup to 31 December 2025, benefits paid by plans were EUR 19 million, current service costs amounted to EUR 10 million and current interest costs were EUR 10 million and losses from the plan assets were EUR 38 million. Actuarial gains recognised in other comprehensive income were EUR 53 million.

The most significant actuarial assumptions used are actuarial interest rate and pension trend (the rate of pension increases, which is mainly based on expected inflation rate). The following assumptions regarding the material parameters were used in the actuarial measurements:

In %

31 December 2025	
Germany	
Actuarial interest rate	4.20
Pension trend	2.20
Netherlands	
Actuarial interest rate	4.10
Pension trend	1.68

If the other assumptions had remained constant, the changes to the relevant actuarial assumptions considered reasonably possible as at 31 December 2025 would have affected the defined benefit obligation by the amounts shown in the following:

In millions of EUR		
	Germany	Netherlands
Actuarial interest rate		
Increase by 100 basis points	(31)	(64)
Decrease by 100 basis points	38	83
Pension trend		
Fair value of plan asset	7	19
Present value of obligations	(7)	(17)

In view of the existence of matching pension insurance, the sensitivities shown for the Netherlands will not have any impact on the pension provision to be recognised.

ii. Royal Mail Group Limited subgroup

Royal Mail has three defined benefit pension plans, based on the joining date for members or beneficiaries of members: Royal Mail Pension Plan (RMPP), Defined Benefit Cash Balance Section (DBCBS) and Defined Benefit Lump Sum (DBLS).

In millions of EUR	
	31 December 2025
RMPP	
Fair value of plan asset	6,978
Withholding tax payable on distribution of a pension surplus	(609)
Present value of obligations	(4,546)
Total employee (benefit) asset	1,823
DBCBS	
Fair value of plan asset	2,230
Present value of obligations	(2,230)
Total employee (benefit) asset	-
DBLS	
Fair value of plan asset	213
Present value of obligations	(213)
Total employee (benefit) asset	-

From the date of acquisition of the IDS subgroup, which Royal Mail is part of, to 31 December 2025, contributions to plan assets amounted to EUR 100 million, current service costs amounted to EUR 103 million and current interest costs were EUR 96 million and losses from the plan assets were EUR 3 million. Actuarial losses recognised in other comprehensive income were EUR 155 million.

The major assumptions used to calculate the accounting position of the pension plans are as follows:

In %	RMPP	DBCBS	DBLS
Rental Price Index (RPI)	3.0	2.9	3.0
Consumer Price Index (CPI)	2.7	2.5	2.7
Discount rate – nominal	5.6	5.3	5.6

The other actuarial assumptions used as Rate of increase in pensionable salaries, Rate of increase for deferred pensions and rate of pre-retirement increases are also based on the RPI and CPI indexes. Furthermore, the RMPP plan calculates with life expectancy from age 60 for a current 40/60-year-old male of 27/25 year and for female of 30/28 years.

If the other assumptions had remained constant, the changes to the relevant actuarial assumptions considered reasonably possible as at 31 December 2025 would have affected the defined benefit obligation by the amounts shown in the following:

In millions of EUR	31 December 2025		
	RMPP	DBCBS	DBLS
Additional one year of life expectancy	138	-	-
Increase in inflation rate (both RPI and CPI simultaneously) of 0.1% per annum	80	23	-
Decrease in discount rate of 0.1% per annum	69	23	-
Increase in CPI assumption of 0.1% per annum	23	23	-
Increase in constructive obligation of 0.1% per annum	-	23	-
Increase in inflation rate (both RPI and CPI simultaneously) of 0.5% per annum	401	115	11
Decrease in discount rate of 0.5% per annum	344	103	11
Increase in CPI assumption of 0.5% per annum	103	115	11
Increase in constructive obligation of 0.5% per annum	-	115	11

iii. LEAG GmbH subgroup

The provision recorded by LEAG GmbH subgroup amounts to EUR 132 million (2024: EUR 96 million), of which EUR 73 million (2024: EUR 76 million) represents a defined benefit pension scheme and EUR 59 million (2024: 20 million) represents other post-employment benefits.

The schedules below summarise information about the defined benefit obligations and plan assets.

In millions of EUR	31 December 2025	31 December 2024
Plan A		
Fair value of plan asset	77	–
Present value of obligations	(150)	(76)
Total employee (benefit) asset	(73)	(76)
Plan B		
Fair value of plan asset	–	–
Present value of obligations	(59)	(20)
Total employee (benefit) asset	(59)	(20)

During the year ended 31 December 2025, contributions to the plan amounted EUR 2 million (2024: EUR 0 million), benefits paid by plans were EUR 35 million (2024: EUR 37 million), current service costs amounted to EUR 70 million (2024: EUR 13 million), past service costs amounted to EUR 0 million (2024: EUR 1 million) and current interest costs to EUR 6 million (2024: EUR 6 million) and actuarial gains recognised in other comprehensive income were EUR 3 million (2024: actuarial loss EUR 4 million).

iv. Other companies

Provision reported by French entities (Gazel Energie Generation S.A.S.), amounting to EUR 83 million (2024: EUR 97 million) fully related to defined benefit pension schemes.

The long-term employee benefit programmes are reported by Slovak companies (SSE Holding Group, NAFTA, SPPD, eustream and Slovenské elektrárne).

Companies located in the United Kingdom (EP UK Investments Limited and EP Kilroot Limited) and as of 31 December 2024 also in Germany (Helmstedter Review GmbH) report defined benefit plan assets in excess of obligations in amount of EUR 48 million (2024: EUR 50 million).

Provision for emission rights

Provision for emission rights is recognised regularly during the year based on the estimated number of tonnes of CO₂ emitted. It is measured at the best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

Provision for lawsuits

A provision of EUR 88 million relates mainly to litigations and claims described in Note 36 – Litigations and claims.

As disclosed in Note 36 – Litigations and claims, there are other legal proceedings in which the Group is involved and for which the possibility of an outflow of resources was assessed as remote as at the date of the preparation of these consolidated financial statements, and therefore no provision was recorded as at 31 December 2025 and 31 December 2024.

Provision for restoration and decommissioning

The provision of EUR 4,396 million (2024: EUR 4,666 million) was primarily recorded by entities in Energy segment in Germany (EUR 3,621 million; 2024: EUR 3,389 million); Italy (EUR 183 million; 2024: EUR 203 million), France (EUR 126 million; 2024: EUR 151 million) and by Slovenské elektrárne, a.s. (EUR 143 million), and by entities active in gas storage business (EUR 205 million; 2024: EUR 221 million).

i. Germany (MIBRAG GmbH, Helmstedter Revier GmbH, LEAG Group)

According to the German Federal Mining Law, a mining company is obliged to re-cultivate/ reclaim all the land used for mining purposes after discontinuation of mining operations. The requirements to be met for this purpose are set forth in a comprehensive framework operation plan and compliance is monitored by the mining authorities.

As at 31 December 2025, the provision for re-cultivation of both Schleenhain and Profen strip mines recorded by MIBRAG GmbH is based on the recommendations of The German Commission on Growth, Structural change and Employment (“coal commission”) from 26 January 2019 which proposes a gradual reduction and closure of all coal-fired power plants and subsequently strip mines in Germany by 2035.

The mining-related provisions are recognised at settlement amounts. New findings are taken into account in the annual review of the technical concepts and settlement amounts. The determination of provisions is based on internal technical estimates and external expert opinions and takes into account changing technologies and procedures for the planned measures to be realised. The mining-related provisions include, in particular, the costs of creating the post-mining landscape with a focus on remaining area design, recultivation, relocation measures and compensations, water management compensation measures, remediation and disposal obligations, and the dismantling of technical facilities.

The average discount rate applied to calculate present value of the provision was 2.92% (2024: 2.30%) and the average escalation rate was 1.85% (2024: 1.63%).

At the reporting date, a decrease of escalation rate by 1% would reduce the present value of the provisions by EUR 407 million (2024: EUR 507 million), while an increase of 1% would increase the present value of the provisions by EUR 512 million (2024: EUR 650 million).

An increase of discount rate by 1% would reduce the present value of the provisions by EUR 398 million (2024: EUR 499 million), while a decrease of 1% would increase the present value of the provisions by EUR 508 million (2024: EUR 650 million). These analyses assume that all other variables remain constant.

ii. Italy (EP Produzione S.p.A., Fiume Santo S.p.A., EP Centrale Tavazzano Montanaso S.p.A. and EP Centrale Ostiglia S.P.A.)

As at 31 December 2025, the provisions recognized by the companies represent asset retirement provision related to the eventual retirement of tangible assets, provisions for restoration of land in Lombardia (Tavazzano and Ostiglia plants) and Sardegna (Fiume Santo plant) regions, provision for health and safety risk and potential liabilities arising from regulatory rules for Fiume Santo plant.

The average discount rate applied to calculate present value of the provision was 2.66% (2024: 2.23%) and the average escalation rate was 0.98% (2024: 0.80%).

At the reporting date, a decrease of escalation rate by 1% would reduce the present value of the provisions by EUR 12 million (2024: EUR 12 million), while an increase of 1% would increase the present value of the provisions by EUR 11 million (2024: EUR 13 million).

An increase of discount rate by 1% would reduce the present value of the provisions by EUR 9 million (2024: EUR 12 million), while a decrease of 1% would increase the present value of the provisions by EUR 10 million (2024: EUR 13 million). These analyses assume that all other variables remain constant.

iii. France

As at 31 December 2025, the provisions recognized by the companies in France represent mainly provisions for dismantling the power plants of Gazel Energie Generation S.A.S. (including Emile Huchet and Provence power plants, closed power plants of Hornaing and Lucy and provision for restoration of land) and provision for dismantling the windfarms and solar farms.

The average discount rate applied to calculate present value of the provision was 3.30% (2024: 2.97%) and the average escalation rate was 1.69% (2024: 1.77%).

At the reporting date, a decrease of escalation rate by 1% would reduce the present value of the provisions by EUR 22 million (2024: EUR 19 million), while an increase of 1% would increase the present value of the provisions by EUR 19 million (2024: EUR 22 million).

An increase of discount rate by 1% would reduce the present value of the provisions by EUR 21 million (2024: EUR 18 million), while a decrease of 1% would increase the present value of the provisions by EUR 19 million (2024: EUR 23 million). These analyses assume that all other variables remain constant.

iv. Slovenské elektrárne, a.s.

As at 31 December 2025, the provisions recognized by the company Slovenské elektrárne, a.s. relates to dismantling of Thermal power plant Vojany and Nováky. The average discount rate applied to calculate present value of the provision was 3.08 % and the average escalation rate was 1.53%.

At the reporting date, a decrease of escalation rate by 1% would reduce the present value of the provisions by EUR 22 million, while an increase of 1% would increase the present value of the provisions by EUR 27 million.

An increase of discount rate by 1% would reduce the present value of the provisions by EUR 21 million, while a decrease of 1% would increase the present value of the provisions by EUR 26 million. These analyses assume that all other variables remain constant.

v. Storage (POZAGAS a.s., NAFTA a.s., NAFTA Germany GmbH and SPP Storage, s.r.o.)

NAFTA a.s. together with NAFTA Production s.r.o. and NAFTA Germany GmbH (through its subsidiaries) have 112 production wells and 282 storage wells. Production wells that are currently in production or are being used for other purposes are expected to be abandoned after reserves have been fully produced or when it has been determined that the wells will not be used for any other purposes. Storage wells are expected to be abandoned after the end of their useful lives. Companies have the obligation to dismantle the production and storage wells, decontaminate contaminated soil, restore the area, and restore the site to its original condition to the extent as stipulated by law. These costs are expected to be incurred between 2026 and 2096.



The average discount rate applied to calculate present value of the provision was 3.17% (2024: 2.34%) and the average escalation rate was 1.81% (2024: 1.77%).

At the reporting date, a decrease of escalation rate by 1% would reduce the present value of the provisions by EUR 32 million (2024: EUR 29 million), while an increase of 1% would increase the present value of the provisions by EUR 23 million (2024: EUR 43 million).

An increase of discount rate by 1% would reduce the present value of the provisions by EUR 32 million (2024: EUR 22 million), while a decrease of 1% would increase the present value of the provisions by EUR 39 million (2024: EUR 54 million). These analyses assume that all other variables remain constant.

vi. Other

Other companies estimated the provision for decontamination and restoration and long-term asset retirement using the existing technology and current prices adjusted for expected future inflation and discounted using a discount rate that reflects the current market assessment of the time value of money – risk free rate.

Those sites have not been included in stress testing as the change in provisions due to a change in parameters would have insignificant impact on the Group’s financial statements.

Provision for nuclear decommissioning and storage costs

The provision for nuclear decommissioning and storage costs was fully recognized by Slovenské elektrárne, a.s.

The Group recognizes significant amounts as a provision for decommissioning and post operational costs of nuclear power plants and provision for storage and disposal of spent nuclear fuel and radioactive waste. These amounts are based on the technical and financial estimates of cash flows that will be incurred over periods ranging from 1 to 100 years, based on current technology and strategy for decommissioning and disposal as applied by the Group. Estimation of this provision is sensitive to assumptions concerning costs, inflation, discount rates and disbursement schedules.

The Group’s management has used its best estimates, knowledge and a valid “National Policy and National Programme for handling of spent nuclear fuel and radioactive wastes in the Slovak Republic”, adopted by Slovak government on 8 July 2015 in form of an update of strategic document “Strategy of the Back-end Cycle of the Peaceful Exploitation of the Nuclear Energy in the Slovak Republic” as well as the “Updated conceptual plan of decommissioning of the nuclear power plant V2 and EMO1&2 and creation of input database of assets subject to decommissioning“ approved by the Nuclear Regulatory Authority of the Slovak Republic on 27 August 2018, and “Conceptual plan of decommissioning of nuclear power plant – construction of the unit 3 and 4 of nuclear power plant Mochovce” approved by the letter from the Nuclear Regulatory Authority of the Slovak Republic dated 15 April 2021, when defining disbursement schedules in respect to the nuclear decommissioning and storage and disposal of spent nuclear fuel and radioactive waste. There is an inherent risk in these estimates given the timeframe, the valid and the planned legislation, the different alternatives open to the management of the Group and the possible future changes in technology for nuclear decommissioning and storage and disposal of spent nuclear fuel and radioactive waste.

Estimated timing of the present value of the expected cash outflows related to provision for nuclear decommissioning and storage costs is as follows:

In millions of EUR	0–5 years	6–10 years	11–20 years	After 20 years	31 December 2025
Provision for decommissioning of nuclear power plants	–	–	–	917	917
Provision for post-operational costs of nuclear power plants	–	–	–	239	239
Provision for storage and disposal of spent nuclear fuel	112	156	314	1,301	1,883
Provision for storage and disposal of radioactive waste	39	27	2	–	68
Total	151	183	316	2,457	3,107

The present value assumptions of the nuclear provisions

The present value of the provisions mentioned above was calculated applying 2% inflation rate and a discount rate ranging from 3.75% to 4.10% over forecasted disbursement schedules. The discount rate was determined based on long-term series of interest rate data, and it takes into account the fact that some expenses covered by provisions will be disbursed over periods significantly longer than the duration of instruments generally traded on the financial markets.

At the reporting date, an increase of discount rate by 0.25% would reduce the present value of the provisions by EUR 249 million, while a decrease of 0.25% would increase the present value of the provisions by EUR 278 million. These analyses assume that all other variables remain constant.

For details on funding for decommissioning of nuclear power plants and for costs of storage and disposal of spent nuclear fuel and radioactive waste refer to Note 21 – Receivables to nuclear and mining funds.

28. Deferred income

In millions of EUR	31 December 2025	31 December 2024
Deferrals for future compensations	445	–
Stamps in hand of public	165	–
Government grants	93	92
Other deferred income	249	72
Total	952	164
<i>Non-current</i>	590	88
<i>Current</i>	362	76
Total	952	164

Deferrals for future compensations in amount of EUR 445 million (2024: EUR 0 million) are reported by LEAG Group. The compensations relate to decommissioning of power plants under the German Act to Reduce and End Coal-Fired Power Generation (“KVBG”) and will be released to the income statement in line with the decommissioning of the power plants.

Balance of deferred income – stamps and meters in amount of EUR 165 million (2024: EUR 0 million) is represented by Royal Mail stamps and meter credits purchased by customers but not used at the balance sheet date.

Balance of government grants in amount of EUR 93 million (2024: EUR 92 million) is mainly represented by eustream, a.s. of EUR 53 million (2024: EUR 54 million), and primarily comprises subsidies from the European Commission relating to projects such as interconnection pipelines between Poland and Slovakia or Hungary and Slovakia.

29. Financial instruments

Financial instruments and other financial assets

In millions of EUR

	31 December 2025	31 December 2024 restated*	1 January 2024 restated*
Assets carried at amortised cost			
Term deposits at amortized cost	760	–	–
Pension escrow investment	186	–	–
Loans to other than credit institutions	61	354	207
Receivables from financial leases	30	–	–
Impairment of other financial assets and term deposits	(1)	–	–
Impairment of receivable from financial leases	(2)	–	–
Bills of exchange at amortized cost	–	–	1
Impairment of loans to other than credit institutions	(13)	(12)	(11)
Total	1,021	342	197
Assets carried at fair value			
Hedging: of which	254	312	731
Commodity derivatives cash flow hedge ⁽¹⁾	247	302	726
Interest rate swaps cash flow hedge	5	–	3
Currency forwards cash flow hedge	2	10	2
Non-hedging: of which	841	2,786	4,377
Commodity derivatives reported as trading ⁽²⁾	815	1,171	2,710
Equity option at fair value through PL ⁽³⁾	16	1,598	1,629
Currency forwards reported as trading	9	16	22
Interest rate swaps reported as trading	–	–	15
Other derivatives reported as trading	1	1	1
Receivables at fair value through PL: of which	–	80	138
Contingent consideration at fair value through PL ⁽⁴⁾	–	80	138
Debt instruments at fair value through PL: of which	14	–	–
Debt securities at fair value through PL	14	–	–
Equity instruments at fair value through OCI: of which	127	970	1,386
Shares at fair value through OCI ⁽⁵⁾	127	970	1,386
Equity instruments at fair value through PL: of which	142	13	10
Shares at fair value through PL	142	13	10
Total	1,378	4,161	6,642

(Table continued on the next page.)

	31 December 2025	31 December 2024 restated*	1 January 2024 restated*
Non-current	584	819	1,983
Current	1,815	3,684	4,856
Total	2,399	4,503	6,839

* Restated 2024 comparative information includes modifications described in Note 3(a) and Appendix 3.

(1) Commodity derivatives designated as cash flow hedges primarily relate to forwards or other type of derivative contracts for sale/purchase of electricity and gas related to power production and to electricity and gas supply to final customers.

(2) Commodity derivatives reported as trading relate mainly to risk management activities on the supply and generation business for which however the Group does not maintain formal hedge accounting documentation required by IFRS or derivatives held originally under hedge accounting for which however the hedge accounting was terminated upon acquisition into the Group.

(3) For more details on equity option reported as at 31 December 2024 and its settlement during 2025, refer to Note 6(b).

(4) As at 31 December 2024, the item represents a receivable of EUR 75 million as an estimated future settlement of the price to be received from the seller in connection with the acquisition of 33% effective share in SE Group in 2016 for original purchase price of EUR 150 million. On 24 May 2025, the Group gained control over SE Group and the receivable was settled upon acquisition. For more details on settlement, refer to Note 6(b).

(5) The year-to-year decrease of Shares at fair value through OCI is related to acquisition of additional shares in METRO AG and gain of control over METRO Group. The METRO shares were publicly traded until the gain of control (fair value Level 1) 1For more details, refer to Note 6(b).

Financial instruments and other financial liabilities

In millions of EUR

	31 December 2025	31 December 2024
Liabilities carried at amortised cost		
Other financial liabilities	4	6
Total	4	6
Liabilities carried at fair value		
Hedging: of which	499	373
Commodity derivatives cash flow hedge	358	327
Currency swaps cash flow hedge	98	1
Interest rate swaps cash flow hedge	27	41
Currency forwards cash flow hedge	16	4
Non-hedging: of which	931	841
Commodity derivatives reported as trading ⁽¹⁾	916	826
Currency forwards reported as trading	7	4
Interest rate swaps reported as trading	5	7
Other derivatives reported as trading	3	2
Currency options for trading	–	2
Total	1,430	1,214
Non-current		
Non-current	431	284
Current	1,003	936
Total	1,434	1,220

(1) Commodity derivatives reported as trading relate mainly to risk management activities on our supply and generation business for which however the Group does not maintain formal hedge accounting documentation required by IFRS.

The weighted average interest rate on loans to other than credit institutions for 2025 was 8.58% (2024: 8.48%).

Fair values and respective nominal amounts of derivatives are disclosed in the following table:

In millions of EUR	31 December 2025			
	Nominal amount buy	Nominal amount sell	Positive fair value	Negative fair value
Hedging: of which	12,346	(10,953)	254	(499)
Commodity derivatives cash flow hedge	10,353	(8,739)	247	(358)
Currency swaps cash flow hedge	1,000	(1,088)	-	(98)
Interest rate swaps cash flow hedge	565	(569)	5	(27)
Currency forwards cash flow hedge	428	(557)	2	(16)
Non-hedging: of which	21,914	(21,192)	841	(931)
Commodity derivatives reported as trading	19,292	(18,687)	815	(916)
Currency forwards reported as trading	1,459	(1,357)	9	(7)
Interest rate swaps reported as trading	611	(611)	-	(5)
Equity option at fair value through PL	342	(326)	16	-
Currency options for trading	115	(115)	-	-
Other derivatives reported as trading	57	(58)	1	(3)
Equity forward at fair value through PL	38	(38)	-	-
Total	34,260	(32,145)	1,095	(1,430)

In millions of EUR	31 December 2024			
	Nominal amount buy	Nominal amount sell	Positive fair value	Negative fair value
Hedging: of which	4,759	(7,946)	312	(373)
Commodity derivatives cash flow hedge	3,687	(6,874)	302	(327)
Currency forwards cash flow hedge	897	(890)	10	(4)
Interest rate swaps cash flow hedge	175	(181)	-	(41)
Currency swaps cash flow hedge	-	(1)	-	(1)
Non-hedging: of which	16,184	(12,853)	2,786	(841)
Commodity derivatives reported as trading	12,840	(11,338)	1,171	(826)
Equity option at fair value through PL	1,598	-	1,598	-
Currency forwards reported as trading	977	(947)	16	(4)
Interest rate swaps reported as trading	412	(212)	-	(7)
Currency swaps reported as trading	200	(200)	-	(2)
Other derivatives reported as trading	157	(156)	1	(2)
Total	20,943	(20,799)	3,098	(1,214)

Swap derivatives are recognised in respect of interest rate swaps as described in detail in Note 33 – Risk management policies and disclosures.



Commodity derivatives are recognised mainly in respect of contracts for purchase and sale of electricity, gas, emission allowances and other commodities which are denominated in CZK and EUR where the contractual conditions of derivatives do not meet the “own use exemption” as noted in IFRS 9.2.4.

Sensitivity analysis relating to the fair values of financial instruments is included in the Note 33 – Risk management policies and disclosures.

In millions of EUR	31 December 2025			
	Level 1	Level 2	Level 3	Total
Financial assets carried at fair value:				
Hedging: of which	-	254	-	254
Commodity derivatives cash flow hedge	-	247	-	247
Interest rate swaps cash flow hedge	-	5	-	5
Currency forwards cash flow hedge	-	2	-	2
Non-hedging: of which	-	756	85	841
Commodity derivatives reported as trading	-	746	69	815
Equity option at fair value through PL	-	-	16	16
Currency forwards reported as trading	-	9	-	9
Other derivatives reported as trading	-	1	-	1
Debt instruments at fair value through PL: of which	-	-	14	14
Debt securities at fair value through PL	-	-	14	14
Equity instruments at fair value through OCI: of which	-	-	127	127
Shares at fair value through OCI	-	-	127	127
Equity instruments at fair value through PL: of which	142	-	-	142
Equity instruments at fair value through PL	142	-	-	142
Total	142	1,010	226	1,378

Financial liabilities carried at fair value:				
Hedging: of which	-	499	-	499
Commodity derivatives cash flow hedge	-	358	-	358
Currency swaps cash flow hedge	-	98	-	98
Interest rate swaps cash flow hedge	-	27	-	27
Currency forwards cash flow hedge	-	16	-	16
Non-hedging: of which	-	837	94	931
Commodity derivatives reported as trading	-	822	94	916
Interest rate swaps reported as trading	-	5	-	5
Currency forwards reported as trading	-	7	-	7
Other derivatives reported as trading	-	3	-	3
Total	-	1,336	94	1,430

In millions of EUR	31 December 2024			
	Level 1	Level 2	Level 3	Total
Financial assets carried at fair value:				
Hedging: of which	–	312	–	312
Commodity derivatives cash flow hedge	–	302	–	302
Currency forwards cash flow hedge	–	10	–	10
Non-hedging: of which	–	1,163	1,623	2,786
Commodity derivatives reported as trading	–	1,146	25	1,171
Equity option at fair value through PL	–	–	1,598	1,598
Currency forwards reported as trading	–	16	–	16
Other derivatives reported as trading	–	1	–	1
Receivables at fair value through PL: of which	–	–	80	80
Contingent consideration at fair value through PL	–	–	80	80
Equity instruments at fair value through OCI: of which	748	–	222	970
Shares at fair value through OCI	748	–	222	970
Equity instruments at fair value through PL: of which	13	–	–	13
Equity instruments at fair value through PL	13	–	–	13
Total	761	1,475	1,925	4,161
Financial liabilities carried at fair value:				
Hedging: of which	–	373	–	373
Commodity derivatives cash flow hedge	–	327	–	327
Currency forwards cash flow hedge	–	5	–	5
Interest rate swaps cash flow hedge	–	41	–	41
Non-hedging: of which	–	833	8	841
Commodity derivatives reported as trading	–	818	8	826
Interest rate swaps reported as trading	–	7	–	7
Currency forwards reported as trading	–	4	–	4
Other derivatives reported as trading	–	2	–	2
Currency options for trading	–	2	–	2
Total	–	1,206	8	1,214

There were no transfers between fair value levels in either 2025 or 2024.

The fair value of financial instruments held at amortised costs is shown in the table below:

In millions of EUR	Carrying value ⁽¹⁾ 31 December 2025	Fair value 31 December 2025
Financial assets		
Term deposits at amortized cost	759	760
Pension escrow investments	186	186
Loans to other than credit institutions	48	48
Receivables from financial leases	28	28
Total	1,021	1,022
Financial liabilities		
Other financial liabilities	4	4
Total	4	4

In millions of EUR	Carrying value ⁽¹⁾ 31 December 2024	Fair value 31 December 2023
Financial assets		
Loans to other than credit institutions	342	348
Total	342	348
Financial liabilities		
Other financial liabilities	6	6
Total	6	6

(1) Carrying amounts are stated net of impairment.

All financial instruments held at amortised costs are categorised within Level 2 of the fair value hierarchy (for detail of valuation methods refer to Note 2(e) i – Assumption and estimation uncertainties).

Transactions with power, gas and emission rights not recognized on balance sheet

The following information pertains to contracts on delivery or sale of power, gas and emission rights. These contracts meet the requirements of IFRS 9 for the application of the own-use exemption and therefore do not fall in the scope of IFRS 9 (refer to Note 3(f) – Derivative financial instruments – Transactions with emission rights and energy) and are reported as off-balance sheet items, not derivatives. The management carefully assessed conditions of the contracts and concluded that all contracts are intended to be settled via physical delivery needed for consumption or physically delivered quantities shall be sold as part of its ordinary business, therefore the contracts are not reported as derivatives.

As at 31 December 2025 the Group is contractually obliged to forward purchase 10,232,760 pieces (2024: 9,664,876 pieces) of emission rights at an average price 76.77 EUR/piece (2024: 60.92 EUR/piece), with delivery predominantly in 2025 for risk management purposes to cover for hedged power production in respective year. Amounts presented within commitments for future purchases include only emission allowances that are not already reflected through the provision for the emission allowances on the balance sheet. Contracts for forward purchases of emission rights are for already contracted future power sales held under hedge accounting as per IFRS 9, where the corresponding contingent asset is reported as an off balance sheet item in Note 29 – Financial instruments.

For more details about the contractual obligations of forward purchases or forward sales of power, gas and emission allowances refer to Note 31 – Commitments and contingencies.

Trade payables and other liabilities have not been secured as at 31 December 2025 and 31 December 2024.

As at 31 December 2025 and 2024, no liabilities to social and health insurance or tax authorities were overdue.

Estimated payables are recognised based on contractual conditions or invoices received after the balance sheet date but before the financial statements are published.

As at 31 December 2025 and 2024, the fair values of trade payables and other liabilities equal to their carrying amounts.

The Group’s exposure to currency and liquidity risk related to trade payables and other liabilities is disclosed in Note 33 – Risk management policies and disclosures.

The balance of other liabilities as at 31 December 2024 mostly consists of liability arising from put option over non-controlling interest in LEAG Group.

Put option over non-controlling interest in LEAG Group

In June 2023, the Group entered into a share purchase agreement to acquire a 20% stake in LEAG Group from its minority shareholder. The transaction was completed in October 2023, at which point the Group began fully consolidating LEAG.

As part of the agreement, the seller retains the right to sell the remaining 30% stake to the Group at its market price, as determined by mutual agreement between the parties. Consequently, as of 31 December 2023, the Group recognized a liability to the minority shareholder of EUR 1,287 million, following the IFRS applicable rules and reflecting market conditions at the end of 2023. As at 15 October 2024, the seller has exercised the put option and negotiations between the parties have commenced regarding the share price. As at 31 December 2024, the liability was revaluated to EUR 527 million. On 21 March 2025, the Group purchased the remaining share and the liability from put option over non-controlling interest was derecognised.

30. Trade payables and other liabilities

In millions of EUR	31 December 2025	31 December 2024
Trade payables	7,028	1,315
Payroll liabilities	1,195	213
Other tax liabilities	904	236
Accrued expenses	671	262
Estimated payables	443	466
Uninvoiced supplies	392	259
Liabilities from dividends ⁽¹⁾	179	176
Margin of stock exchange derivatives	53	157
Advance payments received	51	19
Retentions to contractors	43	9
Other liabilities	639	795
Total	11,598	3,907
Non-current	95	35
Current	11,503	3,872
Total	11,598	3,907

(1) In 2025 and 2024, the balance relates mostly to dividend payable in amount of EUR 141 million (31 December 2024: EUR 174 million) declared to SPP, a.s. as a non-controlling shareholder.

31. Commitments and contingencies

Off balance sheet liabilities

In millions of EUR

	31 December 2025	31 December 2024
Commitments for future purchases	5,469	2,206
Granted pledges – securities	3,166	121
Granted guarantees and warranties	513	12
Other granted pledges	1,635	1,320
Other granted commitments	223	188
Total	11,006	3,847

Commitments for future purchases

Commitments for future purchases include contractually agreed future purchases of long-term tangible assets, intangible assets including emission allowances (unless covered by a provision as of 31 December 2025 or 31 December 2024), services and nuclear fuel.

Granted pledges – securities

Granted pledges represent securities of individual Group companies used as collateral for external financing and pledges related to future restoration of opencast mines.

Granted guarantees and warranties

Guarantees given include guarantees in the amount of EUR 325 million (2024: EUR 12 million) used mainly as a collateral for external financing by related parties and remaining part mainly related to granted letters of credit and guarantees provided to UK tax, payment and custom authority HMRC.

Other granted commitments

In 2018, MIBRAG GmbH (“MIBRAG”) concluded agreements with Saxony’s Upper Mining Authority (“SOBA”) and Saxony-Anhalt’s State Office of Geology and Mining (“LAGB”), to ensure that the expenses for restoring open-cast mines are covered. The concluded agreements provide for the establishment of a special fund designed to financially shore up future liquidity requirements, which is to be set up successively by transferring certain assets to this fund by MIBRAG and by reinvesting the assets within the fund.

The two special purpose vehicles were established in 2020 and have since been funded as contractually agreed. MIBRAG is in close contact with the two mining authorities regarding need for adjustments resulting from the dynamic developments of the recent past.

Moreover, other granted commitments as of 31 December 2025 include commitment for capacity market penalties in amount of EUR 149 million (31 December 2024: EUR 83 million) recognized by EPP Group. These commitments relate to future possible underperformance under capacity market contracts (for capacity market contracts refer to off balance sheet assets).

Other granted pledges

In millions of EUR

	31 December 2025	31 December 2024
Property, plant and equipment	955	892
Trade receivables	402	272
Cash and cash equivalents	217	82
Inventories	–	19
Loans granted	–	1
Other	61	54
Total	1,635	1,320

Off balance sheet assets

In millions of EUR

	31 December 2025	31 December 2024
Received contractual commitments for capacity payments	5,812	4,782
Received loan commitments	4,176	2,881
Received commitments from future sales	2,785	3,228
Other received guarantees and warranties	1,795	1,573
Other received commitments	592	392
Total	15,160	12,856

Received contractual commitments for capacity payments

Received contractual commitments for capacity payments as of 31 December 2025 and 2024 are reported by entities in EPUKI Group of EUR 3,476 million (2024: EUR 2,546 million), EPP Group of EUR 1,771 million (2024: EUR 1,683 million), LEAG of EUR 466 million (2024: EUR 535 million) Slovenské elektrárne of EUR 83 million and by Enecogen V.O.F. of EUR 16 million (2024: EUR 19 million).

Other received guarantees and warranties

Other received guarantees and warranties mainly consist of various financial and non-financial guarantees received mainly from the customers recognized by EP Commodities a.s., entities in LEAG, EPP, Royal Mail and GLS Groups, Slovenské elektrárne, SPP – distribúcia, a.s., eustream, a.s. and others of EUR 1,693 million (2024: EUR 1,388 million) and of received guarantee by EP Centrale Tavazzano Montanaso S.P.A in connection to power plant construction of EUR 102 million (2024: EUR 85 million).

Other received commitments

Other received commitments represent investment subsidies for future capital expenditures for Plzeňská teplárenská, a.s., United Energy, a.s. and Elektrárny Opatovice, a.s., of EUR 592 million (2024: EUR 392 million).

32.

Leases

a)

Leases as a lessee

The Group leases buildings, pipelines, locomotives and wagons, vehicle fleet and personal cars. The leases have various lease terms and run under various period of time. Leases may include extension or termination options.

The Group has elected not to recognise right-of-use assets and lease liabilities for some leases of low-value assets and short-term leases (lease term 12 months or shorter). The Group recognises the lease payments associated with these leases as an expense.

Right-of-use assets

Right-of-use assets related to leased land and buildings and technical equipment, plant and machinery are presented as property, plant and equipment (refer to Note 15). Right-of-use asset that meet the definition of investment property are included under investment properties.

In millions of EUR	Land and building	Technical equipment, plant and machinery	Investment property	Total
Balance at 1 January 2025	81	173	–	254
Depreciation charge for the year	(402)	(205)	–	(607)
Additions to right-of-use assets	417	256	9	682
Additions in business combinations	3,601	655	28	4,284
Disposals	(34)	(10)	–	(44)
Modifications to right-of-use assets	68	(1)	–	67
Effects of movements in foreign exchange rate	(30)	(4)	–	(34)
Balance at 31 December 2025	3,701	864	37	4,602
Balance at 1 January 2024	78	164	–	242
Depreciation charge for the year	(14)	(86)	–	(100)
Additions to right-of-use assets	17	120	–	137
Effects of movements in foreign exchange rate	–	2	–	2
Transfer to liability held for sale	–	(27)	–	(27)
Balance at 31 December 2024	81	173	–	254

Maturity analysis of lease liabilities

In millions of EUR

	31 December 2025	31 December 2024
Undiscounted contractual cash flows by maturity		
Up to 3 months	254	14
3 months to 1 year	759	47
1–5 years	2,953	157
Over 5 years	2,296	44
Total undiscounted contractual cash flows	6,262	262
Carrying amount	4,813	254

Amounts recognized in profit or loss

In millions of EUR

	2025	2024
Depreciation charge for the year	(611)	(100)
Interest on lease liabilities	(182)	(8)
Income from sub-leasing right-of-use assets	15	–
Expenses related to short-term leases	(67)	(15)
Expenses related to leases of low-value assets, excluding short-term leases of low-value assets	(10)	(2)
Expenses related to variable lease payments not included in measurement of lease liability	(25)	(18)
Gain on sale and leaseback	9	–

Amounts recognized in statement of cash flows

In millions of EUR

	2025	2024
Payment of lease liabilities	(566)	(99)
Payment of interest related to lease liabilities	(182)	(8)

As of 31 December 2025, the lease liabilities of the Russian companies amount to EUR 85 million (no lease liabilities reported in Russian companies as of 31 December 2024.).

b) Leases as a lessor

Lease payments due in subsequent periods for finance leases (mainly related to rental properties) and operating leases and rental income recognized in profit or loss in respect of the operating leases are presented in the following table:

In millions of EUR

	2025	
	Finance leases	Operating leases
Up to 1 year	9	38
1 to 2 years	7	24
2 to 3 years	6	16
3 to 4 years	3	13
4 to 5 years	3	11
Over 5 years	7	22
Total undiscounted lease receivables	35	124
Interest income not yet recognized	5	-
Impairment of lease receivables	(2)	-
Carrying amount of lease receivables	28	-
Lease income		
Rental income	-	33
Interest income	1	-

There were no material finance leases or operating leases in the year ended 31 December 2024. Rental income recognized in profit or loss in respect of the operating leases in the year ended 31 December 2024 was EUR 25 million.

33. Risk management policies and disclosures

This section provides details of the Group’s exposure to financial and operational risks and the way it manages such risks. The most important types of financial risks to which the Group is exposed are credit risk, liquidity risk, interest rate, commodity price risk, foreign exchange risk, concentration risk and regulatory risk.

As part of its operations, the Group is exposed to different market risks, notably the risk of changes in interest rates, exchange rates and commodity prices. To minimise this exposure, the Group enters into derivatives contracts to mitigate or manage the risks associated with individual transactions and overall exposures, using instruments available on the market.

a) Credit risk

i. Exposure to credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group’s receivables from customers and loans and advances.

The Group has established a credit policy under which each new customer requesting products/services over a certain limit (which is based on the size and nature of the particular business) is analysed individually for creditworthiness before the Group’s standard payment and delivery terms and conditions are offered. The Group uses credit databases for analysis of creditworthiness of new customers and after deemed creditworthy they are also subject to Risk committee approval. The Group’s policy is also to require suitable collateral to be provided by customers such as a bank guarantee or a parent company guarantee. The exposure to credit risk is monitored on an ongoing basis.

Additional aspects mitigating credit risk

The Group’s Energy segment operates mainly as an energy and power generation and distribution company and thus has a specific customer structure. The distribution companies represent a comparatively low credit risk. The large clients are dependent upon electricity supplies which significantly mitigates the credit risks. In addition, bank guarantees and advance payments are required before active operation with traders. Previous experience shows that such elements are very favourable in terms of credit risk mitigation. Customers of distribution and supply sector are required to pay prepayments which further decrease credit risk. In energy and power generation sector, increasing proportion of the revenues is generated from the regulated and/or state-controlled entities (especially in relation to the green energy production and services provided to grids; refer to Note 3(p) – Revenues for description of grid services), which represent a comparatively low credit risk. At the same time substantial volume of the transactions is done with large clients with solid credit standing and/or are realized through exchanges, which provides for further risk mitigation.

The wholesale sector’s payment terms and exposure limits are based on a comprehensive internal scoring of each customer, supplemented by external information where available. This internal scoring typically reflects quantitative factors such as payment history, outstanding balances and size of the business, as well as qualitative factors including customer segment, country risk and the length of the business relationship.

The Group’s logistics sector manages credit risk through formal customer credit policies, creditworthiness assessments, defined credit limits and ongoing reviews of customers’ payment behaviour. Certain delivery services are provided only upon receipt of cleared funds, or on a card or cash on delivery basis, which further limits the Group’s exposure to credit risk.

The carrying amount of financial assets (plus guarantees issued) represents the maximum credit exposure if counterparties fail to carry out completely their contractual obligations and any collateral or security proves to be of no value. The maximum credit exposure amounts disclosed below therefore greatly exceed expected losses, which are included in the allowance for impairment.

The Group establishes an allowance for impairment that represents its estimate of expected credit losses. The Group measures loss allowances at an amount equal to lifetime ECLs except for those financial assets for which credit risk has not increased significantly since initial recognition. For trade receivables and contract assets, the Group has elected to measure loss allowances at an amount equal to lifetime ECLs.

At the reporting date, the maximum exposure to credit risk by the type of counterparty and by geographic region is provided in the following tables.

Credit risk by type of counterparty

As at 31 December 2025

In millions of EUR

	Corporate (non-financial institutions)	State, government	Financial institutions	Banks	Individuals	Other	Total
Assets							
Cash and cash equivalents	–	–	341	9,318	–	30	9,689
Restricted cash	3	22	–	1,049	–	–	1,074
Receivables to nuclear and mining funds	–	1,917	–	622	–	–	2,539
Trade receivables and other assets	6,088	938	73	500	146	66	7,811
Pension fund surplus	8	–	49	–	1,823	–	1,880
Financial instruments and other financial assets	1,251	–	233	902	–	13	2,399
Total	7,350	2,877	696	12,391	1,969	109	25,392

As at 31 December 2024

In millions of EUR

	Corporate (non-financial institutions)	State, government	Financial institutions	Banks	Individuals	Other	Total
Assets							
Cash and cash equivalents	–	–	50	8,490	–	–	8,540
Restricted cash	9	59	–	935	–	–	1,003
Trade receivables and other assets	3,124	549	38	565	41	117	4,434
Pension fund surplus	–	–	52	–	–	–	52
Financial instruments and other financial assets	4,376	–	16	101	–	10	4,503
Total	7,509	608	156	10,091	41	127	18,532

Credit risk by location of debtor

As at 31 December 2025

In millions of EUR

	Czech Republic	Slovakia	Switzer- land	Italy	Germany	United Kingdom	France	Ireland	Nether- lands	Japan	Other	Total
Assets												
Cash and cash equivalents	1,932	1,624	221	545	2,806	244	610	333	162	501	711	9,689
Restricted cash	4	–	–	–	1,068	1	1	–	–	–	–	1,074
Receivables to nuclear and mining funds	–	1,917	–	–	622	–	–	–	–	–	–	2,539
Pension fund surplus	–	–	–	–	9	1,871	–	–	–	–	–	1,880
Trade receivables and other assets	349	453	227	705	2,238	1,413	582	173	161	13	1,497	7,811
Financial instruments and other financial assets	858	20	177	50	455	289	161	186	61	–	142	2,399
Total	3,143	4,014	625	1,300	7,198	3,818	1,354	692	384	514	2,350	25,392

As at 31 December 2024

In millions of EUR

	Czech Republic	Slovakia	Switzer- land	Italy	Germany	United Kingdom	France	Ireland	Nether- lands	Japan	Other	Total
Assets												
Cash and cash equivalents	885	1,507	441	402	4,772	134	101	21	59	–	218	8,540
Restricted cash	2	–	–	–	971	29	–	–	–	–	1	1,003
Pension fund surplus	–	–	–	–	2	50	–	–	–	–	–	52
Trade receivables and other assets	270	254	299	631	1,662	518	360	107	217	–	116	4,434
Financial instruments and other financial assets	220	1,833	102	80	1,131	351	512	–	198	–	76	4,503
Total	1,377	3,594	842	1,113	8,538	1,082	973	128	474	–	411	18,532

As at 31 December 2025, location Other comprises mainly debtors located in Span, Hungary, Türkiye, Ukraine and Austria (2024: Hungary and Austria)..

ii. Impairment losses

Credit risk – impairment of financial assets

The following table provides information about the changes in the loss allowance during the period.

In millions of EUR

	12-month ECL	Lifetime ECL not credit-impaired	Lifetime ECL credit-impaired	Purchased credit-impaired	Total
Balance at 1 January 2025	(39)	(9)	(31)	-	(79)
Impairment losses recognized during the year	(34)	(2)	(18)	-	(54)
Reversal of impairment losses recognized during the year	16	1	-	-	17
Decrease due to derecognition of impaired assets	7	1	-	-	8
Change in credit risk	(1)	(4)	-	-	(5)
Write-offs	-	1	-	-	1
Balance at 31 December 2025	(51)	(12)	(49)	-	(112)

In millions of EUR

	12-month ECL	Lifetime ECL not credit-impaired	Lifetime ECL credit-impaired	Purchased credit-impaired	Total
Balance at 1 January 2024	(33)	(8)	(33)	-	(74)
Impairment losses recognized during the year	(21)	(1)	-	-	(22)
Reversal of impairment losses recognized during the year	6	-	3	-	9
Change in credit risk	-	-	(1)	-	(1)
Write-offs	5	-	-	-	5
Transfer to assets held for sale	4	-	-	-	4
Balance at 31 December 2024	(39)	(9)	(31)	-	(79)

The most significant change which contributed to change in the loss allowance during 2025 and 2024 was mainly change in the gross carrying amount of trade receivables. For more information on creation of loss allowance refer to Note 29 – Financial instruments.

The ageing of financial assets, excluding cash and cash equivalents and derivatives, at the reporting date was:

Credit risk – impairment of financial assets

As at 31 December 2025

In millions of EUR

	Receivables to nuclear and mining funds	Loans to other than credit institutions and receivables from finance leases	Trade receivables and other assets	Pension fund surplus	Total
Before maturity (net)	2,539	75	7,196	1,880	11,690
After maturity (net)	-	1	615	-	616
Total	2,539	76	7,811	1,880	12,306
A – Assets (gross)					
– before maturity	2,539	77	7,237	1,880	11,733
– after maturity <30 days	-	-	423	-	423
– after maturity 31–180 days	-	-	118	-	118
– after maturity 181–365 days	-	-	40	-	40
– after maturity >365 days	-	14	90	-	104
Total assets (gross)	2,539	91	7,908	1,880	12,418
B – Loss allowances for assets					
– before maturity	-	(2)	(41)	-	(43)
– after maturity <30 days	-	-	(4)	-	(4)
– after maturity 31–180 days	-	-	(6)	-	(6)
– after maturity 181–365 days	-	-	(9)	-	(9)
– after maturity >365 days	-	(13)	(37)	-	(50)
Total loss allowances	-	(15)	(97)	-	(112)
Total assets (net)	2,539	76	7,811	1,880	12,306

Credit risk – impairment of financial assets

As at 31 December 2024

In millions of EUR

	Loans to other than credit institutions	Trade receivables and other assets	Pension fund surplus	Total
Before maturity (net)	342	4,335	52	4,729
After maturity (net)	–	99	–	99
Total	342	4,434	52	4,828
A – Assets (gross)				
– before maturity	342	4,378	52	4,772
– after maturity <30 days	–	61	–	61
– after maturity 31–180 days	–	34	–	34
– after maturity 181–365 days	–	4	–	4
– after maturity >365 days	12	24	–	36
Total assets (gross)	354	4,501	52	4,907
B – Loss allowances for assets				
– before maturity	–	(43)	–	(43)
– after maturity <30 days	–	(1)	–	(1)
– after maturity 31–180 days	–	(1)	–	(1)
– after maturity 181–365 days	–	(2)	–	(2)
– after maturity >365 days	(12)	(20)	–	(32)
Total loss allowances	(12)	(67)	–	(79)
Total assets (net)	342	4,434	52	4,828

Group calculates a collective loss allowance for trade receivables on the basis of a simplified approach based on historical provision matrix. Probability of default is taken from a historical provision matrix (set up separately by each component) with element of forward-looking information (the Group incorporates the following forward-looking information: GDP growth, unemployment rate, interest rates, change in stock market index). The resulting collective loss allowance was not significant as at 31 December 2025 and therefore was not recognized.

The Group assessed the need to create a credit loss allowance for receivables due from banks (included in the item cash and cash equivalents) and concluded that the resulting loss allowance would be negligible and therefore it was not recognized.



b) Liquidity risk

The Group faces the risk that it will experience difficulties in meeting its obligations associated with financial liabilities that are settled by delivering cash or another financial asset as they fall due. In particular, high volatility of commodity prices.

To mitigate its general liquidity risk, the Group focuses on diversifying sources of funds, which gives the Group flexibility and limits its dependency on a single financing source, and also holds a portion of its assets in highly liquid funds. As of 31 December 2025 and 31 December 2024, the Group had available undrawn committed term, revolving credit and overdraft facilities in the amount of EUR 4,176 million and EUR 2,881 million, respectively, providing additional liquidity to the Group.

Liquidity risk is evaluated by monitoring changes in the financing structure and comparing these changes with the Group’s liquidity risk management strategy. The Group typically seeks to have sufficient cash available on demand and assets with short maturity to meet expected operational expenses for a period of 90 days, including servicing financial obligations, although this excludes the impact of extreme events that cannot be reliably predicted, like natural disasters. As of 31 December 2025 and 31 December 2024, the Group had EUR 9,689 million and EUR 8,540 million, respectively, of cash and cash equivalents.

The table below provides an analysis of financial liabilities by relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. It is presented under the most prudent consideration of maturity dates where options or repayment schedules allow for early repayment possibilities. Therefore, in the case of liabilities, the earliest required repayment date is shown.

Maturities of financial liabilities

As at 31 December 2025

In millions of EUR

	Carrying amount	Contractual cash flows ⁽¹⁾	Up to 3 months	3 months to 1 year	1–5 years	Over 5 years
Liabilities						
Loans and borrowings	⁽²⁾ 21,355	25,152	601	2,571	15,758	6,222
Trade payables and other liabilities	⁽³⁾ 11,510	11,471	10,225	1,153	84	9
Financial instruments and financial liabilities	⁽⁴⁾ 1,428	1,430	915	90	425	–
Total	34,293	38,053	11,741	3,814	16,267	6,231
Net liquidity risk position⁽⁵⁾						
	(9,539)	(11,281)	5,530	(1,971)	(14,467)	(373)

* Contract liabilities in amount of EUR 351 million are not shown in the table above as these items are not expected to cause any future cash outflow.

(1) Contractual cash flows disregarding discounting to net present value and including potential interest.

(2) The Group has available committed undrawn term facilities and revolving facilities in amount of EUR 4,176 million.

(3) Advances received and margin payments in amount of EUR 88 million are excluded from the carrying amount as these items will cause no future cash outflow.

(4) Variation margin payments paid in amount of EUR 6 million are excluded from the carrying amount of financial instruments and other financial liabilities as these items will cause no future cash outflow. Variation margin payments represent already cash-effective changes resulting from derivative financial instruments.

(5) Positive net liquidity risk position represents excess of financial assets over financial liabilities and vice versa. Financial assets in net liquidity risk position exclude advances given and margin payments in amount of EUR 333 million as these items will cause no future cash outflow and equity instruments in amount of EUR 269 million as these items are non-monetary assets.

The Group intends to manage material negative net liquidity risk position where expected cash outflows exceed inflows by maintaining access to committed credit facilities, actively managing the maturity profile of liabilities, and adjusting short-term funding and working-capital measures to ensure sufficient liquidity to meet obligations as they fall due.

As at 31 December 2024

In millions of EUR	Carrying amount	Contractual cash flows ⁽¹⁾	Up to 3 months	3 months to 1 year	1–5 years	Over 5 years
Liabilities						
Loans and borrowings	⁽²⁾ 9,920	10,918	887	1,859	7,032	1,140
Trade payables and other liabilities	⁽³⁾ 3,751	3,775	2,651	1,090	34	–
Financial instruments and financial liabilities	⁽⁴⁾ 1,184	1,115	536	295	283	1
Total	14,855	15,808	4,074	3,244	7,349	1,141
Net liquidity risk position⁽⁵⁾	2,327	1,397	8,763	(53)	(6,592)	(721)

* Contract liabilities in amount of EUR 261 million are not shown in the table above as these items are not expected to cause any future cash outflow.

(1) Contractual cash flows disregarding discounting to net present value and including potential interest.

(2) The Group has available committed undrawn term facilities and revolving facilities in amount of EUR 2,881 million.

(3) Advances received and margin payments in amount of EUR 156 million are excluded from the carrying amount as these items will cause no future cash outflow.

(4) Variation margin payments paid in amount of EUR 36 million are excluded from the carrying amount of financial instruments and other financial liabilities as these items will cause no future cash outflow. Variation margin payments represent already cash-effective changes resulting from derivative financial instruments.

(5) Positive net liquidity risk position represents excess of financial assets over financial liabilities and vice versa. Financial assets in net liquidity risk position exclude advances given and margin payments in amount of EUR 231 million as these items will cause no future cash outflow and equity instruments in amount of EUR 234 million as these items are non-monetary assets.

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier or in significantly different amounts.

c) Interest rate risk

The Group’s operations are subject to the risk of interest rate fluctuations to the extent that interest-earning assets (including investments) and interest-bearing liabilities mature or re-price at different times or in differing amounts. The length of time for which the rate of interest is fixed on a financial instrument therefore indicates to what extent it is exposed to interest rate risk. The Group uses interest rate swaps and other types of derivatives to reduce the amount of debt exposed to interest rate fluctuations and to reduce borrowing costs.

The table below provides information on the extent of the Group’s interest rate exposure based either on the contractual maturity date of its financial instruments or, in the case of instruments that re-price to a market rate of interest before maturity, the next re-pricing date. Those assets and liabilities that do not have a contractual maturity date or are not interest-bearing are grouped together in the “maturity undefined” category.

Financial information relating to interest bearing and non-interest-bearing assets and liabilities and their contractual maturity or re-pricing dates as at 31 December 2025 is as follows:

In millions of EUR	Up to 1 year	1 year to 5 years	Over 5 years	Undefined maturity (or non-interest bearing)	Total
Assets					
Cash and cash equivalents	9,689	–	–	–	9,689
Restricted cash	1,074	–	–	–	1,074
Receivables to nuclear and mining funds	1,917	622	–	–	2,539
Pension fund surplus	1,823	–	–	57	1,880
Trade receivables and other assets	164	–	–	7,647	7,811
Financial instruments and other financial assets ⁽¹⁾	1,003	28	4	1,364	2,399
Total	15,670	650	4	9,068	25,392
Liabilities					
Loans and borrowings ⁽²⁾	7,330	9,173	4,775	77	21,355
Trade payables and other liabilities	143	1	–	11,454	11,598
Financial instruments and financial liabilities ⁽¹⁾	11	91	1	1,331	1,434
Total	7,484	9,265	4,776	12,862	34,387
Net interest rate risk position	8,186	(8,615)	(4,772)	(3,794)	(8,995)
Effect of interest rate swaps	540	(543)	–	–	(3)
Net interest rate risk position (incl. IRS)⁽³⁾	8,726	(9,158)	(4,772)	(3,794)	(8,998)

(1) The Group contractually agreed to swap float interest rate for a fixed rate (at some of its bank loans).

(2) Disregarding agreed interest rate swaps.

(3) Net interest rate risk position represents financial assets less financial liabilities plus effect of IRS. Positive net interest rate risk position means that increase in interest rates would cause lower net interest expense of the Group and vice versa.

Notional amounts of financial instruments are included in Note 29 – Financial instruments.

Interest rate risk exposure as at 31 December 2024 was as follows:

In millions of EUR	Up to 1 year	1 year to 5 years	Over 5 years	Undefined maturity (or non-interest bearing)	Total
Assets					
Cash and cash equivalents	8,540	–	–	–	8,540
Restricted cash	1,003	–	–	–	1,003
Pension fund surplus	–	–	–	52	52
Trade receivables and other assets	660	2	–	3,772	4,434
Financial instruments and other financial assets ⁽¹⁾	330	117	30	4,026	4,503
Total	10,533	119	30	7,850	18,532
Liabilities					
Loans and borrowings ⁽²⁾	4,025	4,836	1,053	6	9,920
Trade payables and other liabilities	552	–	–	3,355	3,907
Financial instruments and financial liabilities ⁽¹⁾	156	9	–	1,055	1,220
Total	4,733	4,845	1,053	4,416	15,047
Net interest rate risk position	5,800	(4,726)	(1,023)	3,434	3,485
Effect of interest rate swaps	20	(26)	–	–	(6)
Net interest rate risk position (incl. IRS)⁽³⁾	5,820	(4,752)	(1,023)	3,434	3,479

(1) The Group contractually agreed to swap float interest rate for a fixed rate (at some of its bank loans).

(2) Disregarding agreed interest rate swaps.

(3) Net interest rate risk position represents financial assets less financial liabilities plus effect of IRS. Positive net interest rate risk position means that increase in interest rates would cause lower net interest expense of the Group and vice versa.

Notional amounts of financial instruments are included in Note 29 – Financial instruments.

Sensitivity analysis

The Group performs stress testing using a standardised interest rate shock, for financial assets and liabilities to be repriced up to 1 year time, i.e. an immediate decrease/increase in interest rates by 1% along the whole yield curve is applied to the interest rate positions of the portfolio.

At the reporting date, a change of 1% in market interest rates would have increased or decreased profit by the amounts shown in the table below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

In millions of EUR	2025 Profit (loss)	2024 Profit (loss)
<i>Interest rate</i>	<i>EURIBOR</i>	<i>EURIBOR</i>
Increase in interest rates by 1%	74	60
Decrease in interest rates by 1%	(74)	(60)

The analysis stated above does not reflect the impact of change in interest rate on the fair value of derivatives.

d) Foreign exchange risk

The Group takes on exposure to the effects of fluctuations in the prevailing foreign currency exchange rates on its financial position and cash flows.

The Group is exposed to a currency risk on sales, purchases and borrowings that are denominated in currency other than the respective functional currencies of Group entities, primarily EUR, CZK, USD, JPY and GBP.

Various types of derivatives are used to reduce the exchange rate risk on foreign currency assets, liabilities and expected future cash flows. These include forward exchange contracts, most with a maturity of less than one year.

These contracts are also normally agreed with a notional amount and expiry date equal to that of the underlying financial liability or the expected future cash flows, so that any change in the fair value and/or future cash flows of these contracts stemming from a potential appreciation or depreciation of the euro against other currencies is fully offset by a corresponding change in the fair value and/or the expected future cash flows of the underlying position.

In respect of monetary assets and liabilities denominated in foreign currencies, the Group ensures that its net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short-term imbalances on the level of individual companies within the Group.

As of 31 December 2025, the Group is exposed to foreign exchange risk when financial assets and liabilities are denominated in a currency other than the functional currency in which they are measured. Assets and liabilities denominated in a currency different from the functional currency in which they are measured are presented in the table below:

In millions of EUR

	CZK	USD	EUR	GBP	JPY	Other
Assets						
Cash and cash equivalents	71	5	130	3	–	10
Trade receivables and other assets	52	75	287	405	7	402
Financial instruments and other financial assets	33	33	5,392	108	–	195
Total (A)	156	113	5,809	516	7	607
Off balance sheet assets (B)						
Receivables from forward exchange contracts	267	176	738	634	378	81
	267	176	738	634	378	81
Liabilities						
Loans and borrowings	135	70	9,696	104	367	206
Financial instruments and financial liabilities	242	19	114	83	–	1
Trade payables and other liabilities	61	63	642	368	–	391
Total (C)	438	152	10,452	555	367	598
Off balance sheet liabilities (D)						
Payables related to forward exchange contracts	117	359	357	–	–	54
	117	359	357	–	–	54
Net FX risk position (E) = (A - C)						
	(282)	(39)	(4,643)	(39)	(360)	9
Effect of forward exchange contracts (F) = (B - D)	150	(183)	381	634	378	27
Net FX risk position (incl. forward exchange contracts and cash flow hedges on FX risk) (G) = (E + F)	(132)	(222)	(4,262)	595	18	36

Foreign currency denominated intercompany receivables and payables are included in sensitivity analysis for foreign exchange risk. These balances are eliminated in consolidated balance sheet but their effect on profit or loss of their currency revaluation is not fully eliminated. Therefore, the total amounts of exposure to foreign exchange risk do not equal to respective items reported on consolidated balance sheet.

As of 31 December 2024, the Group is exposed to foreign exchange risk when financial assets and liabilities are denominated in a currency other than the functional currency in which they are measured. Assets and liabilities denominated in a currency different from the functional currency in which they are measured are presented in the table below:

In millions of EUR

	CZK	USD	EUR	GBP	JPY	Other
Assets						
Cash and cash equivalents	106	21	37	8	–	45
Trade receivables and other assets	9	15	118	175	–	42
Financial instruments and other financial assets	132	3	144	414	–	5
Total (A)	247	39	299	597	–	92
Off balance sheet assets (B)						
Receivables from forward exchange contracts	529	12	106	241	–	–
	529	12	106	241	–	–
Liabilities						
Loans and borrowings	450	16	357	3	–	42
Financial instruments and financial liabilities	247	2	51	128	–	–
Trade payables and other liabilities	9	21	35	187	–	19
Total (C)	706	39	443	318	–	61
Off balance sheet liabilities (D)						
Payables related to forward exchange contracts	73	–	105	12	–	–
	73	–	105	12	–	–
Net FX risk position (E) = (A - C)						
	(459)	–	(144)	279	–	31
Effect of forward exchange contracts (F) = (B - D)	456	12	1	229	–	–
Net FX risk position (incl. forward exchange contracts and cash flow hedges on FX risk) (G) = (E + F)	(3)	12	(143)	508	–	31

Foreign currency denominated intercompany receivables and payables are included in sensitivity analysis for foreign exchange risk. These balances are eliminated in consolidated balance sheet but their effect on profit or loss of their currency revaluation is not fully eliminated. Therefore, the total amounts of exposure to foreign exchange risk do not equal to respective items reported on consolidated balance sheet.

Off-balance sheet assets and liabilities include payables and receivables from forward exchange contracts (refer to Note 29 – Financial instruments).

The following significant exchange rates applied during the period:

EUR	31 December 2025		31 December 2024	
	Average rate	Reporting date spot rate	Average rate	Reporting date spot rate
CZK 1	0.04051	0.04126	0.03981	0.03971
GBP 1	1.16714	1.14600	1.18117	1.20601
USD 1	0.88497	0.85106	0.92389	0.96256

Sensitivity analysis

A strengthening (weakening) of the Euro, as indicated below, against the CZK, GBP and USD at the reporting date would have increased (decreased) net assets by the amounts shown in the following table. This analysis is based on foreign currency exchange rate variances that the Group considered to be reasonably likely at the end of the reporting period. The analysis assumes that all other variables, in particular interest rates, remain constant.

Effect in millions of EUR	2025 Profit (loss)	2024 Profit (loss)
CZK (5% strengthening of EUR)	14	23
GBP (5% strengthening of EUR)	2	(14)
USD (5% strengthening of EUR)	2	-

A weakening of the Euro against the above currencies at the reporting date would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

e) Commodity risk

The Group is exposed to the risk of volatility and long-term changes in the prices of commodities or items that it generates, transports, distributes or uses for its operations, mainly power, gas, nuclear fuel, coal, biomass, heat and emission allowances, both on the supply and the demand side. This volatility and changes may result from many factors, including, among other things, weather conditions, seasonality, changes in the prices of primary or alternative fuels, transmission or transportation constraints, global economic conditions and geopolitical developments, price and availability of alternative energy sources, the development of renewable energy sources and state subsidies for them, changes in generation efficiencies or changes in production levels and storage costs of gas, nuclear fuel, coal and various other factors outside of the Group's control. In particular, such volatility and changes may adversely affect margins and spreads that the Group realizes in its operations.

Price fluctuations are particularly significant when there is either a major shortage or substantial excess in the wholesale energy markets. While the Group can profit from situations of major shortage or substantial excess in the wholesale energy markets, there is a risk that high volatility combined with any shortage of products or lack of liquidity could limit the Group's ability to reduce its exposure to risk in the energy markets quickly and efficiently. The Group seeks to limit the risk of commodity price fluctuations using margined, partially margined and non-margined hedging through forward contracts, swaps and other types of derivatives. Commodity derivatives consist primarily of forward contracts for the purchase or sale of power, gas and emission allowances, which are used to hedge the commodity price primarily for power generating companies, as well as gas-related activities.

The Group manages the commodity price risks associated with its proprietary trading activities by generally trading on a back-to-back basis, i.e., purchasing from the market where it has a customer in place to purchase the commodity.

The Group's nuclear operations require uninterrupted access to licensed nuclear fuel. Global market volatility, sanctions, supply constraints, and technical or operational issues across the fuel cycle may affect the availability or cost of nuclear fuel. Transitioning to alternative suppliers requires regulatory licensing processes and technical modifications, which introduce additional risks. Any disruption or delay in fuel deliveries could limit electricity generation and adversely affect the Group's financial performance.

Furthermore, the Group is exposed to fuel price risk arising from operating one of the largest vehicle fleets in the United Kingdom and a jet fuel price risk arising from purchasing air freight services. The Group's fuel risk management strategy aims to reduce uncertainty created by the movements in the oil and foreign currency markets. The strategy uses forward commodity price swaps to mitigate this risk by entering into a combination of US Dollar and forward currency purchase or Sterling contracts to manage these exposures as it sees fit.

Sensitivity analysis

Commodity price risks are managed within the Group through a structured risk management framework combining internal controls, regular monitoring and sensitivity analyses. Sensitivity analysis is used to assess the potential impact of changes in commodity prices on the Group's earnings and equity by revaluing open positions and hedging instruments under different market scenarios. In addition, stress tests are performed on a regular basis to model the effects of adverse and extreme commodity price movements using both historical market developments and hypothetical scenarios. The results of these analyses are reviewed by the relevant management bodies, and, where predefined risk limits are exceeded, appropriate risk-mitigating measures are considered.

f) Regulatory risk

Energy segment

The Group is exposed to risks resulting from the state regulation of electricity, gas and heat industries and by a wide range of changing environmental, heritage, health and safety and other requirements in the Slovak Republic, the Czech Republic, Italy, the United Kingdom, Germany, Ireland, France, the Netherlands, Switzerland and the EU, including those governing the discharge and emission of pollutants (such as the recently published best available techniques for large combustion plants on the basis of Industrial Emissions Directive). Changes to existing regulations or the adoption of other new regulations may have an adverse effect on the Group's business, financial condition, results of operations, cash flows and prospects.

The European energy market has been affected by a continuous increase in power generation from renewables and a decline in electricity production in conventional coal-fired and nuclear power plants. This creates uncertainty as to whether there will be sufficient power generation capacity in the coming years. The Group believes that conventional power production is necessary to ensure security of electricity supply in the European market, in particular in view of the latest events on energy market and variable nature of power generation from renewables.

The energy crises in 2022 proved that European governments can introduce new regulation to tackle unexpected market situations as such. Those can range from extraordinary taxation of profits to capping the revenue that comes from sale of power from selected types of power plants or request restart of standby power plants. Changes or extensions of such regulations can affect the Group's operational and financial performance.

Particularly given the need for safeguarding security of electricity supply, the EU Member States have introduced capacity remuneration mechanisms aimed to overcome the market and regulatory inefficiency, mainly the fact that at times of power shortage, energy markets are incapable of offering a sufficiently high price for power generation. This inefficiency has increased as it is precisely renewable sources that have almost zero variable costs.

In particular, the risk of price uncertainty in future auction rounds, the risk of market failures, changes in market parameters, and the risk of abolition of the market are associated with capacity markets. These risks might adversely affect the Group’s business, financial position, economic performance, cash flows and prospects.

Slovakia

Price regulation in Slovakia is administered by the Slovak Regulatory Office for Network Industries (RONI) under Act No. 250/2012 Coll., with the current regulatory period running from 1 January 2023 to 31 December 2027. Electricity price regulation is governed by RONI Decrees No. 154/2024 Coll. and No. 402/2024 Coll. Regulated prices cover access to distribution and transmission networks, including losses, and are set per unit of electricity distributed. Prices for vulnerable customers, including households and small enterprises, are regulated through capped profit margins per MWh. Slovak law also provides for a supplier of last resort, designated by RONI through a tender process; SSE currently serves as supplier of last resort in central Slovakia, with prices subject to regulation.

Gas price regulation is governed by RONI Decree No. 147/2024 Coll. Regulated tariffs for access to and use of the gas distribution system are charged by DSOs to suppliers and passed on to end customers. Prices for vulnerable gas customers are similarly regulated via capped profit margins. Gas transmission tariffs applicable to Eustream are regulated primarily under EU Regulation 2017/460, together with national legislation. RONI has implemented a harmonised tariff methodology based on cost principles with benchmarking adjustments. A price decision published on 5 June 2024 set uniform transmission tariffs effective from 2025 to 2027 at EUR 1.0/MWh/day for all entry and exit points, except the domestic point, which is set at EUR 0.9/MWh/day. The new structure introduces a floating tariff mechanism allowing adjustments in response to significant economic changes, except for existing long-term contracts with fixed operating schedules. For the development on the gas transmission tariffs after the balance sheet date refer to Note 37.

Between 1 December 2022 and 31 December 2024, Slovakia imposed windfall profit levies on electricity generated from certain sources to fund EU emergency energy measures, applying a 90 % levy on revenues above fixed thresholds. Although the levy has expired, similar measures may be reintroduced. In addition, under agreements with the Slovak Government, the Issuer is required to supply electricity to households at a fixed price. Any future levies, price caps or comparable regulatory interventions could adversely affect the Group’s revenues and profitability.

The Group’s operations in Slovakia are subject to extensive licensing, authorisation and permitting requirements, including environmental and nuclear regulatory approvals. These procedures can be complex, time consuming and costly, particularly in relation to nuclear facilities, where the Slovak Nuclear Regulatory Authority has broad powers to impose, amend or revoke licence conditions. Licences for electricity generation and supply may be revoked by RONI under the Slovak Energy Act for specified breaches or failures to meet regulatory conditions, while nuclear operating licences may be revoked under the Slovak Nuclear Act. Any revocation, amendment or delay in renewing licences or permits could lead to operational interruptions, increased compliance costs and material adverse effects on the Group’s business, financial condition and results of operations.

France

Group’s French operations are affected by regulation of production from renewable sources and coal-fired sources. Some of Group’s renewable sources are on long term power purchase agreements, where the power is sold for a fixed rate. Contracts are entered into with an obliged purchaser (namely EDF OA). Changes in regulations that would affect rules for PPA contracts can affect the Group’s operational and financial performance.

French regulation sets limitation on emissions produced by coal-fired power plants. Such limitation effectively limits economical production of those. Change in this regulation can adversely affect the Groups financial performance.

Germany

As a result of the Group’s investments in renewable generation assets in Germany, the Group is exposed to changes in the German renewable energy regulatory framework, primarily the Renewable Energy Sources Act (Erneuerbare-Energien-Gesetz – EEG). The EEG governs, among other things, the remuneration framework for electricity generated from renewable energy sources, including feed-in tariffs, market premiums, direct marketing requirements and auction-based support mechanisms, depending on the technology, commissioning date and installed capacity of the relevant plant. Amendments to the EEG and related implementing rules, including changes affecting remuneration during periods of negative power prices, may adversely affect the Group’s business, financial position, results of operations and future investment decisions.

Further, the Group’s coal-fired operations in Germany are subject to the Act to Reduce and End Coal-Fired Power Generation (Kohleverstromungsbeendigungsgesetz – KVBG), which provides for the gradual reduction and final phase-out of coal-fired electricity generation in Germany by no later than 31 December 2038. The implementation of the statutory phase-out path, including annual reduction steps and statutory reduction measures, may adversely affect the Group’s business, financial position, results of operations, cash flows and prospects.

The UK

Renewable power generation of Lynemouth biomass power plant in the UK is awarded by the contract for difference until 2027, which secures a stable level of revenues by earning payment for difference between market and agreed strike price.

Regulation in the UK provide framework for capacity market mechanism. It is based on auctions for capacity market agreements whereby they receive a monthly payment for providing MWh during times of system stress. Existing facilities bid for capacity market agreements on an annual basis. New build facilities or qualifying extensions to existing plant can apply for 15-year capacity market agreements if they satisfy certain criteria relating to levels of investment.

As of January 2021, the EU ETS was replaced by the United Kingdom Emissions Trading Scheme (“UK ETS”). The UK ETS was established by the Greenhouse Gas Emissions Trading Scheme Order 2020 (as amended) which requires power generation facilities which produce greenhouse gas emissions to obtain a greenhouse gas emissions permit. Allowances must be submitted to the regulator in accordance with the permit. The UK ETS is very similar in the way it operates to the EU ETS. United Kingdom Emissions Allowances are traded freely in the United Kingdom.

Italy

Italy’s energy policy remains anchored in the PNIEC, which envisages a progressive coal phase out. While initially targeted for 2025, recent adequacy assessments by Terna confirm that coal decommissioning – particularly in Sardinia – depends on the completion of new transmission infrastructure and the availability of additional dispatchable and storage capacity. In Sardinia, the phase out is linked to the commissioning of the Tyrrhenian Link interconnection (currently expected by 2028) and around 500 MW of new programmable capacity and storage. Until then, the Fiume Santo power plant continues to play a key role in system stability and operates under a must run regime with full cost recovery, currently authorised until 2026. During 2025, ARERA further refined the must run regulatory framework, including recognised variable costs and advance reintegration payments.

System adequacy continues to be supported by the Capacity Market, fully operational since 2022, under which generation, storage and demand response resources receive fixed premiums through competitive auctions. Recent auctions for 2025–2026 delivery years have promoted investments in BESS and flexibility resources. At the European level, the ERAA 2025 highlighted potential adequacy risks over the next decade, reinforcing the role of national capacity mechanisms.

To support renewable integration, Italy launched the implementation phase of MACSE, aimed at procuring large scale electricity storage, with an estimated national need of around 10 GWh by 2028. In parallel, a major market reform is underway through the TIDE framework, which redesigns dispatching and balancing rules to align with European markets. The transitional phase started in January 2025, with full consolidation expected in February 2026. During 2025, ARERA introduced implementing measures, updated the Grid Code, refined ancillary services pricing (including FCR), advanced integration with European balancing platforms (PICASSO and MARI), and supported the shift to a 15 minute MTU in the day ahead market.

Renewable support continues under the FER X scheme based on two way CfDs, while a new FER Z mechanism – currently under EU pre notification – has been proposed to support standardised renewable production profiles, potentially combining generation and storage. Smaller renewable and bioenergy plants are supported through the GMP scheme, ensuring minimum revenues and protection from price volatility.

In February 2026, the government adopted the “DL Bollette” decree, introducing measures to reduce energy costs, promote corporate PPAs, accelerate grid connections, and adjust fiscal and regulatory conditions. Key provisions include a temporary IRAP increase for energy companies (2026–2027), partial reimbursement of gas transport and CO₂ costs – conditional on their reflection in market offers – and a revision of the GMP scheme for bioenergy plants for 2026–2030. The full market impact will depend on forthcoming implementing measures.

The Netherlands

Regulatory changes can impact the profitability of EP NL. Uncertainty with regards to what will change and when, further increases the regulatory risk. For example, the introduction of energy tax on CCGT’s could have put the NL CCGT’s lower in the merit order. Furthermore, potential splitting the Dutch bidding zone into two with different prices, creates significant risk that existing powerplants, PPA’s and customer contracts could become “out-of-the-money” if their price reference remains linked to a zone that no longer reflects the plant’s local node. The introduction of EU ETS2 and the green gas blending obligation represent new carbon and fuel costs would not be possibly to be charged to end consumers due to lack of clear “pass-through” mechanisms in existing long-term contracts and the total cost is still unclear. Finally, proposed introduction of feed-in tariff on powerplants would increase our grid fees.

EU Emission Trading System

Despite the Group’s continued efforts to improve environmental sustainability, emission allowances remain a significant cost item, and the price of emission allowances continues to have a material impact on the Group’s economic performance. The European Union regulates greenhouse gas emissions primarily through the EU Emissions Trading System (EU ETS), a cap and trade mechanism originally established under the Kyoto Protocol framework. The EU ETS entered Phase IV on 1 January 2021 and is scheduled to run until 31 December 2030.

Under Phase IV, the total number of emission allowances is subject to an accelerated annual reduction. Following the revision of the EU ETS adopted in 2023 and effective from 1 January 2024, the overall emissions cap is being reduced in line with the increased target of a 62% reduction in greenhouse gas emissions by 2030 compared to 2005 levels. To achieve this objective, the linear reduction factor was increased to 4.3% per year for the period 2024–2027 and will further rise to 4.4% per year for the period 2028–2030. In parallel, the Market Stability Reserve (MSR) continues to absorb 24% of surplus allowances in circulation annually until 2030, thereby tightening allowance supply and increasing price sensitivity to market conditions.

Energy intensive sectors exposed to carbon leakage continue to receive free allocation of allowances; however, the overall volume of free allocations is gradually declining. In addition, free allocation for the aviation sector is being phased out, with free allowances reduced by 25% in 2024 and 50% in 2025, and full auctioning of aviation allowances applying from 2026 onwards. The EU ETS was also extended to maritime transport as of 2024, with coverage of eligible shipping emissions increasing from 40% in 2024 to 70% in 2025 and reaching 100% from 2026.

In response to the energy crisis and exceptionally high energy prices observed in 2022, the European Commission implemented a front loading of allowance auctions under the REPowerEU initiative. As a result, a portion of allowances originally scheduled for auction in the later years of Phase IV (2027–2030) is being auctioned earlier, primarily by August 2026, increasing short term supply while reducing future auction volumes.

During 2024 and parts of 2025, EUA prices were influenced by a combination of lower power demand, higher availability of non thermal electricity generation, and the temporary increase in auction supply resulting from front loading measures. However, given the structurally declining cap, continued strengthening of the MSR and the progressive reduction of free allocations, EUA prices remain exposed to renewed upward pressure. Any significant increase in emission allowance prices that cannot be fully passed through into power prices could have a negative impact on the Group’s financial performance.

Logistics segment

The Logistics segment is subject to regulatory, legal and compliance risks mostly arising from Royal Mail’s designation as the Universal Service Provider (“USP”) in the United Kingdom under the Postal Services Act 2011 and from broader regulatory frameworks applicable to postal, logistics and transport operations.

Royal Mail is regulated by Ofcom and remains required to comply with the Universal Service Obligation (“USO”), including delivery of First-Class letters six days per week and parcels five days per week across the UK. Although Ofcom’s reform of the USO, announced in July 2025, was intended to improve the long term financial sustainability of the Universal Service, Royal Mail continues to face structural challenges, including a sustained decline in addressed letter volumes and intense competition in the parcels market. These factors limit Royal Mail’s ability to flex its operating model and create ongoing pressure on profitability.

The successful implementation of Ofcom’s reform depends on the realisation of significant operational efficiencies and cost savings while maintaining required quality of service (“QoS”) levels. There can be no assurance that these efficiencies will be achieved in full or within expected timeframes. Should the reforms prove insufficient, the USO may be subject to further review or additional regulatory change, which could materially affect Royal Mail’s delivery model, cost base and financial performance.

Royal Mail’s compliance with regulatory obligations is actively monitored by Ofcom. Breaches of USO requirements, access obligations or reporting duties may result in fines of up to 10 per cent of Royal Mail’s turnover in the preceding financial year. Royal Mail failed to meet QoS targets in recent years and has incurred significant fines as a result, including GBP 6 million in 2023, GBP 11 million in 2024 and GBP 21 million in 2025. Any further enforcement action or penalties may have an adverse effect on the Group’s business, financial condition, results of operations, cash flows and prospects.

GLS has a strong presence in Europe, is growing its position in North America and has also recently entered Asia-Pacific markets. As such, it is subject to numerous regulatory regimes and in several countries subject to logistics sector-specific regulations that govern its operations and service offerings, however, it is not subject to oversight by Ofcom.

Wholesale & Retail

The Wholesale & Retail segment is subject to regulations relating primarily to food safety, product quality, traceability, labelling and consumer protection across the markets in which it operates. These rules apply to the sourcing, storage, distribution and sale of products, including requirements relating to product withdrawals and recalls, allergen and other mandatory product information and, for online sales channels, distance selling obligations. Changes in the applicable regulatory framework, or non-compliance with such requirements, could result in increased compliance costs, restrictions on the sale of certain products, product recalls, reputational damage and adverse effects on the Group’s financial performance.

The METRO’s continued presence in Russia is linked to the supply of food and other basic necessities and therefore continues for customer-related reasons. At the same time, the Group is exposed to regulatory and geopolitical uncertainties in Russia, including sanctions, counter sanctions and possible government intervention in business operations.

g) Capital management

The Group’s policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of its business.

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance.

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

The Group monitors its net leverage, defined as net financial debt divided by underlying EBITDA. The Group’s net leverage at the end of the reporting period was as follows:

In millions of EUR		
	31 December 2025	31 December 2024
Loans and borrowings	21,355	9,920
Less: term deposits at amortised cost	759	–
Less: cash and cash equivalents	9,689	8,540
Net financial debt ⁽¹⁾	10,907	1,380
Underlying EBITDA ⁽²⁾	5,340	3,609
Net leverage	2.0	0.4

(1) Net financial debt = Loans and borrowings + Issued bills of exchange (if applicable) – Term deposits at amortised cost – Cash and cash equivalents.
(2) For definition of Underlying EBITDA and its reconciliation to the closest IFRS measure, refer to Note 5 – Operating segments.

h) Hedge accounting

Cash flow hedge

The balance as at 31 December 2025 represents primarily derivative agreements to hedge on interest rate, foreign exchange rate, electricity price, gas price, emission allowances price, coal price and the effect from a cash flow hedge recognised on the Group level.

The effective portion of fair value changes in financial derivatives designated as cash flow hedges are recognised in equity.

During the period the Group reclassified EUR 16 million (positive impact on profit or loss) from hedging reserves to profit or loss (2024: EUR 75 million (positive impact on profit or loss)).

The following table provides a reconciliation of amounts recorded in equity attributable to owners of the Company by category of hedging instrument:

In millions of EUR	Commodity derivatives – cash flow hedge ⁽¹⁾	Interest rate swaps – cash flow hedge	Currency forwards – cash flow hedge ⁽²⁾	Equity accounted investees – cash flow hedge	Total
Balance at 1 January 2025	(2)	(29)	81	(23)	27
Cash flow hedges reclassified to profit or loss	(2)	12	(26)	–	(16)
Deferred tax – cash flow hedges reclassified to profit or loss	–	–	7	–	7
Revaluation of cash flow hedges	(2)	–	(18)	–	(20)
Deferred tax – cash flow hedges revaluation	2	–	5	–	7
Changes in hedging reserves recognized by equity accounted investees	–	–	–	13	13
Balance at 31 December 2025	(4)	(17)	49	(10)	18

(1) Including also hedge of foreign currency risk.
(2) As at 31 December 2025 cash flow hedge reserve related to currency forwards includes revaluation of both currency forwards that are recognised on balance sheet as at 31 December 2025 and currency forwards that were already derecognised in prior periods. The Group concluded that the future hedged cash flows are still highly probable, therefore the revaluation is retained in equity until the hedged forecast transaction occurs.

In millions of EUR	Commodity derivatives – cash flow hedge ⁽¹⁾	Interest rate swaps – cash flow hedge	Currency forwards – cash flow hedge ⁽²⁾	Equity accounted investees – cash flow hedge	Total
Balance at 1 January 2024	86	–26	97	48	205
Cash flow hedges reclassified to profit or loss	(49)	–	(26)	–	(75)
Deferred tax – cash flow hedges reclassified to profit or loss	13	–	7	–	20
Revaluation of cash flow hedges	(50)	(4)	4	–	(50)
Deferred tax – cash flow hedges revaluation	(2)	1	(1)	–	(2)
Changes in hedging reserves recognized by equity accounted investees	–	–	–	(71)	(71)
Hedging reserve of equity accounted investees reclassified to profit or loss on disposal, net of tax	–	–	–	–	–
Balance at 31 December 2024	(2)	(29)	81	(23)	27

(1) Including also hedge of foreign currency risk.
(2) As at 31 December 2024 cash flow hedge reserve related to currency forwards includes revaluation of both currency forwards that are recognised on balance sheet as at 31 December 2024 and currency forwards that were already derecognised in prior periods. The Group concluded that the future hedged cash flows are still highly probable, therefore the revaluation is retained in equity until the hedged forecast transaction occurs.

Share of non-controlling interest on hedging reserve amounted to negative EUR 233 million (2024: negative EUR 194 million). Share of non-controlling interest on effective changes in fair value of cash flow hedges, net of tax, and reclassification of cash flow hedges to profit or loss amounted to negative EUR 39 million (2024: negative EUR 158 million).

Cash flow hedges – hedge of foreign currency risk and commodity price risk of revenues of power production with financial derivatives

The Group applies hedge accounting for hedging instruments designed to hedge the commodity price risk and the foreign currency risk of cash-flows from Group’s power production sold to or commodities purchased from the third parties. This includes commodity derivatives with net settlement for commodity risk. As a result of the hedge relationship on the Group level, the Group recorded a change in cash flow hedge reserve of positive EUR 2 million (2024: negative EUR 5 million). For risk management policies, refer to Note 33(d) and (e) – Risk management policies and disclosures.

Cash flow hedges – hedge of commodity price risk of gas and coal

The Group applies hedge accounting for commodity hedging instruments designed to hedge cash flow from sales and purchases of gas and coal. The hedging instruments are commodity swaps concluded with third parties to hedge selling price of gas in-kind or coal sold and purchase price of gas and coal purchased. As a result of the hedge relationship on the Group level, the Group recorded a change in a cash flow hedge reserve of negative EUR 106 million (2024: positive EUR 1 million).

Cash flow hedges – hedge of commodity price risk of emission allowances

The Group applies hedge accounting for commodity hedging instruments designed to hedge cash flow from purchase of emission allowances in the UK and the EU. The hedging instruments are commodity swaps concluded with third parties to hedge purchase price of emission allowances needed to cover the production. As a result of the hedge relationship on the Group level, the Group recorded a change in a cash flow hedge reserve of positive EUR 109 million (2024: negative EUR 84 million).

Cash flow hedges – hedge of fuel and energy

The Group applies hedge accounting for commodity hedging instruments designed to hedge cash flow from purchases of energies and fuel (including HVO diesel and jet fuel). As a result of the hedge relationship on the Group level, the Group recorded a change in cash flow hedge reserve of negative EUR 7 million (2024: EUR 0 million).

The following tables provide details of cash flow hedge commodity derivatives gas, power, emission allowances and coal for commodity price risk recorded by the Group as at 31 December 2025 and 2024:

In millions of EUR	31 December 2025			
	Positive fair value	Negative fair value	Nominal amount hedged (buy)	Nominal amount hedged (sell)
Up to 3 months	45	29	1,297	189
3 months to 1 year	165	163	3,734	3,206
1–5 years	37	166	5,322	5,344
Over 5 years	–	–	–	–
Total	247	358	10,353	8,739

In millions of EUR	31 December 2024			
	Positive fair value	Negative fair value	Nominal amount hedged (buy)	Nominal amount hedged (sell)
Up to 3 months	43	57	940	1,083
3 months to 1 year	212	242	2,418	5,470
1–5 years	47	28	329	321
Over 5 years	–	–	–	–
Total	302	327	3,687	6,874

Cash flow hedges – hedge of foreign currency risk of external financing with financial derivatives

The Group applies cash flow hedge accounting to minimize its exposure against the changes in cash flows related to external financing denominated in foreign currency. Hedging instruments are foreign currency swaps. For risk management policies, refer to Note 33(d) and (e) – Risk management policies and disclosures.

The following tables provide details of cash flow hedge currency derivatives recorded by the Group as at 31 December 2025 and 2024:

In millions of EUR	31 December 2025			
	Positive fair value	Negative fair value	Nominal amount hedged (buy)	Nominal amount hedged (sell)
Up to 3 months	–	579	–	578
3 months to 1 year	562	–	563	–
1–5 years	–	84	437	510
Over 5 years	–	–	–	–
Total	562	663	1,000	1,088

In millions of EUR	31 December 2024			
	Positive fair value	Negative fair value	Nominal amount hedged (buy)	Nominal amount hedged (sell)
Up to 3 months	–	–	–	–
3 months to 1 year	–	1	–	1
1–5 years	–	–	–	–
Over 5 years	–	–	–	–
Total	–	1	–	1

Cash flow hedges – hedge of interest rate risk

The Group applies hedge accounting for hedging instruments designed to hedge interest rate risk of its debt financing. The hedging instruments are interest rate swaps used in order to hedge risk related to repricing of interest rates on its financing. As a result of the hedge relationship on the Group level, the Group recorded a change in interest rate cash flow hedge reserve of positive EUR 12 million (2024: negative EUR 3 million). For risk management policies, refer to Note 33(c) – Risk management policies and disclosures.

The following tables provide details of cash flow hedge interest rate swaps recorded by the Group as at 31 December 2025 and 2024:

In millions of EUR	31 December 2025			
	Positive fair value	Negative fair value	Nominal amount hedged (buy)	Nominal amount hedged (sell)
Up to 3 months	–	–	–	–
3 months to 1 year	1	5	130	130
1–5 years	4	22	435	439
Over 5 years	–	–	–	–
Total	5	27	565	569

In millions of EUR	31 December 2024			
	Positive fair value	Negative fair value	Nominal amount hedged (buy)	Nominal amount hedged (sell)
Up to 3 months	–	–	–	–
3 months to 1 year	–	35	155	155
1–5 years	–	6	20	26
Over 5 years	–	–	–	–
Total	–	41	175	181

Cash flow hedges – hedge of foreign currency risk with financial derivatives

The Group applies hedge accounting for hedging instruments designed to hedge the foreign currency risk cash-flows primarily from biomass purchases denominated in foreign currencies (USD and CAD). The hedging instruments are foreign currency forwards concluded with third parties. Although some of the derivatives were unwound, the hedging is still in place as the hedged items are still expected to materialize. The hedged items are proportions of expected cash outflows in USD and CAD that are expected to occur and impact profit or loss in periods of 2026 to 2027. As a result of the hedge relationship, on the Group consolidated level, the Group reported a change in foreign currency cash flow hedge reserve of negative EUR 32 million (2024: negative EUR 16 million). For risk management policies, refer to Note 33(d) and (e) – Risk management policies and disclosures.

The following table provides details of cash flow hedge currency derivatives for foreign currency risk recorded by the Group as at 31 December 2025 and 2024:

In millions of EUR	31 December 2025			
	Positive fair value	Negative fair value	Nominal amount hedged (buy)	Nominal amount hedged (sell)
Up to 3 months	1	–	10	91
3 months to 1 year	–	12	416	464
1–5 years	–	–	2	2
Over 5 years	–	–	–	–
Total	1	12	428	557

In millions of EUR	31 December 2024			
	Positive fair value	Negative fair value	Nominal amount hedged (buy)	Nominal amount hedged (sell)
Up to 3 months	2	1	240	238
3 months to 1 year	4	3	391	389
1–5 years	4	–	266	263
Over 5 years	–	–	–	–
Total	10	4	897	890

Cash flow hedges – equity accounted investees

Equity accounted investee Slovenské elektrárne, a.s. applies hedge accounting to hedge exchange rate risk, interest rate risk and electricity price. As a result of the hedge relationship, on the Group consolidated level, the Group reported a change in cash flow hedge reserve of positive EUR 20 million (2024: negative EUR 126 million). In May 2025, the Group gained control over Slovenské elektrárne, a.s. and ceased to apply equity method. With the change of method to full consolidation, the Group reclassified hedging reserve of negative EUR 2 million to profit or loss.

34. Related parties

The Group has a related party relationship with its shareholders and other parties, as identified below. The balances with related parties as at 31 December 2025 and 31 December 2024 were as follows:

The balances with related parties as at 31 December 2025 and 31 December 2024 were as follows:

In millions of EUR	31 December 2025		31 December 2024	
	Trade receivables and other financial assets	Trade payables and other financial liabilities	Trade receivables and other financial assets	Trade payables and other financial liabilities
Companies controlled by ultimate shareholder ⁽¹⁾	50	39	4	1
Associates and joint ventures	7	2	114	3
Other related parties	–	7	7	1
Total	57	48	125	5

(1) Daniel Křetinský represents the ultimate shareholder.

The summary of transactions with related parties during the years ended 31 December 2025 and 31 December 2024 was as follows:

In millions of EUR	2025		2024	
	Revenues and other income	Expenses	Revenues and other income	Expenses
Companies controlled by ultimate shareholder ⁽¹⁾	18	7	4	6
Associates and joint ventures	32	265	13	16
Other related parties	3	5	4	3
Total	53	277	21	25

(1) Daniel Křetinský represents the ultimate shareholder.

Transactions with the key management personnel

For the financial years ended 31 December 2025 and 2024 the Group’s key management personnel is represented by members of the Board of Directors of the following major entities: METRO AG Group (from 27 March 2025 when the control over the group was gained), Royal Mail Group, GLS Group (the latter two groups from 30 April 2025 when the control over these groups was gained), LEAG Group, Košík Group, EPH, EPUKI Group, EP Commodities, a.s., EP Commodities AG, EP Resources AG (only in 2024 as the company was disposed out of the Group in February 2025), EP Produzione Group, Biomasse Italia S.p.A., EP NL Group, MIBRAG Energy Group, Saale Energie, Kraftwerk Mehrum GmbH (only in 2024 as the company was no longer operating in 2025), EP France Group, EP Power Minerals Group, Slovenské elektrárne, a.s. (from 24 May 2025 when the control over the entity was gained), EP Investment Advisors, s.r.o., EP Infrastructure, a.s., EP ENERGY TRADING, a.s., Stredoslovenská energetika Holding, a.s. and its major subsidiaries, SPP Infrastructure, a.s., eustream, a.s., SPP – distribúcia, a.s., NAFTA a.s., NAFTA Germany GmbH, POZAGAS, a.s., EOP Distribuce a.s., Elektrárny Opatovice, a.s., United Energy, a.s., Plzeňská teplárenská, a.s. and SPP Storage, s.r.o.

Total compensation and related social and health insurance charges incurred by the respective entities were as follows:

In millions of EUR

	2025	2024
Nr. of personnel	148	151
Compensation, fees and rewards	57	27
Compulsory social security contributions	12	5
Termination benefits	1	–
Total	70	32

Other remuneration of Group management (management of all components within the Group) is included in Note 10 – Personnel expenses. All transactions were performed under the arm’s length principle.

35. Group entities

The Group comprises several major operating entities and subgroups, as well as a number of entities whose contribution to the consolidation is negligible.

The following table presents the Company’s economic ownership in major operating components of the Group as of 31 December 2025 and 31 December 2024.

Name	Domicile*	Relation	Effective proportion of ownership interest	
			2025	2024
EP Group, a.s.	Czech Republic		parent company	parent company
EP HoldCo a.s.	Czech Republic	Joint venture	50%	50%
<i>Including:</i> Supratuc2020, S.L.	Spain	Joint venture	25%	25%
EP Energy Transition, a.s.	Czech Republic		56%	56%
<i>Including:</i> LEAG GmbH (former Lausitz Energie Verwaltungs GmbH)	Germany	Subsidiary	56%	35%
<i>Including:</i> Lausitz Energie Kraftwerke AG	Germany	Subsidiary	56%	39.2%
<i>Including:</i> Lausitz Energie Bergbau AG	Germany	Subsidiary	56%	39.2%
<i>Including:</i> Scandbio AB	Sweden	Subsidiary	56%	39.2%
<i>Including:</i> FVE Holding, s.r.o.	Czech Republic	Subsidiary	56%	35%
<i>Including:</i> MIBRAG GmbH ⁽¹⁾	Germany	Subsidiary	56%	56%
<i>Including:</i> Helmstedter Revier GmbH ⁽¹⁾	Germany	Subsidiary	56%	56%
<i>Including:</i> Saale Energie GmbH ⁽¹⁾	Germany	Subsidiary	56%	56%
<i>Including:</i> EnBW Kraftwerk Lippendorf Beteiligungsgesellschaft mbH	Germany	Subsidiary	56%	–
EP Heat & Power a.s.	Czech Republic	Subsidiary	56%	–
<i>Including:</i> Elektrárny Opatovice, a.s. ⁽¹⁾	Czech Republic	Subsidiary	56%	38.64%
<i>Including:</i> United Energy, a.s. ⁽¹⁾	Czech Republic	Subsidiary	56%	38.64%
EP Global Commerce, a.s.	Czech Republic	Subsidiary	56%	53%
<i>Including:</i> METRO AG ⁽⁶⁾	Germany	Subsidiary	38.54%	–
EP Project Finance a.s.	Czech Republic	Subsidiary	56%	56%
<i>Including:</i> International Distribution Services Limited	United Kingdom	Subsidiary	56%	–
<i>Including:</i> Royal Mail Group Limited	United Kingdom	Subsidiary	56%	–
<i>Including:</i> General Logistics Systems B.V.	Netherlands	Subsidiary	56%	–
EP Real Estate, a.s.	Czech Republic	Subsidiary	–	56%
EC Investments a.s.	Czech Republic	Subsidiary	56%	56%
<i>Including:</i> Košík.cz s.r.o.	Czech Republic	Subsidiary	42%	42%
<i>Including:</i> DoDo Group SE	Czech Republic	Associate	21.35%	21.35%
<i>Including:</i> CE Electronics Holding a.s.	Czech Republic	Joint venture	28%	28%
<i>Including:</i> Heureka Group a.s.	Czech Republic	Joint venture	28%	28%

Group entities

(continued)

Name	Domicile*	Relation	Effective proportion of ownership interest	
			2025	2024
CZECH MEDIA INVEST a.s.	Czech Republic	Joint venture	50%	50%
<i>Including:</i> CZECH NEWS CENTER a.s.	Czech Republic	Joint venture	50%	50%
<i>Including:</i> INTERNATIONAL MEDIA INVEST a.s.	Czech Republic	Joint venture	50%	50%
<i>Including:</i> Editis Holding S.A.	France	Joint venture	50%	50%
<i>Including:</i> CMI media SASU	France	Joint venture	50%	50%
<i>Including:</i> Czech Radio Center a.s.	Czech Republic	Joint venture	50%	50%
<i>Including:</i> Active Radio a.s.	Czech Republic	Joint venture	50%	50%
Energetický a průmyslový holding, a.s.	Czech Republic	Subsidiary	56%	56%
<i>Including:</i> Kraftwerk Mehrum GmbH	Germany	Subsidiary	56%	56%
<i>Including:</i> EP Power Minerals GmbH	Germany	Subsidiary	56%	56%
<i>Including:</i> EP Power Grit GmbH	Germany	Subsidiary	56%	56%
<i>Including:</i> MINERALplus Gesellschaft für Mineralstoffaufbereitung und Verwertung mbH	Germany	Subsidiary	56%	56%
<i>Including:</i> Lynemouth Power Limited (former Lynemouth Power Limited)	United Kingdom	Subsidiary	56%	56%
<i>Including:</i> EP SHB Limited	United Kingdom	Subsidiary	56%	56%
<i>Including:</i> EP Langage Limited	United Kingdom	Subsidiary	56%	56%
<i>Including:</i> EP Ballylumford Limited	United Kingdom	Subsidiary	56%	56%
<i>Including:</i> EP Kilroot Limited	United Kingdom	Subsidiary	56%	56%
<i>Including:</i> Tynagh Energy Limited	Ireland	Subsidiary	44.8%	44.8%
<i>Including:</i> West Burton Flexible Generation Limited	United Kingdom	Joint venture	28%	28%
<i>Including:</i> EP Commodities AG	Switzerland	Subsidiary	56%	56%
<i>Including:</i> EP Commodities, a.s.	Czech Republic	Subsidiary	56%	56%
<i>Including:</i> HHE Group Ventures Kft.	Hungary	Joint venture	26.53%	26.53%
<i>Including:</i> EP Produzione S.p.A.	Italy	Subsidiary	56%	56%
<i>Including:</i> Fiume Santo S.p.A.	Italy	Subsidiary	56%	56%
<i>Including:</i> EP Produzione Centrale Livorno Ferraris S.p.A.	Italy	Subsidiary	42%	42%
<i>Including:</i> Ep Centrale Tavazzano Montanaso S.P.A.	Italy	Subsidiary	56%	56%
<i>Including:</i> Ergosud S.p.A.	Italy	Joint venture	28%	28%
<i>Including:</i> Fusine Energia S.r.l. ⁽²⁾	Italy	Subsidiary	–	56%
<i>Including:</i> Biomasse Crotone S.p.A. ⁽²⁾	Italy	Subsidiary	–	56%
<i>Including:</i> Biomasse Italia S.p.A. ⁽²⁾	Italy	Subsidiary	56%	56%
<i>Including:</i> Gazel Energie Generation S.A.S.	France	Subsidiary	56%	56%
<i>Including:</i> Illico S.A.S.	France	Subsidiary	56%	56%
<i>Including:</i> Gazel Energie Solutions S.A.S.	France	Subsidiary	56%	56%
<i>Including:</i> Dynamo S.A.S.	France	Subsidiary	56%	56%
<i>Including:</i> EP NL B.V.	Netherlands	Subsidiary	56%	56%
<i>Including:</i> EP NL Rijnmond 1 B.V.	Netherlands	Subsidiary	56%	56%

Name	Domicile*	Relation	Effective proportion of ownership interest	
			2025	2024
<i>Including:</i> EP NL ZBL B.V.	Netherlands	Subsidiary	56%	56%
<i>Including:</i> EP Commodities B.V. (former PZEM Energy Company B.V.)	Netherlands	Subsidiary	56%	56%
<i>Including:</i> EP NL Sloe Centrale B.V.	Netherlands	Subsidiary	56%	56%
<i>Including:</i> Enecogen B.V.	Netherlands	Joint operation	28%	28%
<i>Including:</i> EP NL Rijnmond 2 B.V.	Netherlands	Subsidiary	56%	56%
<i>Including:</i> EP Resources AG ⁽³⁾	Switzerland	Associate	27.44%	56%
<i>Including:</i> Resinvest Commodities CZ a.s. (former EP Resources CZ a.s.) ⁽³⁾	Czech Republic	Associate	27.44%	56%
<i>Including:</i> Slovenské elektrárne, a.s. ⁽⁴⁾	Slovakia	Subsidiary	36.96%	18%
<i>Including:</i> EP Logistics International, a.s.	Czech Republic	Subsidiary	56%	56%
<i>Including:</i> SŽ EP Logistika d.o.o.	Slovenia	Associate	27.44%	27.44%
<i>Including:</i> EP Cargo a.s. ⁽⁵⁾	Czech Republic	Subsidiary	56%	38.64%
<i>Including:</i> EPIF Investments a.s.	Czech Republic	Subsidiary	56%	56%
<i>Including:</i> EP ENERGY TRADING, a.s.	Czech Republic	Subsidiary	38.64%	38.64%
<i>Including:</i> EOP Distribuce, a.s.	Czech Republic	Subsidiary	38.64%	38.64%
<i>Including:</i> Stredoslovenská energetika Holding, a.s.	Slovakia	Subsidiary	18.93%	18.93%
<i>Including:</i> Stredoslovenská distribučná, a.s.	Slovakia	Subsidiary	18.93%	18.93%
<i>Including:</i> Plzeňská teplárenská, a.s.	Czech Republic	Subsidiary	13.52%	13.52%
<i>Including:</i> SPP Infrastructure, a. s.	Slovakia	Subsidiary	18.93%	18.93%
<i>Including:</i> SPP – distribúcia, a.s.	Slovakia	Subsidiary	18.93%	18.93%
<i>Including:</i> NAFTA a.s.	Slovakia	Subsidiary	26.65%	26.65%
<i>Including:</i> POZAGAS a.s.	Slovakia	Subsidiary	23.95%	23.95%
<i>Including:</i> NAFTA Germany GmbH	Germany	Subsidiary	26.65%	26.65%
<i>Including:</i> eustream, a.s.	Slovakia	Subsidiary	18.93%	18.93%

* Domicile of the parent entity of the subgroup in case of subgroups.

(1) As at 31 December 2024, the entities were part of Energetický a průmyslový holding, a.s. subgroup and during 2025 the entities were sold in business combinations under common control.

(2) On 11 November 2025, entities Biomasse Crotone S.p.A. and Fusine Energia S.r.l. merged to entity Biomasse Italia S.p.A. Biomasse Italia S.p.A. is the successor company.

(3) During January and February 2025, the Group disposed of 51% of its share in EP Resources AG and EP Resources CZ a.s. and lost control over the entities. After the disposal, the Group has retained 49% interest in the entities and applies equity method of measurement over the retained interest.

(4) Slovenské elektrárne, a.s. was an associate to which equity method was applied until 23 May 2025 when Group gained control over its parent company Slovak Power Holding B.V. and the entity became fully consolidated.

(5) As at 31 December 2024, the entity was part of EP Infrastructure, a.s. subgroup and during 2025 the entity was sold in a business combination under common control within the Group.

(6) Shares in METRO AG were held at fair value through OCI until 31 March 2025, when Group gained control and the entity and its subsidiaries became fully consolidated (for more details refer to Note 6).

36. Litigations and claims

Royal Mail

In May 2024, Bulk Mail Claim Ltd (“BMCL”) applied to the Competition Appeal Tribunal to bring a proposed class action claim against Royal Mail for damages it estimated at GBP 878 million. This claim relates to Ofcom’s decision of 14 August 2018, which found that Royal Mail had abused its dominant position in the market for bulk mail delivery services in the UK in January 2014. In March 2025 the Competition Appeal Tribunal made a Collective Proceedings Order authorising BMCL to bring collective proceedings against Royal Mail. As at the date of these financial statements, it is not possible to predict the ultimate outcome or potential financial effect on the Group and, consequently, no amounts have been provided in the financial statements. Royal Mail intends to defend the claim robustly.

GLS

GLS operates in multiple countries. GLS Italy is subject to certain legal claims and tax disputes which are being managed through the use of and advice from relevant legal counsel.

Slovenské elektrárne

There are a number of proceedings ongoing between SE and state-owned hydroelectric power plant operator (Vodohospodárska výstavba, štátny podnik, “VV”) and in some cases also certain other state entities concerning the operating agreement and other related contracts signed in 2006. The courts determined the invalidity of the operating agreement. VV is demanding EUR 364.5 million as unjust enrichment. VV also tries to recover EUR 20.4 million paid to SE under one of the related contracts. SE raised various counterclaims, mainly to receive payments made under the operating agreement and payment for services rendered in connection with power plant’s operations. As of the date of this letter, majority of claims and counterclaims have been dismissed by the courts and in some cases no decisions have been made yet or cases returned back for repeated court review.

37. Subsequent events

On 29 January 2026, EPIF successfully completed the issuance of EUR 500 million 4.375% senior unsecured green notes (the “2034 Notes”) under its EMTN Programme. The 2034 Notes were issued at a price of 99.630% and mature on 29 January 2034. Subsequently on 12 February 2026, EPIF voluntarily repaid in full the remaining outstanding amounts under its Schuldschein loan agreements, totalling EUR 210 million. This repayment fully discharged EPIF’s obligations under the Schuldschein financing.

In January, February and May 2026, SE made extraordinary repayments totalling EUR 450 million under the Term and Revolving Facilities Agreement.

On 12 February 2026, the Group acquired through its subsidiary EC Investments a.s. an additional 50% interest in CE Electronics Holding a.s. and its subsidiaries (“CEEH Group”) and gained control over the CEEH Group with 100% interest held after the transaction. CEEH Group is operating as a consumer electronics wholesaler and retailer in Central and Eastern Europe. The consideration transferred is known but not disclosed due to commercial sensitivity. The Group expects to complete the business combination as per IFRS 3 in the consolidated financial statements for the year ended 31 December 2026.

On 3 March 2026, the Group acquired through its subsidiary EP France S.A.S. 100% interest in ILEK SAS, a French supplier of green energy for individuals and small businesses. The consideration transferred is known but not disclosed due to commercial sensitivity. The Group expects to complete the business combination as per IFRS 3 in the consolidated financial statements for the year ended 31 December 2026.

On 13 April 2026, the Slovak Regulatory Office for Network Industries (“ÚRSO”) issued a pricing decision increasing gas transmission tariffs for eustream, a.s. by approximately 10%, with effect from 1 May 2026. The decision relates to the Group’s gas transmission operations and the valuation of property, plant and equipment of eustream, a.s., including the impairment assessment performed as at 31 December 2025. The decision was issued after the reporting date and reflects regulatory and market developments occurring after that date. Accordingly, it is considered a non-adjusting subsequent event under IAS 10 and has not been reflected in the measurement of assets and liabilities as at 31 December 2025. Based on management’s assessment, the decision is not expected to have a material impact on the valuation of eustream’s assets.

On 29 April 2026, EP Group, a.s., through its subsidiaries, announced a successful establishment of TTEP, a 50/50 partnership of the Group with TotalEnergies. Through its subsidiaries, TTEP owns and operates a robust portfolio of flexible natural gas and biomass-based power plants, alongside Battery Energy Storage Systems (BESS) across Italy, the United Kingdom, Ireland, the Netherlands, and France. The company manages a total capacity of 14 GW installed or under construction, with 2025 production reaching nearly 30 TWh of electricity. Following the approval by the TotalEnergies SE Board of Directors, EPH has been issued approximately 95.4 million shares, representing approximately 4.2% of TotalEnergies’ share capital. This transaction marks a transformative step for EPH, establishing it as one of the main shareholders in TotalEnergies.

In April 2026, Royal Mail reached an agreement with the Communication Workers Union (“CWU”) on the deployment of Universal Service reform. The agreement also included a pay rise and enhanced terms and conditions for new entrants who joined Royal Mail on or after 1 December 2022. The agreement is currently going through the ballot process with CWU members and will conclude in late May.

On 12 May 2026, EP Group, through EP FR HoldCo a.s., opened a voluntary public tender offer in cash for the shares and convertible bonds (OCEANEs) of Fnac Darty S.A., a French listed company active in omnichannel retail of consumer electronics and domestic appliances, culture and leisure products. The offer relates to securities not already owned by EP Group and its affiliates. The offer price is EUR 36 per share, with the 2026 dividend in respect of the 2025 financial year attached, and approximately EUR 81.1 per OCEANE, implying an equity value of approximately EUR 1.1 billion based on all outstanding shares. The offer was opened following approval by the French financial markets authority and remains subject to European Commission merger control clearance. The actual cash consideration will depend on the number of eligible holders who validly tender their securities. Completion is expected in the second half of 2026.

On 21 May 2026, EPH signed a new EUR 2.2 billion revolving facilities agreement with a banking syndicate. The facilities are unsecured and rank pari passu with other financial indebtedness of EPH and have an up to five-year term. These replace existing facilities that have a shorter tenor.

Appendices*:

Appendix 1 – Business combinations

Appendix 2 – Restated consolidated statement of comprehensive income

Appendix 3 – Restated consolidated statement of financial position

Appendix 4 – Restated consolidated statement of cash flows

* Information contained in the appendices form part of the complete set of these consolidated financial statements.

Date: 22 May 2026

Signature of the authorised representative

Daniel Křetínský

Chairman of the Board of Directors

Pavel Horský

Member of the Board of Directors

Appendix 1 – Business combinations

The following tables provide further information on the amounts recognised for assets acquired and liabilities assumed as at the acquisition date for individually significant business combinations through step acquisitions and acquisitions.

Effect of acquisitions

i. 31 December 2025

The fair value of the consideration transferred and the amounts recognised for assets acquired and liabilities assumed at the acquisition date of METRO AG are provided in the following table:

In millions of EUR	Carrying amount ⁽¹⁾	Fair value adjustment	2025 Total ⁽¹⁾
Property, plant and equipment	5,425	1,125	6,550
Intangible assets	615	6	621
Investment property	78	–	78
Equity accounted investees	105	–	105
Financial instruments and other financial assets	88	27	115
Trade receivables and other assets	1,575	–	1,575
Deferred tax assets	80	–	80
Inventories	2,638	–	2,638
Current income tax receivables	88	–	88
Cash and cash equivalents	616	–	616
Loans and borrowings	(4,778)	43	(4,735)
Financial instruments and other financial liabilities	(6)	–	(6)
Provisions	(760)	–	(760)
Deferred tax liabilities	–	(278)	(278)
Contract liabilities	(73)	–	(73)
Trade payables and other liabilities	(4,524)	–	(4,524)
Current income tax liability	(155)	–	(155)
Net identifiable assets and liabilities	1,012	923	1,935
Non-controlling interest			(622)
Cost of acquisition			1,313
Consideration paid, satisfied in cash (A)			353
Fair value of the previously held share			961
Total consideration transferred			1,314
Less: Cash acquired (B)			616
Net cash inflow (outflow) (C) = (B – A)			263

(1) Represents values at 100% share.

In millions of EUR		2025 Total
Revenue of the acquirees recognised since the acquisition date*		25,586
Profit (loss) of the acquirees recognised since the acquisition date*		(35)

In millions of EUR		2025 Total
Revenue of the acquirees recognised in the year ended 31 December 2025*		32.645
Profit (loss) of the acquirees recognised in the year ended 31 December 2025*		(194)

* Before intercompany eliminations with other Group companies.

The Group incurred acquisition-related costs of EUR 5 million on advisory and consultancy services. These costs have been included in “Consulting expenses” in Services (refer to Note 9).

The fair value of the consideration transferred and the amounts recognised for assets acquired and liabilities assumed at the acquisition date of IDS Limited provided in the following table:

In millions of EUR	Carrying amount ⁽¹⁾	Fair value adjustment	2025 Total ⁽¹⁾
Property, plant and equipment	4,187	1,397	5,584
Intangible assets	428	1,139	1,567
Equity accounted investees	55	–	55
Financial instruments and other financial assets	239	–	239
Trade receivables and other assets	1,998	–	1,998
Pension fund surplus	1,917	–	1,917
Deferred tax assets	6	224	230
Inventories	34	–	34
Current income tax receivables	29	–	29
Cash and cash equivalents	835	–	835
Assets/disposal groups held for sale	1	–	1
Loans and borrowings	(3,139)	(73)	(3,212)
Financial instruments and other financial liabilities	(35)	–	(35)
Provisions	(193)	–	(193)
Deferred tax liabilities	(60)	(516)	(576)
Trade payables and other liabilities	(2,390)	(19)	(2,409)
Current income tax liability	(17)	–	(17)
Net identifiable assets and liabilities	3,895	2,152	6,047
Non-controlling interest			(432)
Bargain purchase gain on acquisitions of subsidiaries			(1,829)
Cost of acquisition			3,786
Consideration paid, satisfied in cash (A)			2,669
Consideration, other ⁽²⁾			1,116
Total consideration transferred			3,785
Less: Cash acquired (B)			835
Net cash inflow (outflow) (C) = (B – A)			(1,834)

- (1) Represents values at 100% share.
(2) Consideration, other was subject to set-off of receivables.

In millions of EUR		2025 Total
Revenue of the acquirees recognised since the acquisition date*		10,478
Profit (loss) of the acquirees recognised since the acquisition date*		(212)

* Before intercompany eliminations with other Group companies.

In millions of EUR	2025 Total
Revenue of the acquirees recognised in the year ended 31 December 2025*	15,695
Profit (loss) of the acquirees recognised in the year ended 31 December 2025*	143

* Before intercompany eliminations with other Group companies.

The Group incurred acquisition-related costs of EUR 24 million on advisory and consultancy services. These costs have been included in “Consulting expenses” in Services (refer to Note 9).

The fair value of the consideration transferred and the amounts recognised for assets acquired and liabilities assumed at the acquisition date of EnBW Kraftwerk Lippendorf Beteiligungsgesellschaft mbH are provided in the following table:

In millions of EUR	Carrying amount ⁽¹⁾	Fair value adjustment	2025 Total ⁽¹⁾
Property, plant and equipment	66	–	66
Intangible assets	1	–	1
Trade receivables and other assets	10	–	10
Cash and cash equivalents	5	–	5
Deferred tax liabilities	(9)	–	(9)
Trade payables and other liabilities	(8)	–	(8)
Net identifiable assets and liabilities	65	–	65
Bargain purchase gain on acquisitions of subsidiaries			(16)
Cost of acquisition			49
Consideration paid, satisfied in cash (A)			40
Consideration, contingent			9
Total consideration transferred			49
Less: Cash acquired (B)			5
Net cash inflow (outflow) (C) = (B – A)			(35)

(1) Represents values at 100% share.

In millions of EUR	2025 Total
Revenue of the acquirees recognised since the acquisition date*	–
Profit (loss) of the acquirees recognised since the acquisition date*	–

* Revenue and profit (loss) not recognized because the entity was acquired on 31 December 2025.

In millions of EUR	2025 Total
Revenue of the acquirees recognised in the year ended 31 December 2025*	131
Profit (loss) of the acquirees recognised in the year ended 31 December 2025*	–

* Before intercompany eliminations with other Group companies.

The fair value of the consideration transferred and the amounts recognised for assets acquired and liabilities assumed at the acquisition date of Slovenské elektrárne, a.s. are provided in the following table:

In millions of EUR	Carrying amount ⁽¹⁾	Fair value adjustment	2025 Total ⁽¹⁾
Property, plant and equipment	10,171	849	11,020
Intangible assets	16	36	52
Financial instruments and other financial assets	220	(3)	217
Trade receivables and other assets	525	–	525
Receivables from nuclear and mining funds	1,801	–	1,801
Deferred tax assets	1	–	1
Inventories	507	8	515
Current income tax receivables	8	–	8
Cash and cash equivalents	524	–	524
Assets/disposal groups held for sale	1	–	1
Loans and borrowings	(3,328)	–	(3,328)
Financial instruments and other financial liabilities	(129)	6	(123)
Provisions	(3,285)	–	(3,285)
Deferred tax liabilities	(634)	(153)	(787)
Trade payables and other liabilities	(315)	(236)	(551)
Current income tax liability	(201)	–	(201)
Net identifiable assets and liabilities	5,882	507	6,389
Non-controlling interest			(2,172)
Bargain purchase gain on acquisitions of subsidiaries			(435)
Cost of acquisition			3,782
Consideration paid, satisfied in cash (A)			–
Fair value of the previously held share			2,109
Consideration, other ⁽²⁾			1,673
Total consideration transferred			3,782
Less: Cash acquired (B)			524
Net cash inflow (outflow) (C) = (B – A)			524

(1) Represents values at 100% share.

(2) Consideration, other consists of fair value of equity option to acquire additional 33 per cent share in SE as of 24 May 2025 and consideration transferred in amount of EUR 75 million for the purchase of additional 33 per cent share in Slovenské elektrárne, a.s. which was settled with the receivable of the Group against the seller related to the purchase of the first 33 per cent share in Slovenské elektrárne, a.s. in 2016.

In millions of EUR	2025 Total
Revenue of the acquirees recognised since the acquisition date*	2,102
Profit (loss) of the acquirees recognised since the acquisition date*	574

In millions of EUR	2025 Total
Revenue of the acquirees recognised in the year ended 31 December 2025*	3,782
Profit (loss) of the acquirees recognised in the year ended 31 December 2025*	1,021

* Before intercompany eliminations with other Group companies.



Appendix 2 – Restated Consolidated statement of comprehensive income

Consolidated statement of comprehensive income

For the year ended 31 December 2024

In millions of EUR (“MEUR”)

	2024 as issued	Restatement of BCUCC	2024 restated
Revenues	27,549	-	27,549
Purchases and consumables	(16,077)	-	(16,077)
Subtotal	11,472	-	11,472
Services	(1,378)	(2)	(1,380)
Personnel expenses	(1,398)	(2)	(1,400)
Depreciation, amortization and impairment	(1,789)	-	(1,789)
Emission rights, net	(4,378)	-	(4,378)
Own work, capitalized	65	-	65
Other operating income (expense), net	(770)	-	(770)
Profit from operations	1,824	(4)	1,820
Finance income	299	68	367
Change in impairment on financial instruments and other financial assets	30	-	30
Finance expense	(662)	(97)	(759)
Net finance income	(333)	(29)	(362)
Share of profit of equity accounted investees, net of tax	321	-	321
Gain from disposal of subsidiaries, joint ventures, joint operations and associates	1	-	1
Profit before income tax	1,813	(33)	1,780
Income tax expenses	(668)	-	(668)
Profit for the year from continuing operations	1,145	(33)	1,112

Consolidated statement of comprehensive income

(continued)

For the year ended 31 December 2024

In millions of EUR (“MEUR”)

	2024 as issued	Restatement of BCUCC	2024 restated
Items that are not reclassified subsequently to profit or loss			
Revaluation of property, plant and equipment, net of tax	(139)	–	(139)
Fair value reserve included in other comprehensive income, net of tax	18	(390)	(372)
Share of the other comprehensive income of equity accounted investees, net of tax	(1)	–	(1)
		–	
Items that are or may be reclassified subsequently to profit or loss			
Foreign currency translation differences for foreign operations	17	1	18
Effective portion of changes in fair value of cash-flow hedges, net of tax	(207)	–	(207)
Share of the other comprehensive income of equity accounted investees, net of tax	(133)	–	(133)
Other comprehensive income for the year, net of tax	(445)	(389)	(834)
Total comprehensive income for the year	700	(422)	278
Profit attributable to:			
Owners of the Company	352	(17)	335
Non-controlling interest	793	(16)	777
Profit for the year	1,145	(33)	1,112
Total comprehensive income attributable to:			
Owners of the Company	190	(224)	(34)
Non-controlling interest	510	(198)	312
Total comprehensive income for the year	700	(422)	278

Appendix 3 – Restated Consolidated statement of financial position

Consolidated statement of financial position

As at 31 December 2024

In millions of EUR (“MEUR”)

	31 December 2024 as issued	Changes in presentation	Restatement of BCUCC	31 December 2024 restated
Assets				
Property, plant and equipment	14,882	–	–	14,882
Intangible assets and goodwill	3,239	–	–	3,239
Investment property	49	–	–	49
Equity accounted investees	1,610	–	–	1,610
Restricted cash	111	–	–	111
Financial instruments and other financial assets	819	–	–	819
Trade receivables and other assets	458	(50)	–	408
Pension fund surplus	–	50	–	50
Prepayments and other deferrals	8	–	–	8
Deferred tax assets	414	–	–	414
Total non-current assets	21,590	–	–	21,590
Current assets				
Inventories, extracted minerals and mineral products	1,014	–	–	1,014
Trade receivables and other assets	3,893	133	–	4,026
Pension fund surplus	–	2	–	2
Contract assets	135	(135)	–	–
Financial instruments and other financial assets	3,815	–	(131)	3,684
Prepayments and other deferrals	114	–	–	114
Current income tax receivable	182	–	–	182
Restricted cash	892	–	–	892
Cash and cash equivalents	8,530	–	10	8,540
Assets/disposal groups held for sale	339	–	–	339
Total current assets	18,914	–	(121)	18,793
Total assets	40,504	–	(121)	40,383

Consolidated statement of financial position

(continued)

As at 31 December 2024

In millions of EUR (“MEUR”)

	31 December 2024 as issued	Changes in presentation	Restatement of BCUCC	31 December 2024 restated
Equity				
Share capital	2,577	–	–	2,577
Reserves	(1,665)	–	(746)	(2,411)
Retained earnings	3,675	–	(157)	3,518
Total equity attributable to equity holders	4,587	–	(903)	3,684
Non-controlling interest	9,236	–	(816)	8,420
Total equity	13,823	–	(1,719)	12,104
Liabilities				
Loans and borrowings	6,764	–	681	7,445
Financial instruments and financial liabilities	284	–	–	284
Provisions	4,858	–	–	4,858
Deferred income	88	–	–	88
Contract liabilities	138	–	–	138
Deferred tax liabilities	2,213	–	–	2,213
Trade payables and other liabilities	35	–	–	35
Total non-current liabilities	14,380	–	681	15,061
Trade payables and other liabilities	3,872	–	–	3,872
Contract liabilities	123	–	–	123
Loans and borrowings	1,558	–	917	2,475
Financial instruments and financial liabilities	936	–	–	936
Provisions	4,880	–	–	4,880
Deferred income	76	–	–	76
Current income tax liability	574	–	–	574
Liabilities from disposal groups held for sale	282	–	–	282
Total current liabilities	12,301	–	917	13,218
Total liabilities	26,681	–	1,598	28,279
Total equity and liabilities	40,504	–	(121)	40,383

Consolidated statement of financial position

(continued)

As at 1 January 2024

In millions of EUR (“MEUR”)

	31 December 2023 as issued	Changes in presentation	Restatement of BCUCC	1 January 2024 restated
Assets				
Property, plant and equipment	14,851	–	–	14,851
Intangible assets and goodwill	4,422	–	–	4,422
Investment property	49	–	–	49
Equity accounted investees	1,337	–	–	1,337
Restricted cash	225	–	–	225
Financial instruments and other financial assets	870	–	1,113	1,983
Trade receivables and other assets	405	(45)	–	360
Pension fund surplus	–	45	–	45
Prepayments and other deferrals	8	–	–	8
Deferred tax assets	278	–	–	278
Total non-current assets	22,455	–	1,113	23,558
Inventories, extracted minerals and mineral products	1,322	–	–	1,322
Trade receivables and other assets	5,313	(70)	–	5,383
Pension fund surplus	–	5	–	5
Contract assets	75	(75)	–	–
Financial instruments and other financial assets	5,560	–	(704)	4,856
Prepayments and other deferrals	122	–	–	122
Current income tax receivable	140	–	–	140
Restricted cash	549	–	–	549
Cash and cash equivalents	7,435	–	76	7,511
Total current assets	20,516	–	(628)	19,888
Total assets	42,961	–	485	43,446

Consolidated statement of financial position

(continued)

As at 1 January 2024

In millions of EUR (“MEUR”)

	31 December 2023 as issued	Changes in presentation	Restatement of BCUCC	1 January 2024 restated
Equity				
Share capital	2,577	–	–	2,577
Reserves	(2,058)	–	(539)	(2,597)
Retained earnings	4,009	–	(140)	3,869
Total equity attributable to equity holders	4,528	–	(679)	3,849
Non-controlling interest	9,207	–	(618)	8,589
Total equity	13,735	–	(1,297)	12,438
Liabilities				
Loans and borrowings	7,690	–	–	7,690
Financial instruments and financial liabilities	210	–	–	210
Provisions	4,475	–	–	4,475
Deferred income	95	–	–	95
Contract liabilities	120	–	–	120
Deferred tax liabilities	2,078	–	–	2,078
Trade payables and other liabilities	1,314	–	–	1,314
Total non-current liabilities	15,982	–		15,982
Trade payables and other liabilities	3,663	–	–	3,663
Contract liabilities	105	–	–	105
Loans and borrowings	909	–	1,782	2,691
Financial instruments and financial liabilities	2,439	–	–	2,439
Provisions	5,420	–	–	5,420
Deferred income	58	–	–	58
Current income tax liability	650	–	–	650
Liabilities from disposal groups held for sale	3,663		–	3,663
Total current liabilities	13,244	–	1,782	15,026
Total liabilities	29,226	–	1,782	31,008
Total equity and liabilities	42,961	–	485	43,446

Appendix 4 – Restated Consolidated

statement of cash flows

Consolidated statement of cash flows

For the year ended 31 December 2024

In millions of EUR (“MEUR”)

	2024 as issued	Restatement of BCUCC	2024 restated
OPERATING ACTIVITIES			
Profit for the year	1,145	(33)	1,112
Adjustments for:			
Income tax expenses	668	–	668
Depreciation, amortization and impairment	1,789	–	1,789
Dividend income	(9)	(99)	(108)
Change in impairment on financial instruments and other financial assets	(30)	–	(30)
Change in fair value of property, plant and equipment	4	–	4
Non-cash (gain) loss from commodity and freight derivatives, net	338	–	338
(Gain) loss on disposal of property, plant and equipment, investment property and intangible assets	(9)	–	(9)
Emission rights	4,378	–	4,378
Share of profit of equity accounted investees	(321)	–	(321)
Gain on disposal of subsidiaries, joint ventures and associates	(1)	–	(1)
Gain from financial instruments	63	–	63
Net interest expense	256	128	384
Change in allowance for impairment to trade receivables and other assets, write-offs	(5)	–	(5)
Change in provisions	484	–	484
Other finance fees	9	–	9
Unrealized foreign exchange gains, net	(29)	(14)	(43)
Other non-cash operations	(1)	–	(1)
Operating profit before changes in working capital	8,729	(18)	8,711
Change in trade receivables, other assets, prepayment and other deferrals and contract assets	2,049	1	2,050
Change in inventories, extracted minerals and mineral products	229	–	229
Purchase and sale of emission rights	(4,423)	–	(4,423)
Change in trade payables and other liabilities, deferred income and contract liabilities	(998)	2	(996)
Change in restricted cash	(245)	–	(245)
Cash generated from (used in) operations	5,341	(15)	5,326
Income taxes paid	(871)	–	(871)
Cash flows generated from (used in) operating activities	4,470	(15)	4,455

Consolidated statement of cash flows

(continued)

For the year ended 31 December 2024

In millions of EUR (“MEUR”)

	2024 as issued	Restatement of BCUCC	2024 restated
INVESTING ACTIVITIES			
Dividends received from associates and joint-ventures	16	–	16
Dividends received, other	8	99	107
Purchase of financial instruments	(124)	–	(124)
Loans provided to other entities	(1,338)	117	(1,221)
Repayment of loans provided to other entities	291	2	293
Proceeds (outflows) from sale/settlement of financial instruments	215	–	215
Acquisition of property, plant and equipment and intangible assets	(1,041)	–	(1,041)
Proceeds from sale of property, plant and equipment and intangible assets	40	–	40
Acquisition of associates and joint ventures	(8)	–	(8)
Acquisition of subsidiaries, net of cash acquired	(35)	–	(35)
Net cash (outflow) inflow from disposal of subsidiaries	1	–	1
Capital contributions paid to associates and joint ventures	(52)	–	(52)
Interest received	248	–	248
Cash flows from (used in) investing activities	(1,779)	218	(1,561)

Consolidated statement of cash flows

(continued)

For the year ended 31 December 2024

In millions of EUR (“MEUR”)

	2024 as issued	Restatement of BCUCC	2024 restated
FINANCING ACTIVITIES			
Contributions to equity from shareholders	69	–	69
Proceeds from borrowings received	1,991	115	2,106
Repayment of borrowings	(2,290)	(310)	(2,600)
Proceeds from bonds issued, net of transaction fees	641	–	641
Repayment of bonds issued	(547)	–	(547)
Interest paid	(359)	(74)	(433)
Finance fees paid from repayment of borrowings and bond issue	(16)	–	(16)
Payment of lease liability	(99)	–	(99)
Contributions to other funds from non-controlling interests	74	–	74
Dividends paid to non-controlling interests	(826)	–	(826)
Dividends paid to the owners of the Company	(178)	–	(178)
Cash flows from (used in) financing activities	(1,540)	(269)	(1,809)
Net increase (decrease) in cash and cash equivalents			
	1,151	(66)	1,085
Cash and cash equivalents at beginning of the year	7,435	76	7,511
Effect of exchange rate fluctuations on cash held	(6)	–	(6)
Cash and cash equivalents at end of the year	8,580	10	8,590
Out of which cash and cash equivalents attributable to held for sale entities	50	–	50

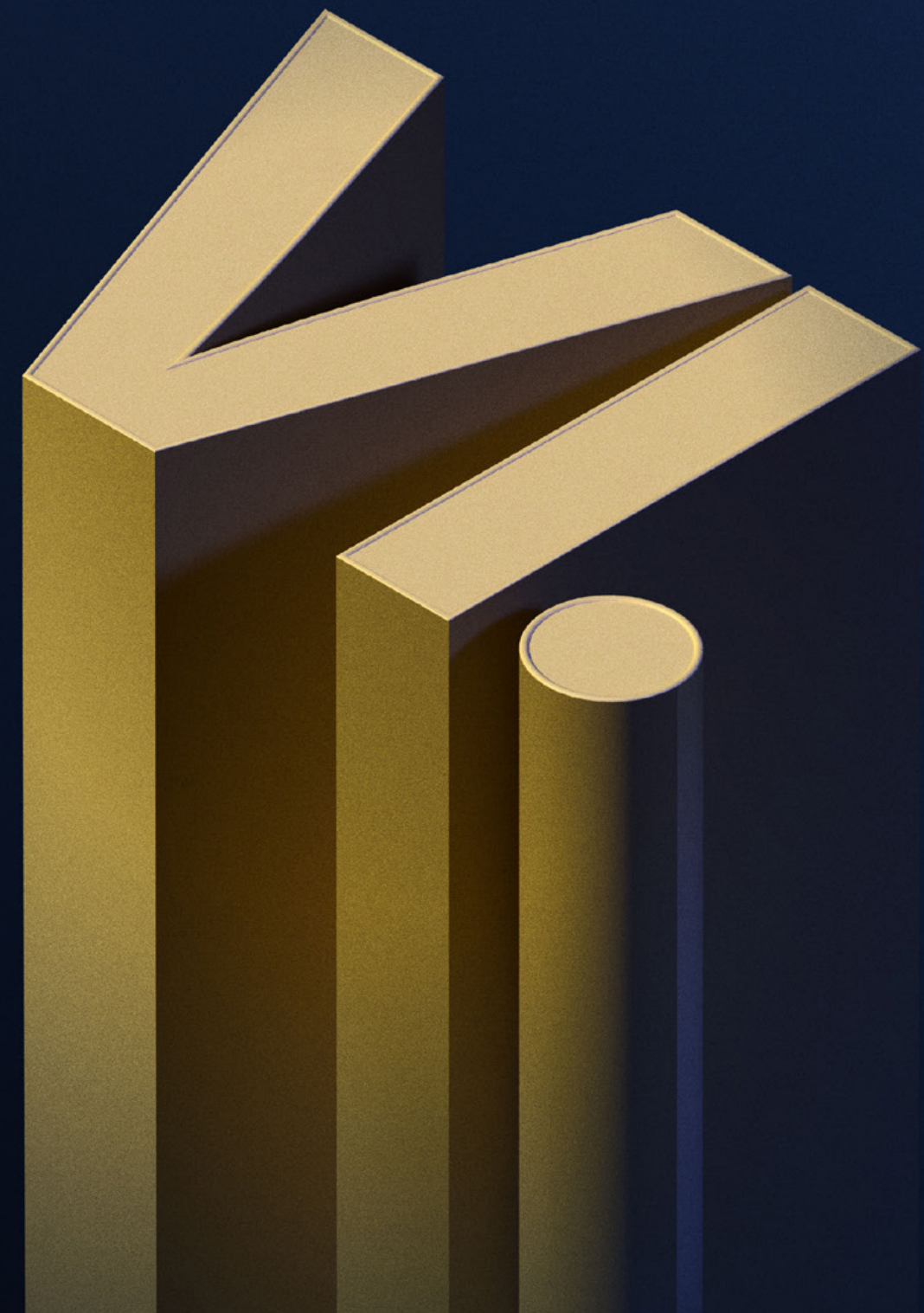
VI. Statutory Audit Report

Deloitte.

Deloitte Audit s.r.o.
Churchill I
Italská 2581/67
120 00 Prague 2 – Vinohrady
Czech Republic

Tel: +420 246 042 500
DeloitteCZ@deloitteCE.com
www.deloitte.cz

Registered by the Municipal Court in Prague,
Section C, File 24349
ID. No.: 49620592
Tax ID. No.: CZ49620592



INDEPENDENT AUDITOR'S REPORT

To the Shareholders of EP Group, a.s.

Having its registered office at: Pařížská 130/26, Josefov, 110 00 Praha 1

Opinion

We have audited the accompanying financial statements of EP Group, a.s. (hereinafter also the "Company") prepared on the basis of accounting regulations applicable in the Czech Republic, which comprise the balance sheet as at 31 December 2025, and the profit and loss account, statement of changes in equity and cash flow statement for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of EP Group, a.s. as at 31 December 2025, and of its financial performance and its cash flows for the year then ended in accordance with accounting regulations applicable in the Czech Republic.

Basis for Opinion

We conducted our audit in accordance with the Act on Auditors and Auditing Standards of the Chamber of Auditors of the Czech Republic, which are International Standards on Auditing (ISAs), as amended by the related application guidelines. Our responsibilities under this law and regulation are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Act on Auditors and the Code of Ethics adopted by the Chamber of Auditors of the Czech Republic and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information in the Annual Report

In compliance with Section 2(b) of the Act on Auditors, the other information comprises the information included in the Annual Report other than the financial statements, consolidated financial statements and auditor's reports thereon. The Board of Directors is responsible for the other information.

Our opinion on the financial statements does not cover the other information. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information with the exception of the sustainability report is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. In addition, we assess whether the other information with the exception of the sustainability report has been prepared, in all material respects, in accordance with applicable law or regulation, in particular, whether the other information complies with law or regulation in terms of formal requirements and procedure for preparing the other information in the context of materiality, i.e. whether any non-compliance with these requirements could influence judgments made on the basis of the other information.

Based on the procedures performed, to the extent we are able to assess it, we report that:

- The other information describing the facts that are also presented in the financial statements is, in all material respects, consistent with the financial statements; and
- The other information with the exception of the sustainability report is prepared in compliance with applicable law or regulation.

In addition, our responsibility is to report, based on the knowledge and understanding of the Company obtained in the audit, on whether the other information contains any material misstatement of fact. Based on the procedures we have performed on the other information obtained, we have not identified any material misstatement of fact.

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited (DTTL), its global network of member firms, and their related entities (collectively, the "Deloitte organization"). DTTL (also referred to as "Deloitte Global") and each of its member firms and related entities are legally separate and independent entities, which cannot obligate or bind each other in respect of third parties. DTTL and each DTTL member firm and related entity is liable only for its own acts and omissions, and not those of each other. DTTL does not provide services to clients. Please see www.deloitte.com/about to learn more.

439699A8A2D1F0168BC70D0BDBDE52FD

Responsibilities of the Company's Board of Directors and Supervisory Board for the Financial Statements

The Board of Directors is responsible for the preparation and fair presentation of the financial statements in accordance with accounting regulations applicable in the Czech Republic and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Supervisory Board is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the above law or regulation, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors and the Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

In Prague on 22 May 2026

Audit firm:

Deloitte Audit s.r.o.
registration no. 079



Statutory auditor:

Ladislav Šauer
registration no. 2261

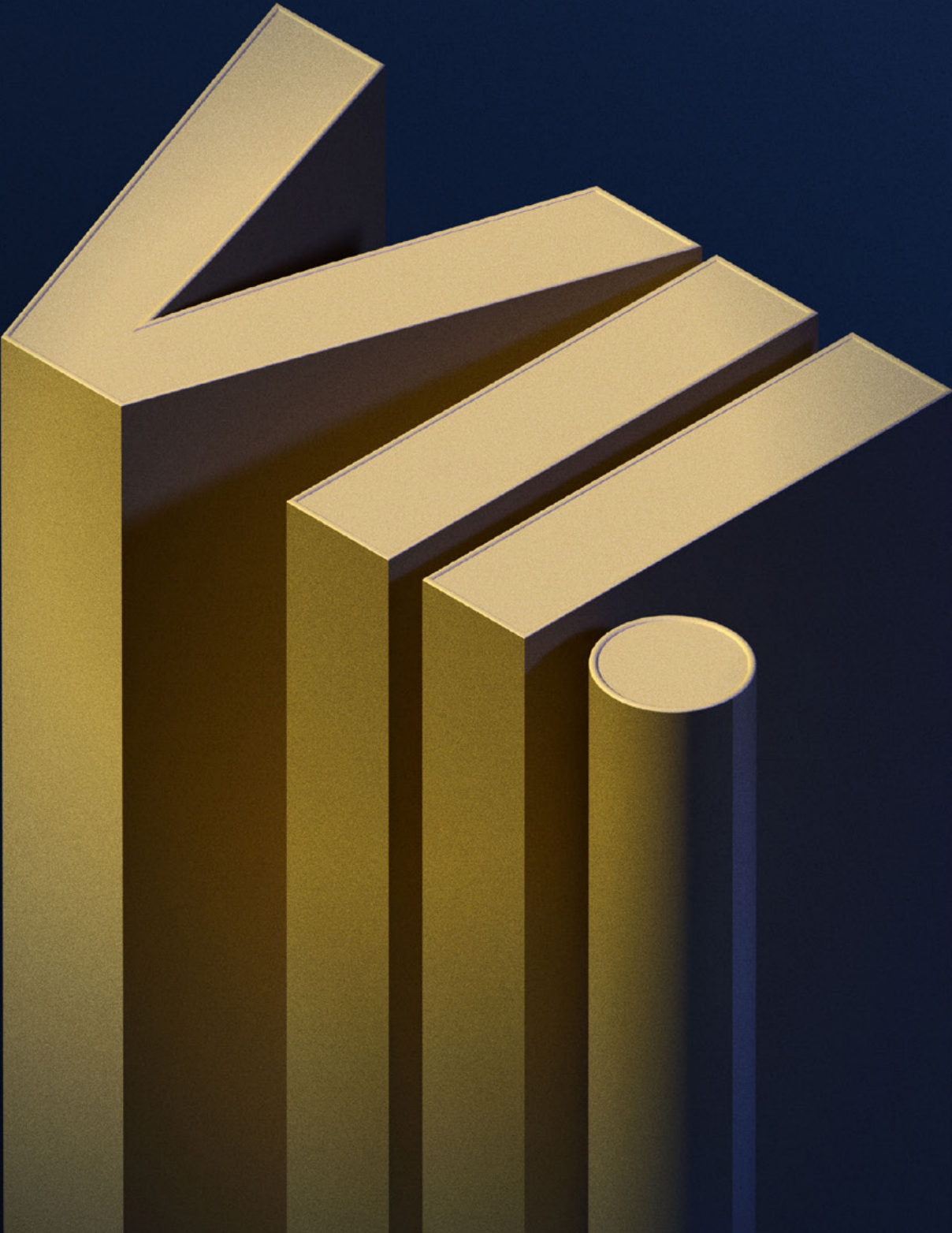


439699A8A2D1F0168BC70D0BDBDE52FD

VII. Statutory Financial Statements

In this section

Balance sheet	280
Profit and loss account	282
Statement of changes in equity	284
Cash flow statement	285
Notes to the Czech statutory financial statements (non-consolidated, translated from the Czech original)	286





Financial Statements for the Year Ended 31 December 2025

Name of the Company: EP Group, a.s.

Registered Office: Pařížská 130/26, Josefov, 110 00 Prague 1

Legal Status: Joint Stock Company

Corporate ID: 086 49 197

Components of the Financial Statements:

Balance Sheet

Profit and Loss Account

Statement of Changes in Equity

Cash Flow Statement

Notes to the Financial Statements

These financial statements were prepared on 22 May 2026.

Statutory body of the reporting entity:

Signature:

Daniel Křetínský

Chairman of the Board

Pavel Horský

Member of the Board

Balance sheet
full version

EP Group, a.s.
Corporate ID 086 49 197
Pařížská 130/26
Josefov
110 00 Praha 1

As of 31.12.2025
(in EUR thousand)

		31.12.2025		31.12.2024	
		Gross	Adjustment	Net	Net
TOTAL ASSETS		7,602,072	1,031,099	6,570,973	6,319,991
B.	Fixed assets	7,563,635	1,031,099	6,532,536	5,435,819
B.III.	Non-current financial assets	7,563,635	1,031,099	6,532,536	5,435,819
B.III.1.	Equity investments – controlled or controlling entity	7,148,308	873,268	6,275,040	4,958,506
B.III.3.	Equity investments in associates	415,327	157,831	257,496	477,293
B.III.5.	Other non-current securities and investments				20
C.	Current assets	38,222		38,222	884,170
C.I.	Inventories	380		380	113
C.I.2.	Work in progress and semifinished goods	380		380	113
C.II.	Receivables	37,404		37,404	883,379
C.II.2.	Short-term receivables	37,404		37,404	883,379
C.II.2.1.	Trade receivables	2,842		2,842	3,992
C.II.2.2.	Receivables – controlled or controlling entity	28,840		28,840	878,771
C.II.2.4.	Receivables – other	5,722		5,722	616
C.II.2.4.3.	State – tax receivables	5,695		5,695	604
C.II.2.4.4.	Short-term prepayments made	25		25	10
C.II.2.4.5.	Estimated receivables	2		2	1
C.II.2.4.6.	Sundry receivables				1
C.IV.	Cash	438		438	678
C.IV.2.	Cash at bank	438		438	678
D.	Other assets	215		215	2
D.1.	Deferred expenses	215		215	2



		31.12.2025	31.12.2024
TOTAL LIABILITIES & EQUITY		6,570,973	6,319,991
A.	Equity	6,558,956	6,300,768
A.I.	Share capital	2,591,168	2,591,168
A.I.1.	Share capital	2,591,168	2,591,168
A.II.	Share premium and capital funds	1,593,375	660,466
A.II.2.	Capital funds	1,593,375	660,466
A.II.2.1.	Other capital funds	1,493,701	754,250
A.II.2.2.	Gains or losses from the revaluation of assets and liabilities (+/-)	99,674	(93,784)
A.IV.	Retained earnings (+/-)	2,920,577	2,102,252
A.IV.1.	Accumulated profits or losses brought forward (+/-)	2,920,577	2,102,252
A.V.	Profit or loss for the current period (+/-)	(546,164)	946,882
B.+C.	Liabilities	12,017	19,223
B.	Provisions	12	2,816
B.2.	Income tax provision		2,811
B.4.	Other provisions	12	5
C.	Payables	12,005	16,407
C.II.	Short-term payables	12,005	16,407
C.II.4.	Trade payables	11,936	11,763
C.II.8.	Other payables	69	4,644
C.II.8.3.	Payables to employees	36	20
C.II.8.4.	Social security and health insurance payables	17	11
C.II.8.5.	State – tax payables and subsidies	6	3
C.II.8.6.	Estimated payables	9	
C.II.8.7.	Sundry payables	1	4,610

Profit and loss account

structured by the nature of expense method

EP Group, a.s.
Corporate ID 086 49 197
Pařížská 130/26
Josefov
110 00 Praha 1

Year ended 31.12.2025
(in EUR thousand)

		Year ended 31.12.2025	Year ended 31.12.2024
I.	Sales of products and services	2,435	3,620
A.	Purchased consumables and services	13,161	16,637
A.2.	Consumed material and energy	16	14
A.3.	Services	13,145	16,623
B.	Change in internally produced inventory (+/-)	(267)	(113)
D.	Staff costs	1,551	277
D.1.	Payroll costs	1,292	208
D.2.	Social security and health insurance costs and other charges	259	69
D.2.1.	Social security and health insurance costs	259	68
D.2.2.	Other charges		1
III.	Other operating income	884,633	200
III.3.	Sundry operating income	884,633	200
F.	Other operating expenses	881,661	4,344
F.3.	Taxes and charges		1,101
F.4.	Provisions relating to operating activities and complex deferred expenses	7	5
F.5.	Sundry operating expenses	881,654	3,238
*	Operating profit or loss (+/-)	(9,038)	(17,325)



		Year ended 31.12.2025	Year ended 31.12.2024
IV.	Income from non-current financial assets – equity investments	787,407	898,698
IV.1.	Income from equity investments – controlled or controlling entity	687,387	898,698
IV.2.	Other income from equity investments	100,020	
G.	Costs of equity investments sold	297,577	70
VI.	Interest income and similar income	2,607	38,171
VI.1.	Interest income and similar income – controlled or controlling entity	2,282	37,425
VI.2.	Other interest income and similar income	325	746
I.	Adjustments to values and provisions relating to financial activities	1,025,958	(36,843)
J.	Interest expenses and similar expenses	2,387	957
J.1.	Interest expenses and similar expenses – controlled or controlling entity	2,160	948
J.2.	Other interest expenses and similar expenses	227	9
VII.	Other financial income	245	198
K.	Other financial expenses	50	1,381
*	Financial profit or loss (+/-)	(535,713)	971,502
**	Profit or loss before tax (+/-)	(544,751)	954,177
L.	Income tax	1,413	7,295
L.1.	Due income tax	1,413	7,295
**	Profit or loss net of tax (+/-)	(546,164)	946,882
***	Profit or loss for the current period (+/-)	(546,164)	946,882
*	Net turnover for the current period	1,677,327	940,887

Statement of changes in equity

EP Group, a.s.
Corporate ID 086 49 197
Pařížská 130/26
Josefov
110 00 Praha 1

Year ended 31.12.2025
(in EUR thousand)

	Share capital	Other capital funds	Gains or losses from the revaluation of assets	Accumulated profits or losses brought forward	Profit or loss for the current period	TOTAL EQUITY
Balance at 31 December 2023	2,591,168	685,370	(6,166)	896,274	1,901,713	6,068,359
Impact of the transition to the functional currency EUR as of 1 Jan 2024			6,166			6,166
Distribution of profit or loss				1,901,713	(1,901,713)	
Dividends declared				(695,736)		(695,736)
Gains or losses from the revaluation of assets			(93,784)			(93,784)
Additional equity contribution		68,880				68,880
Profit or loss for the current period					946,882	946,882
Rounding				1		
Balance at 31 December 2024	2,591,168	754,250	(93,784)	2,102,251	946,882	6,300,767
Distribution of profit or loss				946,882	(946,882)	
Additional equity contribution		739,451				739,451
Dividends declared				(128,556)		(128,556)
Gains or losses from the revaluation of assets			193,458			193,458
Profit or loss for the curent period					(546,164)	(546,164)
Balance at 31 December 2025	2,591,168	1,493,701	99,674	2,920,577	(546,164)	6,558,956

Cash flow statement

EP Group, a.s.
Corporate ID 086 49 197
Pařížská 130/26
Josefov
110 00 Praha 1

Year ended 31.12.2025
(in EUR thousand)

	Year ended 31.12.2025	Year ended 31.12.2024
P. Opening balance of cash and cash equivalents	678	371
Cash flows from ordinary activities (operating activities)		
Z. Profit or loss from ordinary activities before tax	(544,751)	954,177
A.1. Adjustments for non-cash transactions	533,475	(971,430)
A.1.2. Change in allowances and provisions	1,025,965	(36,838)
A.1.3. Profit/(loss) on the sale of fixed assets	(24,616)	
A.1.4. Revenues from profit shares	(465,214)	(898,628)
A.1.5. Interest expense and interest income	(220)	(37,214)
A.1.6. Adjustments for other non-cash transactions	(2,440)	1,250
A.* Net operating cash flow before changes in working capital	(11,276)	(17,253)
A.2. Change in working capital	1,084	8,900
A.2.1. Change in operating receivables and other assets	1,144	(4,458)
A.2.2. Change in operating payables and other liabilities	207	11,523
A.2.3. Change in inventories	(267)	1,835
A.** Net cash flow from operations before tax	(10,192)	(8,353)
A.3. Interest paid	(2,396)	(61)
A.4. Interest received	51	44
A.5. Income tax paid from ordinary operations	(9,537)	(9,204)
A.*** Net operating cash flows	(22,074)	(17,574)
Cash flows from investing activities		
B.1. Fixed assets expenditures	(227,846)	(201,902)
B.2. Proceeds from fixed assets sold	322,194	70
B.3. Loans and borrowings to related parties	(443,427)	(704,224)
Received profit shares	209,086	826,904
B.*** Net investment cash flows	(139,993)	(79,152)
Cash flow from financial activities		
C.1. Change in payables from financing	47,528	205,974
C.2. Impact of changes in equity	114,300	(108,941)
C.2.2. Capital payments to partners		(177,821)
C.2.3. Other cash contributions made by partners	114,300	68,880
C.*** Net financial cash flows	161,828	97,033
F. Net increase or decrease in cash and cash equivalents	(240)	307
R. Closing balance of cash and cash equivalents	438	678

Notes to the financial statements for the year ended 31 december 2025

(in EUR ‘000)

Company name:	EP Group, a.s.
Registered office:	Pařížská 130/26, Josefov, 110 00 Prague 1
Legal status:	Joint stock company
Corporate ID:	086 49 197

Contents

1.	General Information	288	3.	Cash Flow Statement	293
	1.1. Incorporation and Description of Business	288	4.	Additional Information	294
	1.2. Board of Directors and Supervisory Board at the Balance Sheet Date	288		4.1. Non-Current Financial Assets	294
2.	Accounting Principles and Policies	289		4.2. Short-Term Receivables	297
	2.1. Financial Assets	289		4.3. Equity	298
	2.2. Receivables	290		4.4. Short-Term Payables	298
	2.3. Loans and Borrowings Provided and Received	290		4.5. Income Tax Provision	299
	2.4. Foreign Currency Translation	290		4.6. Deferred Income Tax	299
	2.5. Income Taxation	291		4.7. Income and Expenses	299
	2.6. Income and Expense Recognition	291		4.8. Related Party Information (Excluding Balances Stated Above)	300
	2.7. Use of Estimates	291		4.9. Employees, Management and Statutory Bodies	300
	2.8. Consolidation	291		4.10. Information on Remuneration for Statutory Auditors	300
	2.9. Dividends	292		4.11. Off-Balance Sheet Operations	301
	2.10. Year-on-Year Changes in Accounting Policies	292	5.	Post Balance Sheet Events	301
	2.11. Other Significant Facts	292			

Notes

1. General Information

1.1. Incorporation and Description of Business

EP Group, a.s. (the “Company”) was formed as a joint stock company on 8 October 2019 and was incorporated following its registration in the Register of Companies on 30 October 2019 with the original name of EP Group Investments a.s. The name was changed to EP Corporate Group, a.s. on 10 January 2020. Subsequently, the name was changed to EP Group, a.s. by an entry in the Register of Companies on 17 October 2024.

The Company’s primary business activity is production, trade and services not specified in Annexes 1 to 3 of the Trade Licensing Act.

The Company’s primary activity is the management of its own assets.

The following table shows legal entities with an equity interest in the Company and the amount of their equity interest:

	Ownership percentage	Voting rights
EP Investment S.à r.l.	89.29 %	89.29 %
Tiliacordata Limited	10.71 %	10.71 %
Total	100.00 %	100.00 %

1.2. Board of Directors and Supervisory Board at the Balance Sheet Date

 Board of Directors	Supervisory Board
Daniel Křetínský (Chairman)	Petr Sekanina (Chairman)
Pavel Horský (Member)	Tereza Štefunková (Member)
Marek Spurný (Member)	Jana Bodnárová (Member)
Jan Špringl (Member)	

The members of the Board of Directors are authorised to represent the Company in all matters. Externally, the Company is jointly represented by the Chairman of the Board of Directors and any other member of the Board.

2. Accounting Principles and Policies

The Company’s accounting books and records are maintained and the financial statements were prepared in accordance with Accounting Act No. 563/1991 Coll., as amended; Regulation No. 500/2002 Coll. which provides implementation guidance on certain provisions of the Accounting Act for reporting entities that are businesses maintaining double-entry accounting records, as amended; and Czech Accounting Standards for Businesses, as amended.

The accounting records are maintained in compliance with general accounting principles, specifically the historical cost valuation basis (unless stated otherwise), the accruals principle, the prudence concept and the going concern assumption.

The Company’s financial statements have been prepared as of the balance sheet date, i.e. 31 December 2025, for the period from 1 January 2025 to 31 December 2025 (the “year” or “reporting period”).

These financial statements are presented in thousands of euros (EUR ‘000), unless stated otherwise.

2.1. Financial Assets

Non-current financial assets consist of equity investments in subsidiaries and associates, debt securities that the Company can and intends to hold to maturity, and other long-term securities for which the intention of the Company is generally unknown at the time of acquisition.

Upon acquisition securities are carried at cost defined by Section 48 of Regulation No. 500/2002 Coll. The cost of securities does not include interest on loans to acquire them and holding costs.

Equity investments are valued at cost at the balance sheet date and an allowance is made in the event of a temporary decrease in the recoverable amount of the relevant investment based on tests performed. Impairment tests are performed in the form of discounted operating cash flows.

The equity investments contributed to the share capital of the Company were valued according to the opinion of an independent expert appointed by the court.

If the equity investments are held in foreign currencies, they are revalued at the end of the reporting period at the current exchange rate announced by the ECB against ‘Gains or losses from the revaluation of assets and liabilities’ in equity.

Available-for-sale securities and investments are measured at fair value, if determinable. The change in fair value of available-for-sale securities is accounted for against ‘Gains or losses from the revaluation of assets and liabilities’ in equity if the change in fair value is not likely to be permanent. If it is an impairment that is likely to be permanent, it is recognised as a current period expense. If, subsequent to the recognition of an impairment in expense accounts, there is a demonstrable increase in the fair value of available-for-sale securities, the increase in fair value is recognised to the extent of the previously recognised impairment as income for the period. The Company uses the market value of the securities at the date of the financial statements as the fair value.

If the securities are held in foreign currencies, they are revalued at the end of the reporting period at the current exchange rate published by the ECB against ‘Gains or losses from the revaluation of assets and liabilities’ in equity.

2.2. Receivables

Receivables are stated at their nominal value, and assigned receivables at cost, i.e. including the costs related to their acquisition (Section 25 of Act No. 563/1991 Coll.). At the date of preparation of the financial statements, temporary impairment of doubtful receivables is recognised through the creation of an allowance charged to expense, which is shown in the balance sheet in the adjustment column. The Company recognises allowances for receivables on the basis of its own analysis of the solvency of its customers.

Receivables from loans provided are increased by uncollected interest (excluding interest on late payments) at the date of the financial statements.

2.3. Loans and Borrowings Provided and Received

Short-term and long-term loans or borrowings are stated at their nominal value upon receipt. When the financial statements are prepared, the balance of the loan or borrowing is increased by the interest outstanding and charged by the bank or other party. The portion of long-term loans that are repayable within one year of the balance sheet date is also recognised as a short-term loan.

2.4. Foreign Currency Translation

The Company performed an analysis of the primary economic environment in which it operates and, based on this analysis, concluded that its functional currency is the euro.

The Company uses the current exchange rates of the European Central Bank at the time of acquisition of assets or origination of liabilities to translate assets and liabilities in foreign currencies into EUR.

Realised exchange gains and losses are charged to the current year’s income or expense. At the balance sheet date, the relevant assets and liabilities are translated at the European Central Bank’s exchange rate, and any exchange rate differences on the valuation of assets and liabilities have been recognised in the financial income or expense accounts (except for equity investments, see Note 2.1).

The opening balances of accounts as of the first day of the reporting period in which the change of accounting currency occurred were determined by converting the closing balances of the accounts, from which these opening balances are derived, using the ECB exchange rate applicable on the balance sheet date of the previous reporting period.

The information for the previous reporting period presented in the financial statements was stated using the ECB exchange rate applicable on the balance sheet date of the previous reporting period.

2.5. Income Taxation

Income tax payable is calculated using the applicable tax rate on accounting profit increased or decreased by permanently or temporarily tax non-deductible expenses and non-taxable income (e.g. creation and recognition of other provisions and allowances, representation expenses, difference between accounting and tax depreciation).

The Company recognises an income tax provision because the time of preparation of the financial statements precedes the time of determination of the tax liability. In the subsequent reporting period, the Company releases the provision and recognises the identified tax liability.

In the balance sheet, the income tax provision is reduced by income tax prepayments made, any resulting receivable is recognised under ‘State – tax receivables’, and any resulting liability is recognised under ‘Income tax provision’.

Deferred income tax is determined for companies that form a group of companies and for all entities that are required to have their financial statements audited. It is based on the balance sheet approach, i.e. temporary differences between the tax bases of assets or liabilities and their carrying amounts in the balance sheet, restated at the expected income tax rate for the following reporting period.

The Company accounts for deferred tax assets only when it is probable that they will be utilised in future reporting periods.

2.6. Income and Expense Recognition

Income and expenses are recognised on an accrual basis. In accordance with the prudence principle, the Company charges provisions and allowances to cover all known risks, losses and impairments at the date of the financial statements.

2.7. Use of Estimates

The presentation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses during the reporting period. Management of the Company has made these estimates and assumptions on the basis of all the relevant information available to it. Nevertheless, pursuant to the nature of estimates, the actual results and outcomes in the future may differ from these estimates.

2.8. Consolidation

The Company prepares consolidated financial statements in line with the International Financial Reporting Standards as adopted by the EU. The consolidated financial statements are part of the consolidated annual report, which is available at the Company’s registered office.

The consolidated financial statements of the broadest group of entities for the year 2025 are prepared by EP Investment S.à r.l., Place de Paris 2, L-2314, Luxembourg, where the consolidated financial statements are available.

2.9. Dividends

Dividend income is recognised when the right to receive dividends is declared. Profit share prepayments received are charged to current period income, i.e. to the period in which the decision to make the prepayment is declared.

2.10. Year-on-Year Changes in Accounting Policies

The Company did not change its accounting policies during the reporting period to which these financial statements relate.

2.11. Other Significant Facts

War in Ukraine and other conflicts

In the context of the ongoing military conflict in Ukraine and the related sanctions against the Russian Federation, the Company has identified risks and has taken reasonable measures to mitigate the impact on its business. The situation and its impact on the relevant markets did not change significantly during 2025 compared to the previous year. Based on available information and current developments, the Company continuously analyses the situation and assesses its direct impact on the Company. The Company’s management has assessed the potential impact of this situation on its operations and business and has concluded that it does not currently have a material impact on these financial statements or on the going concern assumption in 2026. However, further negative developments in this situation cannot be ruled out, which could subsequently have a negative impact on the Company, its business, financial condition, results of operations, cash flows and overall prospects.

At the same time, the Company continuously monitors other geopolitical risks, including developments in Iran and broader tensions in the Middle East, which may have indirect impacts, particularly through increased volatility in energy prices, disruptions to logistics and supply chains, or the potential expansion of sanctions regimes and regulatory restrictions. As at the date of preparation of the financial statements, the Company’s management has not identified any facts that would, in themselves, require adjustments to the amounts reported in these financial statements; however, future developments cannot be reliably predicted.

3. Cash Flow Statement

The cash flow statement is prepared using the indirect method. Cash equivalents include current liquid assets which are easily convertible into cash in an amount agreed in advance.

Cash and cash equivalents can be analysed as follows:

(in EUR ‘000)	Balance	Balance
	at 31 Dec 2025	at 31 Dec 2024
Cash at bank	438	678
Total cash and cash equivalents	438	678

Cash flows from operating, investment and financial activities presented in the cash flow statement are not offset.

4. Additional Information

4.1. Non-Current Financial Assets

	Ownership at 31 Dec 2025	Total profit (+) loss (-) for the period from 1 Jan 2025 to 31 Dec 2025 (in CZK/EUR/GBP '000)	Equity at 31 Dec 2025 (in CZK/EUR/GBP '000)	Cost at 31 Dec 2025 (in EUR '000)	Cost at 31 Dec 2024 (in EUR '000)
Equity investments – controlled or controlling entity					
Energetický a průmyslový holding, a.s.	56% plus 1 share	1,322,000 (EUR)	5,114,000 (EUR)	3,819,383	3,557,566
Ogen s.r.o.*	100%	-52 (CZK)	55 (CZK)	1,378	1,326
EC Investments a.s.*	56% plus 1 share	-37,438 (CZK)	8,545,897 (CZK)	177,303	143,247
FoundHold EP Corporate Group, a.s.*	100%	-11 (CZK)	1,406 (CZK)	82	79
EP Real Estate a.s.	0%	–	–	–	194,008
EP Energy Transition, a.s.*	56% plus 1 share	-17,429 (CZK)	1,609,210 (CZK)	912,947	1,063,971
EP Distribution Services a.s. (former EP Project Finance, a.s.)	56% plus 1 share	-23,158 (GBP)	1,219,888 (GBP)	813,683	3,449
EP Heat & Power a.s.*	56% plus 1 share	65,540 (CZK)	11,071,877 (CZK)	256,174	–
EP Global Commerce a.s.*	56% plus 1 share	-13,900 (EUR)	1,839,855 (EUR)	1,167,358	–
Total			7,148,308	4,963,646	4,953,375

Equity investments in associates					
CZECH MEDIA INVEST a.s.*	50%	-5,350,031 (CZK)	9,202,012 (CZK)	365,842	330,837
EP HoldCo a.s.*	50%	-1,040 (CZK)	2,323,512 (CZK)	49,485	46,456
thyssenkrupp Dritte. Beteiligungsgesellschaft mbH	0%	–	–	–	100,000
Total			415,327	477,293	379,373

Other equity investments					
thyssenkrupp Vierte Beteiligungsgesellschaft mbH	0%	–	–	–	20
Total				–	20

* Data from the unaudited financial statements as at 31 December 2025.

Based on the impairment test performed, the Company recognised an allowance of EUR 1,378 thousand related to its financial investment in Ogen s.r.o. (as of 31 December 2024: EUR 1,322 thousand), EUR 157,831 thousand related to its financial investment in CZECH MEDIA INVEST a.s. (as of 31 December 2024: EUR 0 thousand), EUR 83 thousand related to its financial investment in FoundHold EP Corporate Group, a.s. (as of 31 December 2024: EUR 79 thousand), EUR 871,807 thousand related to its financial investment in EP Global Commerce a.s. (as of 31 December 2024: EUR 0 thousand), and EUR 0 thousand related to its financial investment in EP Real Estate, a.s. (as of 31 December 2024: EUR 3,739 thousand).

The companies’ registered offices as of 31 December 2025 are as follows:

CZECH MEDIA INVEST a.s.	Pařížská 130/26, Josefov, 110 00 Praha 1, Czech Republic
EC Investments a.s.	Pařížská 130/26, Josefov, 110 00 Praha 1, Czech Republic
Energetický a průmyslový holding, a.s.	Pařížská 130/26, Josefov, 110 00 Praha 1, Czech Republic
EP Energy Transition, a.s.	Týn 640/2, Staré město, 110 00 Praha 1, Czech Republic
EP Global Commerce, a.s.	Pařížská 130/26, Josefov, 110 00 Praha 1, Czech Republic
EP Heat & Power, a.s.	Pařížská 130/26, Josefov, 110 00 Praha 1, Czech Republic
EP HoldCo, a.s.	Pařížská 130/26, Josefov, 110 00 Praha 1, Czech Republic
EP Distribution Services, a.s. (former EP Project Finance, a.s.)	Pařížská 130/26, Josefov, 110 00 Praha 1, Czech Republic
EP Real Estate, a.s.	Partyzánská 1/7, Holešovice, 170 00 Praha 7, Czech Republic
FoundHold EP Corporate Group, a.s.	Pařížská 130/26, Josefov, 110 00 Praha 1, Czech Republic
Ogen s.r.o.	Pařížská 130/26, Josefov, 110 00 Praha 1, Czech Republic

The following changes in non-current financial assets occurred in 2025:

On 6 February 2025, an additional equity contribution in the amount of EUR 1,337 thousand was granted to EP Energy Transition, a.s.

On 20 March 2025, the company EP Heat & Power a.s. was incorporated.

On 7 May 2025, an additional equity contribution in the amount of EUR 625,150 thousand was granted to EP Distribution Services a.s.

On 9 May 2025, an additional equity contribution in the amount of EUR 190,400 thousand was granted to EP Distribution Services a.s.

On 13 May 2025, an additional equity contribution in the amount of EUR 561 thousand was granted to EP Energy Transition, a.s.

On 25 June 2025, an equity investment representing 56% plus one share in EP Real Estate, a.s. was sold.

On 26 June 2025, an equity investment representing 44% minus one share in EP Heat & Power a.s. was sold to J&T ENERGY HOLDING, a.s.

On 26 June 2025, an additional equity contribution in the amount of EUR 49,688 thousand was returned by Energetický a průmyslový holding, a.s.

On 26 June 2025, an additional equity contribution in the amount of EUR 256,128 thousand was granted to EP Heat & Power a.s.

On 26 June 2025, an additional equity contribution in the amount of EUR 19,040 thousand was returned by EP Distribution Services a.s.

On 27 June 2025, an additional equity contribution in the amount of EUR 101,000 thousand was granted to Energetický a průmyslový holding, a.s.

On 15 July 2025, an additional equity contribution in the amount of EUR 10,920 thousand was granted to EP Distribution Services a.s.

On 12 August 2025, an additional equity contribution in the amount of EUR 14,000 thousand was granted to EP Energy Transition, a.s.

On 12 September 2025, an additional equity contribution in the amount of EUR 2,800 thousand was granted to EP Distribution Services a.s.

On 18 September 2025, additional equity contributions in the total amount of EUR 28,840 thousand were returned by EP Energy Transition, a.s.

On 30 September 2025 and 1 October 2025, the Company withdrew from the agreements for the acquisition of equity investments in thyssenkrupp Vierte Beteiligungsgesellschaft mbH and thyssenkrupp Dritte Beteiligungsgesellschaft mbH.

On 6 October 2025, an additional equity contribution in the amount of EUR 147,301 thousand was granted to Energetický a průmyslový holding, a.s.

On 6 October 2025, an additional equity contribution in the amount of EUR 179,200 thousand was returned by EP Energy Transition, a.s.

On 11 December 2025, the Company acquired an equity investment representing 3% plus one share in EP Global Commerce a.s. from Bermon94 a.s.

On 11 December 2025, an additional equity contribution in the amount of EUR 65,203 thousand was returned by Energetický a průmyslový holding, a.s.

On 12 December 2025, an additional equity contribution in the amount of EUR 28,453 thousand was granted to EC Investments a.s.

On 12 December 2025, an additional equity contribution in the amount of EUR 1,212 thousand was granted to EP HoldCo a.s.

On 12 December 2025, an additional equity contribution in the amount of EUR 22,065 thousand was granted to CZECH MEDIA INVEST a.s.

On 18 December 2025, the Company acquired an equity investment representing 43.10% of shares in EP Global Commerce a.s. from EP Investment S.à r.l.

On 19 December 2025, an additional equity contribution in the amount of EUR 1,167,358 thousand was granted to EP Global Commerce a.s.



4.2. Short-Term Receivables

a) Receivables – controlled or controlling entity

As of 31 December 2025, short-term receivables include the interest-free loan listed below.

31 December 2025
(EUR ‘000)

Counterparty	Principal	Outstanding interest
EP Heat & Power a.s.	28,840	–
Total	28,840	–

As of 31 December 2024, short-term receivables include the loan listed below which bears a fixed interest rate of 5.2% until 14 October 2024 and was interest-free thereafter, with a maturity date of 22 December 2025. This loan was fully settled in December 2025 by way of set-off against a contribution to other capital funds.

31 December 2024
(EUR ‘000)

Counterparty	Principal	Outstanding interest
EP Global Commerce a.s.	779,342	99,429
Total	779,342	99,429

b) State – Tax receivables

As of 31 December 2025, this item comprises a value-added tax receivable of EUR 191 thousand (2024: EUR 604 thousand) and a receivable arising from prepaid corporate income tax in the amount of EUR 6,895 thousand, which is reduced by a provision for corporate income tax in the amount of EUR 1,391 thousand.

4.3. Equity

Share capital

As of 31 December 2025 and 31 December 2024, EP Group, a.s. had 4,480,002 registered ordinary shares in certificated form with a nominal value of CZK 14,300, thus the Company’s share capital amounted to EUR 2,591,168 thousand.

There were no acquisitions of treasury shares or treasury holdings in the reporting period.

Other capital funds

As of 31 December 2025, other capital funds amount to EUR 1,493,701 thousand.

In 2025, additional equity contributions from the Company’s shareholders amounted to a total of EUR 739,451 thousand.

Gains or losses from the revaluation of assets and liabilities

The change in the line Gains or losses from the revaluation of assets and liabilities is due to the exchange difference on revaluation of equity investments denominated in foreign currencies.

Accumulated profits or losses brought forward

On 16 June 2025, the General Meeting of the Company resolved to transfer the profit for 2024 to accumulated profits brought forward.

In September 2025, the General Meeting of the Company resolved to declare dividends in the total amount of EUR 128,556 thousand, which were offset against loans received.

As of the date of approval of the financial statements, there is not yet a proposal for the distribution of the profit for 2025.

4.4. Short-Term Payables

a) Trade Payables

None of the trade payables has a maturity of more than 5 years at the balance sheet date.

b) Sundry Payables

As of 31 December 2025, the Company did not record any significant sundry payables.

As of 31 December 2024, sundry payables consisted of a short-term loan, which was fully repaid during 2025.



4.5. Income Tax Provision

In 2025, the Company recognised an income tax provision in the amount of EUR 1,391 thousand (2024: EUR 7,295 thousand), which was reduced by income tax prepayments made in the amount of EUR 6,895 thousand (2024: EUR 4,484 thousand). The resulting position represents an income tax receivable of EUR 5,504 thousand in 2025, presented under “State – tax receivables”. In 2024, the net position represented an income tax reserve of EUR 2,811 thousand.

Top-up Tax

The Company is part of a multinational group of companies (the “Group”) that has been subject, since 2024, to the new rules on minimum taxation of multinational groups at a rate of 15%, introduced under the Pillar Two rules within the BEPS 2.0 initiative.

The Pillar Two rules provide that if, in certain jurisdictions in which the Group operates, the effective tax rate (calculated as the ratio of adjusted accounting profit to adjusted corporate income tax in the relevant jurisdiction) falls below 15%, the Group will be required to pay a top-up tax in order to reach the minimum rate of 15%.

The potential exposure to the top-up tax was calculated on the basis of preliminary accounting results for 2025, adjusted for material adjustments under the Pillar Two rules (where relevant). Based on this preliminary calculation, the Company is not expected to be subject to an obligation to pay a top-up tax.

The above analysis represents an estimate, as the indicative calculation is based on complex legislation that has been adopted only recently (and is still subject to changes in various jurisdictions). In addition, not all data required for a full calculation under the Pillar Two rules are currently available.

4.6. Deferred Income Tax

No deferred tax asset or deferred tax liability was recognised.

4.7. Income and Expenses

Services represent mainly accounting, auditing, legal, notarial and consultancy costs.

Income from equity investments – controlled or controlling entity includes income from dividends declared by Energetický a průmyslový holding, a.s. in the amount of EUR 465,214 thousand (2024: EUR 880,148 thousand) and EC Investments a.s. of EUR 0 thousand (2024: EUR 18,480 thousand) and income from the sale of the equity investments of EUR 222,174 thousand (2024: EUR 70 thousand).

Other income from equity investments represents financial settlement arising from the withdrawal from the agreements for the acquisition of equity investments in thyssenkrupp Vierte Beteiligungsgesellschaft mbH and thyssenkrupp Dritte Beteiligungsgesellschaft mbH.

Other operating income and expenses mainly include income and expenses from assigned receivables in the total amount of EUR 881,278 thousand.

Interest income and similar income, and interest expense and similar expenses, primarily represent interest on loans granted and received, respectively.

Other financial expenses or other financial income represent mainly foreign exchange losses or gains.

4.8. Related Party Information (Excluding Balances Stated Above)

Pursuant to Regulation No. 500/2002 Coll., Section 39b (8), the Company does not disclose transactions entered into between the entities of the consolidation unit if these consolidated entities are wholly owned by the Company.

In addition to the income detailed in the sections above, the Company recognised the following income and expenses in relation to related parties that are not wholly owned by the Company:

(EUR ‘000)

	Income 2025	Expenses 2025	Income 2024	Expenses 2024
Interest income/expenses	274	–	32,073	–
Other operating income /expenses	91	147	290	60
Other financial income/expenses	–	–	–	–
Total	365	147	32,363	60

4.9. Employees, Management and Statutory Bodies

As of 31 December 2025, the Company had a total of 12 employees (2024: 11 employees).

Members of the Company’s Board of Directors, members of the Company’s Supervisory Board and persons with management authority did not receive any benefits (prepayments, deposits, borrowings and loans, etc.) for the performance of their duties in 2025 and 2024.

4.10. Information on Remuneration for Statutory Auditors

This information is set out in the notes to the consolidated financial statements for the year ended 31 December 2025.

4.11. Off-Balance Sheet Operations

EP Group, a.s., as the parent company, provided guarantees for its subsidiary EP Energy Transition, a.s., in connection with the obligations of EP Energy Transition, a.s. towards its subsidiaries and fully controlled companies, up to a total amount of EUR 802,843 thousand. These guarantees relate to intragroup obligations.

EP Group, a.s. has signed a Shareholder Support Letter for the EP Global Commerce Group in relation to its third-party financing.

5. Post Balance Sheet Events

In March 2026, EP Group, a.s. provided an equity contribution to EP Distribution Services a.s. in the amount of EUR 281,120 thousand.

In March 2026, EP Group, a.s. received loans from EP Energy Transition, a.s. in the total amount of EUR 728,000 thousand.

On 12 May 2026, EP Group, a.s., through its newly established subsidiary EP FR HoldCo a.s., opened a voluntary public tender offer in cash for the shares and convertible bonds (OCEANes) of Fnac Darty S.A. Completion is expected in the second half of 2026.

There were no other events subsequent to the balance sheet date that would materially affect the financial statements as of 31 December 2025.

EP Group, a.s.
Pařížská 26
110 00 Prague 1
Czech Republic



More about us
epgroup.eu