

Energetika Slovensko, a.s.

Independent Auditor's report
on the Financial Statements and Annual report
and
Annual report
2025

Translation note:

This version of the accompanying financial statements is a translation from the original, which was prepared in Slovak. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of the financial statements takes precedence over this translation.

Contents

1. Independent Auditor's report

Attachment:

The Financial Statements for the year ended 31 December 2025 in accordance with the International Financial Reporting Standards as adopted by the European Union

2. Annual report



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Translation of the Independent Auditor's Report originally prepared in Slovak language

Independent Auditor's Report

To the Shareholder, Supervisory Board and Board of Directors of Energetika Slovensko, a. s.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Energetika Slovensko, a. s. ("the Company"), which comprise:

- the statement of financial position as at 31 December 2025;

and, for the year from 1 January 2025 to 31 December 2025:

- the statement of profit or loss and other comprehensive income;
- the statement of changes in equity;
- the statement of cash flows;

and

- notes, comprising significant accounting policies and other explanatory information

("the financial statements").

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

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards 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 International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) as adopted by the Slovak Chamber of Auditors (Code of Ethics for Auditors) together with the ethical requirements of the Act No. 423/2015 Coll. on Statutory Audit and on the amendments and supplements to the Act No. 431/2002 Coll. on Accounting, as amended (Act on Statutory Audit), that are relevant to our audits of the financial statements in the Slovak Republic. We have fulfilled our other ethical responsibilities in accordance with the Code of Ethics for Auditors and the ethical requirements of the Act on Statutory Audit.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Statutory Body and Those Charged with Governance for the Financial Statements

The statutory body is responsible for the preparation of the financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union, and for such internal control as the statutory body 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 statutory body 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 statutory body either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are 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 ISAs, 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 statutory body.



- Conclude on the appropriateness of the statutory body's 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 those charged with governance 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.

Report on Other Legal and Regulatory Requirements

Reporting on other information in the Annual Report

The statutory body is responsible for the other information. The other information comprises the information included in the Annual Report prepared in accordance with the Act No. 431/2002 Coll. on Accounting as amended ("the Act on Accounting") but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information in the Annual Report and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information in the Annual Report and, in doing so, consider whether the other information is materially inconsistent with the audited financial statements or our knowledge obtained in the audit of the financial statements, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

With respect to the Annual Report, we are required by the Act on Accounting to express an opinion on whether the other information given in the Annual Report is consistent with the financial statements prepared for the same financial year, and whether it contains information required by the Act on Accounting.

Based on the work undertaken in the course of the audit of the financial statements, in our opinion, in all material respects:

- the other information given in the Annual Report for the year from 1 January 2025 to 31 December 2025 is consistent with the financial statements prepared for the same financial year; and
- the Annual Report contains information required by the Act on Accounting.



In addition to this, in light of the knowledge of the Company and its environment obtained in the course of the audit of the financial statements, we are required by the Act on Accounting to report if we have identified material misstatements in the other information in the Annual Report. We have nothing to report in this respect.

Audit firm:

KPMG Slovensko spol. s r.o.
License SKAU No. 96



Responsible auditor:

Ing. Peter Žoldák
License UDVA No. 1061

Bratislava, 16 April 2026

Energetika Slovensko, a.s.

**Financial Statements
for the year ended 31 December 2025**

**prepared in accordance with
International Financial Reporting Standards
as adopted by the European Union**

Energetika Slovensko, a.s.

Financial statements for the year ended 31 December 2025, prepared in accordance with International Financial Reporting Standards as adopted by European Union were approved and authorized for issue on the 16th April 2026 by the Board of Directors.



.....
Ing. Mgr. Jura Bayer, PhD.
Chairman of the Board of Directors and
Executive Director



.....
Ing. Ludovít Šipoš
Member of the Board of Directors and CFO

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in EUR thousand	Note	As at 31 December	
		2025	2024
ASSETS			
Non-current assets			
Intangible assets	7	91,293	89,211
Property, plant and equipment	5	1,304	2,448
Right-of-use assets	6	15,137	1,147
Investments in subsidiaries	8	315	-
Financial investments at fair value through other comprehensive income	9	177	177
Trade and other receivables	3.1	2,302	2,248
Other non-financial assets		2,464	-
		112,992	95,231
Current assets			
Inventories	11	7,466	12,490
Receivables from hedging financial instruments	3.5, 3.7, 9	30,845	-
Financial assets at fair value through profit or loss	3.5, 3.7, 9	-	12
Trade and other receivables	3.1	220,157	54,549
Receivable from cash-pooling	2.12	181,271	83,487
Cash and cash equivalents	12	16,693	3,943
Other non-financial assets	10	11,100	4,020
		467,532	158,501
Total assets		580,524	253,732
EQUITY			
Share capital	13	58,751	58,751
Legal reserve fund	13	11,808	11,808
Fair value reserve	13	(145)	(145)
Retained earnings	13	138,714	42,831
Total equity		209,128	113,245
LIABILITIES			
Non-current liabilities			
Lease liabilities	6	13,837	790
Deferred income tax liabilities	17	9,616	11,059
Provisions		720	366
Employee benefit obligations	19	1,623	518
		25,796	12,733
Current liabilities			
Trade and other payables	14	193,784	78,147
Contract liabilities	15	113,624	39,590
Lease liabilities	6	1,927	373
Derivative financial instruments	3.5, 3.7, 9	24,723	20
Financial liabilities at fair value through profit or loss	3.5, 3.7, 9	-	38
Employee benefit obligations	19	-	55
Bank overdraft		15	6
Income tax payable		8,515	314
Provisions	18	160	514
Other non-financial liabilities	16	2,852	8,697
		345,600	127,754
Total liabilities		371,396	140,487
Total equity and liabilities		580,524	253,732

in EUR thousand	Note	2025	2024
Revenue from contracts with customers	21	1,481,428	703,297
Purchases of electricity, gas and distribution costs	23	(1,403,616)	(742,641)
Material consumption	23	(2,890)	(3,285)
Employee benefit expense	23	(19,020)	(11,703)
Services	23	(25,403)	(19,086)
Depreciation and amortization expense	5, 6, 7, 23	(7,937)	(6,654)
Net impairment losses on financial assets	3.1	836	41
Net gain (loss) on sale of property, plant and equipment		(35)	(2)
Government compensation	22	43,830	101,912
Other operating expenses	23	(6,489)	(1,442)
Other operating income	23	14,038	2,077
Profit (loss) from operations		74,742	22,514
Finance income (expense)			
Interest income	24	2,094	181
Interest expense	24	(321)	(117)
Other finance income	24	(7)	(86)
Finance income - net		1,766	(22)
Profit (loss) before income tax		76,508	22,492
Income tax expense	25	(20,436)	(6,971)
Profit (loss) for the year		56,072	15,521
Other comprehensive income – items that will not be to profit or loss			
Zmeny v reálnej hodnote zabezpečovacích finančných nástrojov		(832)	-
Odložená daň z precenenia zo zabezpečovacích nástrojov		199	-
Actuarial re-measurements of post-employment benefit obligations	19	(67)	177
Deferred tax to actuarial re-measurements of post-employment benefit obligations		16	(14)
Other comprehensive income for the period, net of tax		(684)	163
Total comprehensive income (expense) for the year		55,388	15,684

in EUR thousand	Share capital	Legal reserve fund	Retained earnings	Fair value reserve	Total equity
Balance as at 1 January 2024	58,751	11,808	31,176	(145)	101,590
Dividends paid	-	-	(4,029)	-	(4,029)
Total transactions with owners, recognized directly in equity	-	-	(4,029)	-	(4,029)
Profit for the year	-	-	15,521	-	15,521
Other comprehensive income for the year	-	-	163	-	163
Total comprehensive income for the year	-	-	15,684	-	15,684
Balance at 31 December 2024	58,751	11,808	42,831	(145)	113,245
Balance as at 1 January 2025	58,751	11,808	42,831	(145)	113,245
Dividends paid	-	-	(15,491)	-	(15,491)
Total transactions with owners, recognized directly in equity	-	-	(15,491)	-	(15,491)
Profit for the year	-	-	56,072	-	56,072
Other comprehensive income for the year	-	-	(684)	-	(684)
Total comprehensive income for the year	-	-	55,388	-	55,388
Merge (Note 2.28)	-	-	55,986	-	55,986
Balance at 31 December 2025	58,751	11,808	138,714	(145)	209,128

in EUR thousand	Note	Year ended 31 December	
		2025	2024
Cash flows from operating activities			
Cash generated from operations	26	96,936	15,311
Interest received	23	2,094	181
Cash from the merger		13,471	-
Interest paid from lease liability	6	-	(28)
Interest paid except for interest paid from lease liability	23	(321)	(89)
Payments for short-term and low-value leases		(193)	(447)
Income tax (-) paid / (+) received		(2,490)	(3,632)
Net cash from operating activities		109,497	11,296
Cash flows from investing activities			
Cash from cash pooling	2.12	8,312	(8,891)
Acquisition of subsidiary and other investments	1	(315)	(150)
Sale of subsidiary		37	2,187
Purchase of property plant and equipment ("PPE") and intangible assets	5, 7	(1,519)	(2,001)
Net cash used in investing activities		6,515	(8,855)
Cash flows from financing activities			
Drawings of borrowings		1	-
Principal elements of lease payments	6	(1,482)	(396)
Payment of dividend liability assumed after merger with ZSE Energia, a.s		(86,290)	-
Dividends paid		(15,491)	(4,029)
Net cash used in financing activities		(103,262)	(4,425)
Net increase/ (decrease) in cash, cash equivalents and bank overdrafts		12,750	(1,984)
Cash, cash equivalents at beginning of year	12	3,943	5,927
Cash, cash equivalents at end of year	12	16,693	3,943

1. General information

Energetika Slovensko, a.s. (hereinafter 'the Company', until June 30, 2025 Východoslovenská energetika, a.s.) is 100 % subsidiary of Západoslovenská energetika, a.s. (hereinafter „ZSE”).

The Company was established on 24 September 2008 and incorporated in the Commercial Register on 28 November 2008 (Commercial Register of the City Court Bratislava III, Section Sa, file No. 7830/B).

Principal activity

The main business activity of the Company is supply of electricity and gas to business and household customers.

The Company also provides non-commodity products and services offerings to its customers as follows:

- services related to energy management and health and safety,
- solutions to business customers cover tailored solutions and solutions for plant heating, cooling, lighting, thermal insulation of buildings and an e-mobility package.
- rental of cost and energy saving LED bulbs, shower heads
- rental of smart electric water heaters,
- customer loyalty programs with year-round discounts in shops and additional services related to home care.

The Company's activities are managed by the Company's Board of Directors, which makes decisions on all matters concerning the Company, unless they are by the shareholders' agreement and the articles of association reserved to the competence of the general meeting or the supervisory board.

Address of the Company's registered office and place of business.

The company's registered office is Čulenova 6, 811 09 Bratislava, Slovak Republic. The Company Identification Number (IČO) is: 44 483 767 and the Tax Identification Number (IČ DPH) is: SK2022730457.

Ownership structure

By the decision of the General Assembly of the Company from 1 April 2014, the legal form of the Company was changed from private limited liability to joint stock company. The registration of the company into the commercial register of the District Court Košice I, was performed on 1 July 2014 in the section Sa, file No. 1628/V.

On April 8, 2022, the shareholders of ZSE, the company E.ON SE (hereinafter „E.ON”) and the Slovak Republic, represented by the Ministry of Economy of the Slovak Republic (hereinafter „State”), the Agreement on the Future consolidation, on the basis of which the contracting parties intend to consolidate the companies ZSE and Východoslovenská energetika Holding a.s. (hereinafter „VSE H”, from 1 January 2026 as E.SK Centrum služieb, s.r.o), in which they are direct or indirect sole shareholders (hereinafter referred to as the „Agreement”, as amended by Addendum No. 1 dated May 4, 2023).

On November 23, 2023 the transfer and deposit of VSE H shares into the share capital of ZSE became effective, and thus ZSE became the sole shareholder of VSE H.

General Assembly of the Company dated September 19, 2023 approved the transfer and deposit of shares of the company Východoslovenská energetika a.s. to the company Západoslovenská energetika, a.s. (ZSE). This transfer and deposit of shares took effect on November 24, 2023, and from that date the sole shareholder of the Company is ZSE.

ZSE, as the sole shareholder, approved the dissolution of ZSE Energia, a.s. without liquidation in the form of a merger with Východoslovenská energetika, a.s. with effect from 1 July 2025 and the change of the company's name to Energetika Slovensko a.s. The company became the legal successor of ZSE Energia, a.s. and all rights and obligations of ZSE Energia, a.s. were transferred to it.

The Company's shareholder structure as at 31 December 2025 was as follows:

	Interest in share capital	
	in EUR thousand	%
Západoslovenská energetika, a.s.	58,751	100
Total	58,751	100

The Company's shareholder structure as at 31 December 2024 was as follows:

	Interest in share capital	
	in EUR thousand	%
Západoslovenská energetika, a.s.	58,751	100
Total	58,751	100

The list of members of the Company's Board of Directors and members of its Supervisory Board is publicly available from the Commercial Register, which is operated by the Ministry of Justice of the Slovak Republic at www.orsr.sk.

The Company employed 384 staff on average during 2025 (2024: 251).

As at 31 December 2025, the company employed 542 employees (as at 31 December 2024: 236 employees)

The Company does not have any unlimited liability in other accounting entities.

The financial statements for the period ended 31 December 2024 have been approved by the General Meeting held on 26 June 2025.

The company is a parent accounting entity, because it holds more than 50% of the voting rights in other accounting entities. The company is exempt from the obligation to prepare consolidated financial statements and a consolidated annual report according to sec. 22, § 8 of the Act on Accounting of the Slovak Republic. Its parent accounting entity, Západoslovenská energetika, a.s., Čulenova 6, 816 47 Bratislava, owns 100% of the shares in the company and prepares its consolidated financial statements in accordance with IFRS as adopted by the European Union. This consolidated financial statement includes the company and all of its subsidiaries. The consolidated financial statement is available directly at the company's headquarters.

2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless stated otherwise.

2.1. Basis for preparation

The Act on Accounting of the Slovak Republic no. 431/2002 as amended requires certain companies to prepare financial statements for the year ended 31 December 2025 in accordance with International Financial Reporting Standards (hereinafter "IFRS") as adopted by the European Union (hereinafter "EU").

The financial statements for the year ended 31 December 2025 have been prepared as ordinary financial statements under § 17 Sec. 6 Act of NR SR No. 431/2002 Coll. as amended ("Accounting Act") for the accounting period from 1 January 2025 to 31 December 2025.

These financial statements have been prepared in accordance with IFRS. The Company applies all IFRS and interpretations issued by International Accounting Standards Board (hereinafter "IASB"), as adopted by the European Union, which were in force as of 31 December 2025. Consolidated financial statements of the group ZSE are available at seat of the Company, stated in Note 1.

For purposes of preparation of these financial statements according to IFRS, the management of the Company defines the critical assumptions and estimates which have an influence on recognized amounts of assets and liabilities in the SOFP and on expenses and income recognized in the profit or loss. At the application of accounting policies of the Company, the management makes certain critical judgments. The areas, which require a more complex decision-making process and areas, where the critical assumptions and estimates are material to these financial statements, are presented in Note 4.

The financial statements have been prepared under the historical cost convention except for:

- financial assets at fair value through profit or loss designated as such upon initial recognition,
- financial assets at fair value through other comprehensive income,
- derivative financial instruments, and
- financial liabilities at fair value through profit or loss designated as such upon initial recognition.

The financial statements have been prepared on accrual basis and under the going concern assumption. The transactions are recognized in the financial statements in the period to which they relate.

The Board of Directors may propose to the Company's shareholder to amend the financial statements after their approval by the General Shareholder Meeting. However, § 16, points 9 to 11 of the Accounting Act prohibit reopening an entity's accounting records after the financial statements were prepared and approved. If, after the financial statements were approved, management identifies that comparative information would not be consistent with the current period information, the Accounting Act allows entities to restate comparative information in the accounting period, in which the relevant facts are identified.

a) *New or amended Standards and Interpretations that are effective for annual periods beginning after 1 January 2026*

Amendments to IFRS 9 and IFRS 7: Amendments to Classification and Measurement of Financial Instruments (Effective for annual reporting periods beginning on or after 1 January 2026. Earlier application is permitted.)

Settlement of liabilities through electronic payment systems

There has been diversity in practice over the timing of the recognition and derecognition of financial assets and financial liabilities, particularly when they are settled using electronic payment system. The amendments to IFRS 9 clarify when a financial asset or a financial liability is recognised and derecognised.

Under the amendments, a company generally derecognises its trade payable on the settlement date. Normally this is the date, on which payment is completed.

The amendments also provide an optional exception, which allows the company to derecognise its trade payable earlier than the settlement date, potentially on the date when payment is initiated and cannot be canceled. The exception is available when the company uses an electronic payment system that meets all of the following criteria:

- no practical ability to withdraw, stop or cancel the payment instruction;
- no practical ability to access the cash to be used for settlement as a result of the payment instruction; and
- the settlement risk associated with the electronic payment system is insignificant.

Companies can choose to apply the exception for electronic payments on a system-by-system basis.

Classification of financial assets with ESG-linked features

Under IFRS 9, it was unclear whether the contractual cash flows of some financial assets with ESG-linked features represented SPPI, which is a condition for measurement at amortised cost. This could have resulted in financial assets with ESG-linked features being measured at fair value through profit or loss.

The amendments introduce an additional SPPI test for financial assets with contingent features that are not related directly to a change in basic lending risks or costs – e.g. where the cash flows change depending on whether the borrower meets an ESG target specified in the loan contract.

Under the amendments, certain financial assets including those with ESG-linked features could now meet the SPPI criterion, provided that their cash flows are not significantly different from an identical financial asset without such a feature.

The amendments also include additional disclosures for all financial assets and financial liabilities that have certain contingent features that are:

- not related directly to a change in basic lending risks or costs; and
- are not measured at fair value through profit or loss.

Contractually linked instruments (CLIs) and non-recourse features

The amendments clarify the key characteristics of CLIs and how they differ from financial assets with non-recourse features. The amendments also include factors that a company needs to consider when assessing the cash flows underlying a financial asset with non-recourse features (the 'look through' test).

Disclosures on investments in equity instruments

The amendments require additional disclosures for investments in equity instruments that are measured at fair value with gains or losses presented in other comprehensive income (FVOCI).

The Company plans to apply the amendments from 1 January 2026. The Company is currently assessing the impact of the amendments on its financial statements.

Amendments to IFRS 9 and IFRS 7: Contracts Referencing Nature-dependent Electricity (Effective for annual reporting periods beginning on or after 1 January 2026 and shall be applied retrospectively. Earlier application is permitted.)

The amendments enable nature-dependent electricity contracts, which are sometimes referred to as renewable power purchase agreements (PPAs), to be better reflected in the financial statements.

The amendments:

- Clarify the application of the own use exemption to these contracts.
- Amend the hedge accounting requirements to allow contracts for electricity from nature-dependent renewable energy sources to be used as a hedging instrument if certain conditions are met.
- Introduce additional disclosure requirements to enable investors to understand the impact of these contracts on a company's financial performance and future cash flow.

The Company plans to apply the amendments from 1 January 2026 and is currently assessing the impact of the amendments on its financial statements.

Annual Improvements to IFRS Accounting Standards — Volume 11 (Effective for annual reporting periods beginning on or after 1 January 2026. Earlier application is permitted. The amendment on derecognition of lease liabilities applies only to lease liabilities extinguished on or after the beginning of the annual reporting period in which the amendment is first applied)

In this volume of improvements, the IASB makes minor amendments to IFRS 9 Financial Instruments and to a further four accounting standards¹. The amendments to IFRS 9 address:

- a conflict between IFRS 9 and IFRS 15 Revenue from Contracts with Customers over the initial measurement of trade receivables; and
- how a lessee accounts for the derecognition of a lease liability under paragraph 23 of IFRS 9.

The amendments to IFRS 9 require companies to initially measure a trade receivable without a significant financing component at the amount determined by applying IFRS 15. They also clarify that when lease liabilities are derecognised under IFRS 9, the difference between the carrying amount and the consideration paid is recognised in profit or loss.

¹IFRS 1 First-time Adoption of International Financial Reporting Standards; IFRS 7 Financial Instruments: Disclosures; IFRS 10 Consolidated Financial Statements and IAS 7 Statement of Cash Flows.

The Company plans to apply the amendments from 1 January 2026. The Company is currently assessing the impact of the amendments on its financial statements.

b) New or amended Standards and Interpretations that are effective for annual periods beginning after 1 January 2026, not yet endorsed by the EU as at 9 January 2026

IFRS 18 Presentation and Disclosures in Financial Statements (Effective for annual reporting periods beginning on or after 1 January 2027.) IFRS 18 replaces IAS 1 Presentation of Financial Statements. The major changes in the requirements are summarised below.

A more structured statement of profit or loss

IFRS 18 introduces newly defined 'operating profit' and 'profit or loss before financing and income tax' subtotals and a requirement for all income and expenses to be allocated between three new distinct categories based on a company's main business activities: operating, investing and financing.

Under IFRS 18, companies are no longer permitted to disclose operating expenses only in the notes. A company presents operating expenses in a way that provides the 'most useful structured summary' of its expenses by either:

- nature,
- function or
- using a mixed presentation.

If any operating expenses are presented by function, then new disclosures apply.

MPMs – Disclosed and subject to audit

IFRS 18 also requires some 'non-GAAP' measures to be reported in the financial statements. It introduces a narrow definition for Management Performance Measures ("MPMs"), requiring them to be:

- a subtotal of income and expenses,
- used in public communications outside the financial statements and
- reflective of management's view of financial performance.

For each MPM presented, companies need to explain in a single note to the financial statements why the measure provides useful information, how it is calculated and reconcile it to an amount determined under IFRS Accounting Standards.

Greater disaggregation of information

The new standard includes enhanced guidance on how companies group information in the financial statements. This includes guidance on whether information is included in the primary financial statements or is further disaggregated in the notes.

Companies are discouraged from labelling items as 'other' and are required to disclose more information if they continue to do so.

Other changes applicable to the primary financial statements

IFRS 18 sets operating profit as a starting point for the indirect method of presenting cash flows from operating activities and eliminates the option for classifying interest and dividend cash flows as operating activities in the cash flow statement (this differs for companies with specified main business activities). It also requires goodwill to be presented as a new line item on the face of the balance sheet.

Transition

In its annual financial statements prepared for the period in which the new standard is first applied, an entity shall disclose, for the comparative period immediately preceding that period, a reconciliation for each line item in the statement of profit or loss between:

- the restated amounts presented applying IFRS 18 and
- the amounts previously presented applying IAS 1.

The Company is currently assessing the impact of the standard on its financial statements.

IFRS 19 Subsidiaries without Public Accountability: Disclosures (Effective for annual reporting periods beginning on or after 1 January 2027. Earlier application is permitted.) This new standard works alongside other IFRS Accounting Standards. An eligible subsidiary applies the requirements in other IFRS Accounting Standards except for the disclosure requirements and instead applies the reduced disclosure requirements in IFRS 19. IFRS 19's reduced disclosure requirements balance the information needs of the users of eligible subsidiaries' financial statements with cost savings for preparers. IFRS 19 is a voluntary standard for eligible subsidiaries.

A subsidiary is eligible if:

- it does not have public accountability; and
- it has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards.

A subsidiary applying IFRS 19 is required to clearly state in its explicit and unreserved statement of compliance with IFRS Accounting Standards that IFRS 19 has been adopted.

The Company has assessed the impact of the standard on its individual financial statements as significant and is working to implement it in its individual financial statements for the year ending December 31, 2026.

Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Translation to a Hyperinflationary Presentation Currency (Effective for annual reporting periods beginning on or after 1 January 2027. Earlier application is permitted.)

The amendments clarify that:

- a company with a non-hyperinflationary functional currency uses the closing rate at the latest reporting date when translating all the financial statement amounts (including comparatives) into its hyperinflationary presentation currency; and
- a company uses the closing rate at the latest reporting date when translating all amounts (excluding comparatives) of a foreign operation with a non-hyperinflationary functional currency into the company's hyperinflationary presentation currency and applies the change in the general price index to restate the comparatives.

The Company is currently assessing the impact of the standard on its financial statements.

Amendments to IFRS 10 and IAS 28: Sale or contribution of assets between an investor and its associate or joint venture (Effective date deferred indefinitely. Available for optional adoption in full IFRS financial statements. The European Commission decided to defer the endorsement indefinitely, it is unlikely that it will be endorsed by the EU in the foreseeable future).

The Amendments clarify that in a transaction involving an associate or joint venture, the extent of gain or loss recognition depends on whether the assets sold or contributed constitute a business, such that:

- a full gain or loss is recognised when a transaction between an investor and its associate or joint venture involves the transfer of an asset or assets which constitute a business (whether it is housed in a subsidiary or not), while
- a partial gain or loss is recognised when a transaction between an investor and its associate or joint venture involves assets that do not constitute a business, even if these assets are housed in a subsidiary.

The Company is currently assessing the impact of the amendments on its financial statements.

2.2. Subsidiaries

The Company applies acquisition method of accounting as set out in IFRS 3 as accounting policy for business combinations under common control (relevant for contribution in kind described in Note 1).

The Company applies the method of predecessor values in case of business combinations of companies under common control, with no economic essence, purpose of which is an internal reorganization of the Group.

Subsidiaries are all entities (including structured entities) over which the Company has control. The Company controls an entity when (i) has the power to govern those of their relevant activities that significantly affect their revenues, (ii) has the right, or rights, to participate in the variable returns from its involvement in those entities, and (iii) has the ability to exercise its power above those entities in order to affect the amount of the investor's income.

In assessing whether the Company controls another entity, the existence and effect of substantive voting rights, including substantive potential voting rights, are considered. For a right to be substantive, the holder must have a practical ability to exercise that right when decisions about the direction of the relevant activities of the investee need to be made. The Company may have power over an investee even when it holds less than the majority of the voting power in an investee. In such a case, the Group assesses the size of its voting rights relative to the size and dispersion of holdings of the other vote holders to determine if it has de-facto power over the investee. Protection rights of other investors, e.g. those that relate to significant changes in the entity's operations or that apply only in exceptional circumstances do not prevent the Company from exercising a controlling influence in that entity.

Investments in subsidiaries are carried at cost in these separate financial statements according to IAS 27. Impairment losses are recognized using respective allowance accounts.

2.3. Financial investments with changes in fair value recognized through other comprehensive income (FVOCI)

Investment in shares and interests are classified as financial assets at fair value through other comprehensive income and comprise of equity securities that are not held for trading, and the Group has decided to irrevocably classify them in this category.

Investments in shares and interests are recognized at fair value. Dividends from the investments in shares and interests are recognized in profit or loss for the year as other financial income, when the Company has the right to receive payment, and it is likely that dividends will be received.

2.4. Foreign currency translation

Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). Company's functional and presentation currency is Euro ("EUR") and these financial statements are presented in thousands of EUR.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the profit or loss.

2.5. Property, plant and equipment

Property, plant and equipment is stated at historical cost less accumulated depreciation less accumulated impairment loss.

Historical cost includes expenditure that is directly attributable to the acquisition. Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial time to get ready for the intended use or sale (qualifying assets) are capitalised as part of the costs of those assets if capitalization commenced on 1 January 2009 or after. The commencement date for capitalisation is when (a) the Company incurs expenditures for the qualifying assets, (b) it incurs borrowing costs, and (c) it undertakes activities that are necessary to prepare the asset for its intended use or sale. Capitalisation of borrowing costs continues up to the date when the assets are substantially ready for their use or sale.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be reliably measured. Repairs and maintenance costs are charged to the profit or loss during the financial period in which they are incurred.

The depreciation of property, plant and equipment begins in the month when the property, plant and equipment is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Property, plant and equipment is depreciated in line with the approved depreciation plan. It is depreciated using the straight-line method. Monthly depreciation charge is stated as the difference between acquisition costs and residual value, divided by estimated useful life of the property, plant and equipment. The residual value of an asset is the estimated amount that an entity would currently obtain from disposal of the asset, after deducting the estimated costs of disposal if the asset were already of the age and in the condition expected at the end of its useful life. The residual values in the moment of disposal and estimated useful life of non-current asset are subject to reassessment at each end of the reporting period and adjusted, if necessary.

The estimated useful lives of individual groups of assets are as follows:

Machinery and equipment

Devices leased to households	2-10 years
Other non-current tangible assets at cost not exceeding EUR 1,700	1 year

Most significant items of property, plant and equipment are household devices that are rented to household customers. See Note 2.21 for accounting policies related to revenue derived from such customer arrangements.

Each component of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item, is depreciated separately. The Company proportionally allocates the amount initially recognized in respect of an item of property, plant and equipment to its significant components and depreciates separately each such component.

Land and assets under construction are not depreciated.

Gains and losses from disposal of property, plant and equipment are determined as the difference between revenue from disposal and the asset's carrying amount and are recognized in profit or loss in case of sold property, plant and equipment. In case of disposals of assets without their sale, net book value of disposed items is recognized in profit or loss within Depreciation and amortisation expense.

2.6. Intangible assets

Goodwill

Goodwill was recognised in the financial statements of the Company as a result of merger of sister company iSK on 1 July 2022.

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of the CGU containing the goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs of disposal. Any impairment is recognised immediately as an expense and is not subsequently reversed.

Customer portfolio

Intangible assets are valued at cost less accumulated amortization and accumulated impairment losses.

The Company has recognized intangible assets related to three customer portfolios:

1. Customer portfolio recognized at fair value at the date of contribution-in-kind of the sales division of E.SK Centrum služieb, s.r.o. (until 31 December 2025 Východoslovenská energetika Holding,a.s. VSE H or E.SK CS) to the Company on 1 July 2014. It is amortised on a straight-line basis based on the timing of projected cash flows of the transferred contracts considering expected churn rates. Initially recognized fair value of the customer portfolio was EUR 67,050 thousand. Subsequently it is amortized on a straight-line basis over the estimated expected average customer contract duration period. The carrying amount of the portfolio as of 31 December 2025 is EUR 36,207 thousand (31 December 2024: EUR 38,889 thousand). The portfolio consists of electricity customers.
2. The ČEZ households' acquisition customer portfolio was recognized at cost at the date of acquisition of ČEZ customer portfolio which is 1 December 2017. It is subsequently amortised over the estimated expected average customer contract duration period. The carrying amount of the portfolio as of 31 December 2025 is EUR 5,412 thousand (31 December 2024: EUR 5,732 thousand). The portfolio consists of household electricity and gas customers.
3. Customer portfolio recognized at predecessor value at the date of merger of iSK to the Company on 1 July 2022. The portfolio was previously recognized in consolidated financial statements of VSE H, measured at acquisition-date fair value and amortised using straight line method over estimated useful file. Initially recognized fair value as of 1 September 2015 was EUR 40,731 thousand. The company recognized the portfolio at EUR 29,598 thousand on 1 July 2022 and continues to amortize it using straight line method over estimated useful file. The carrying amount of the portfolio as of 31 December 2025 was EUR 23,896 thousand (31 December 2024: EUR 25,525 thousand).. The portfolio consists of gas customers.

Computer software and other intangible assets

The Company does not have intangible assets with indefinite useful lives and internally generated intangible assets.

Computer software and other intangible assets are stated at historical cost less accumulated amortization and less accumulated impairment loss. Historical cost includes expenditure that is directly attributable to the acquisition of the items including costs needed to bring the intangible assets to a condition so that the intangible assets can be used as intended by management.

The amortization of an intangible asset begins in the month when the intangible asset is available for use, i.e. when it is in the condition necessary for it to be capable of operating in the manner intended by management. Intangible assets are amortized in line with the approved amortization plan. Intangible assets are amortized using the straight-line method. Monthly amortization charge is stated as the difference between acquisition costs and residual value, divided by the estimated useful life of the intangible assets. The residual value of intangible assets is assumed to be zero, unless (a) there is a commitment by a third party to purchase the asset at the end of its useful life, or (b) there is an active market for the asset and residual value can be determined by the reference to that market, and it is probable that such a market will exist at the end of the asset's useful life.

Costs associated with maintaining computer software programs are recognized as an expense as incurred. Subsequent expenditures, which enhance or extend the performance of computer software programs beyond their original specifications and meets criteria for recognizing it as an intangible asset according to IAS 38, is recognized as a capital improvement and added to the original cost of the software.

The estimated useful lives of individual groups of intangible assets are as follows:

Software and other intangible assets	2-9 years
Customers portfolio acquired	25 years

The accompanying Notes 1 to 30 are an integral part of these financial statements.

2.7. Impairment of non-financial assets

At each reporting date the Company reviews the carrying amounts of its non-financial assets (other than inventory and deferred tax assets) to determine whether there are any events or changes in circumstances that may indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are individually identifiable cash flows (cash-generating units or CGUs). The Company concluded that it is one cash-generating unit. Non-financial assets that were impaired are reviewed for possible reversal of the impairment at each end of the reporting period.

2.8. Financial assets

Classification

The Company classifies its financial assets in two measurement categories - i) financial assets subsequently measured at amortised cost and ii) financial assets measured at fair value through other comprehensive income.

The classification depends on the purpose for which these financial assets were acquired and on the intention of management of the Company on further use. Management determines the classification of its financial assets at initial recognition.

For accounting policies on derivative financial instruments and commodity contracts at fair value through profit or loss see Note 2.10.

Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date, the date on which the Company commits to purchase or sell the asset. A financial asset is derecognised if the contractual rights to cash inflows from the asset expire or if the financial asset is transferred. The latter is the case if all substantial risks and rewards of ownership of the asset are transferred or if control over the asset is lost.

Measurement

At initial recognition, the Company measures a financial asset (other than trade receivables without a significant financing component) at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset.

Financial assets are included in current assets, except for maturities greater than 12 months after the end of the reporting period that are classified as non-current assets.

Subsequent measurement of financial assets depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses.

Trade receivables are amounts due from customers for services performed or commodities delivered in the ordinary course of business. Trade receivables are recognised initially at their transaction price, unless they contain significant financing components, when they are recognised at fair value. The Company holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

The Company recognizes current receivables that are generally due for settlement within 30 days and non-current receivables arising from the retail instalment sale and finance lease activities.

Solutions to business cover tailored solutions and solutions for plants lighting, thermal insulation of buildings and an e-mobility package. These solutions may be offered with special payment terms over 36 months hence includes financing component and its long-term part is classified as non-current. Nominal value of receivable is discounted to present value and difference is recognised as interest income. The impact of discounting is immaterial.

Impairment

The Company applies for trade receivables the simplified approach defined by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables, see Note 3.1 for further details.

The Company implemented a model for estimation of expected credit loss for trade receivables. A history of unpaid receivables was gathered, and a provision matrix was created based on customer segmentation and expected credit loss by segments according to history of defaulting receivables over a period of 24 months. IFRS 9 also requires applying forward looking information to estimate expected credit losses. The provision matrix adjustment mechanism was implemented to satisfy this requirement.

Impairment of trade receivables is recognized on the account of allowance for receivables. Set-up and release of the allowance is recognized in the profit or loss within "Net impairment losses on financial assets". Trade receivables that cannot be collected are written off against the allowance accounts for trade receivables and are recognized in the profit or loss also within "Net impairment losses on financial assets".

Trade receivables that were written off and subsequently paid by the debtors are recognized in the profit or loss within "Net impairment losses on financial assets".

2.9. Leases

Lease arrangements where the Company is a lessee

Leases are presented as right-of-use assets and corresponding lease liabilities initially at the commencement date of the lease, which is the date when leased assets are available for use by the Company. Right-of-use assets are presented on a separate line in the SOFP.

The Company leases various administrative offices. Rental contracts are typically made for definite period of time. Contracts may contain both lease and non-lease components. The Company allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- lease payments to be made based on determined lease term (the Company has lease arrangements where more than insignificant economic penalty is present).

There are no significant variable lease payments, residual value guarantees provided by the Company, purchase options, or contractual penalties for terminating leases.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

In 2025, the Company used as a starting point the recent third-party financing obtained by ZSE, adjusted to reflect changes in the terms of the financing since the receipt of the third-party financing, to determine the incremental interest rate.

In 2025 and 2024, the Company used as a starting point the recent third-party financing obtained by ZSE, adjusted to reflect changes in the terms of the financing since the receipt of the third-party financing, to determine the incremental interest rate. The Company's incremental borrowing rate applied to the lease liabilities as of December 31, 2024 was 4.02%.

In 2025, the Company updated the rate quarterly with the following values:

Valid from	Valid to	Interest rate in %
1 January.2025	31 March 2025	3,773296
1 April 2025	30 June 2025	3,628168
1 July.2025	30 September 2025	3,220408
1 October 2025	31 December 2025	3,041712

In 2024, the Company used the recently provided third-party financing for VSE H (the previous parent company) to determine the incremental interest rate, with adjustments reflecting changes in the financing terms since the third-party financing was received. The incremental interest rate used in determining the value of the lease liabilities was 4.02% as of December 31, 2024.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Lease liabilities are subsequently measured at amortized cost using effective interest rate. Carrying amount of lease liability is subsequently remeasured in order to reflect any reassessment or modification of the lease or changes in in-substance fixed payments.

Right-of-use assets are measured at cost comprising the amount of the initial measurement of lease liability. There are no significant lease payments made at or before the commencement date, initial direct costs or restoration costs.

Right-of-use assets are depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. Carrying amount of right-of-use assets is also adjusted by accumulated impairment allowance and by any revaluation of lease liability resulting from modification of lease contracts.

In case of fixed-term leases with the possibility of exercising the option to extend / terminate the lease, the Company assesses the probability of exercising these options. The assessment shall consider all relevant facts, such as:

- the duration of the contractual relationship with the customer concerning the lease of the right-of-use assets,

- whether the lease is at or below market prices.

In case of leases for an indefinite period, the lease term is derived from the expected useful life of the leased asset, and the Company has considered all relevant facts when estimating the expected useful life of the leased asset.

The Company assessed the following lease terms for contracts with indefinite rental periods:

ROU Asset	Lease term (in years)
Administrative premises	5-10
Boiler room	30-40

Payments associated with short-term leases of buildings and all leases of low-value assets (which are assets with individual value of EUR 5,000 or less when new) are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise equipment and small items of office furniture.

The Company does not have any non-cancellable lease arrangements, which would not be effective yet as of the balance sheet date.

Lease arrangements where the Company is lessor

The Company's activities as a lessor mainly include the rental of non-commodity products to households. The accounting for these leases is described in detail in Note 2.21.

2.10. Financial liabilities

The Company classifies its financial liabilities according to IFRS 9 as other financial liabilities held at amortized cost (trade and other payables, borrowings), financial liability at fair value through profit or loss (commodity contracts designated at fair value through profit or loss upon initial recognition, derivative financial instruments) or financial guarantee contracts.

Issued financial guarantee contracts are recognised as financial liabilities at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of (i) the amount determined in accordance with the expected interest loss model under IFRS 9, or (ii) the initial measurement less the accumulated amount of revenue recognised in accordance with IFRS 15. The fair value is based on the present value of the difference in cash flows between the contractual interest payments required to satisfy the guarantee and the payments that would be required without the guarantee.

The classification depends on the contractual provisions of the instrument and the intentions with which management entered into the contract. Management determines the classification of its financial liabilities at initial recognition.

When a financial liability is recognized initially, the Company measures it at its fair value adjusted for transaction costs that are directly attributable to the acquisition of the financial liability. For financial liabilities classified in 'amortized cost' category, The Company measures them at amortised cost, using the effective interest rate method.

A financial liability (or a part of a financial liability) is removed from the Company's SOFP when, and only when it is extinguished – i.e. when the obligation specified in the contracts is discharged or cancelled or expires, resulting in gain or loss to be recognized in the profit or loss at derecognition.

The Company uses derivative financial instruments. Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value through profit or loss at the end of each reporting period. The derivatives used by the Company are not designated as a hedging instrument.

The Company uses gas commodity swaps as derivative financial instruments to manage the commodity price risk arising on certain commodity sale and purchase contracts, mainly to ensure that price structure of commodity purchases reflects the price structure of customer commodity contracts.

For commodity swap contracts which are not expired before the end of the reporting period, changes in the fair value are recognized in profit or loss at the end of the reporting period. Changes in fair value of unexpired underlying commodity contracts are also recognized in profit or loss at the end of each reporting period.

For partially or completely delivered commodity swap contracts and underlying commodity contracts, revenues and cost of sales are recognized based on market price of delivered or nominated commodity as of the date of delivery, with the difference between settlement amounts and market price as of the date of delivery or nomination being recognized within Net fair value gains / (losses) in profit or loss. The category within profit or loss depends on whether the fair value changes relate to commodity swap contracts (which is a derivative financial instrument by nature as is presented within Net fair value gains / (losses) from derivative financial instruments) or underlying commodity contracts (which are designated at fair value through profit or loss upon initial recognition and is presented within profit or loss accordingly).

2.11. Inventories

Inventories are stated at the lower of cost and net realizable value. Weighted average method is used for the measurement at the disposal of inventories. The cost of material includes purchase price and directly attributable acquisition costs. The net realizable value is the estimated selling price in the ordinary course of business, less applicable variable selling costs.

2.12. Cash and cash equivalents, receivables from cash-pooling

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less.

As at 31 December 2025 the Company has recognised receivable from cash-pooling in the amount of EUR 181,271 thousand (31 December 2024: EUR 83,487 thousand). Receivables from cash-pooling are repayable on demand.

2.13. Share capital

Ordinary shares are considered as share capital. Additional costs attributable to issuing of new ordinary shares are presented in equity as decrease in equity, net of income tax.

2.14. Dividends

Dividend pay-out is recognized as liability and decreases equity as of the end of the reporting period only if it has been declared latest by the end of the reporting period. The decision on profit distribution for accounting period and the declaration of dividends to Company's shareholders is made by the General Meeting of the Company.

2.15. Legal reserve fund

Legal reserve fund is created in accordance with Commercial Code, based on financial statements, in the amount of 10% of profit after tax, up to 20% of share capital of the Company. Legal reserve fund can be used only for increase of share capital or cover the losses.

2.16. Current and deferred income tax

The current income tax charge is calculated based on the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations is subject to interpretation and establishes provisions where appropriate based on amounts expected to be paid to the tax authorities.

Current income tax also includes a special levy on profit from regulated activities at a rate of 4.356% p.a. for 2024 (2023: 4.356% p.a.). The basis for the special levy is calculated as follows: profit before tax * (income from regulated activities / total income). The special levy is a deductible expense for the purposes of applying the income tax payable.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for, if it arises from initial recognition of an asset or liability in a transaction other than a business combination, and that at the time of the transaction affects neither accounting, nor taxable profit or loss.

Deferred income tax is determined using income tax rates legislation related to special levy charges that have been enacted or substantially enacted by the end of the reporting period, and that are expected to apply when the related deferred income tax asset is realised, or the deferred income tax liability is settled.

A special levy on profit is applied to profit determined in accordance with Slovak accounting regulations, and therefore deferred tax in connection with a special levy arises only if there is a temporary difference between the values of assets and liabilities determined according to Slovak Accounting Standards and according to IFRS.

Deferred income tax assets are recognized to the extent that it is probable, that future taxable profit will be available against which the temporary differences can be utilised.

The Company shall offset deferred tax assets and deferred tax liabilities if the Company has a legally enforceable right to set them off and if they relate to income taxes to be paid to the same tax authority.

2.17. Value added tax

Output value added tax related to sales is payable to tax authorities on the earlier of (a) collection of receivables from customers or (b) delivery of goods or services to customers. Input VAT is generally recoverable against output VAT upon receipt of the VAT invoice. The tax authorities permit the settlement of VAT on a net basis. VAT related to sales and purchases is recognised in the SOFP on a net basis. Where provision has been made for impairment of receivables, the impairment loss is recorded for the gross amount of the debtor, including VAT.

2.18. Employee benefits

Pension plans and jubilee awards

The Company has defined benefit and defined contribution plans.

A defined benefit plan is a pension plan that defines an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity and will have no legal or constructive obligations to pay further contributions in case the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Unfunded defined benefit pension plan

According to the contract with the Trade Unions effective as at 31 December 2025 the Company is obliged, based on the number of years in service, to pay its employees on retirement or disability the following multiples of their average monthly salary (condition that an employee is not entitled to termination benefits must be met):

Years of service	Multiple of the average monthly salary	
	2025	2024
up to 10 years	2x	2x
10-15	3x	3x
15-20	4x	4x
20-25	5x	5x
25-30	6x	6x
30-35	7x	7x
more than 35	8x	8x

The minimum requirement of the Labour Code of one-month average salary payment on retirement and disability is included in the above multiples.

One average monthly salary will be added to the retirement benefits when more than 35 years worked and when the Company was the only one employer of employee.

The Company also pays life jubilees benefits. Jubilee benefits when the employee reaches age of 50 years depend on the length of the service within the Company and are as follows:

Years of service	Benefit	
	2025	2024
from 5 to 20 years	623 EUR	623 EUR
over 20 years	670 EUR	670 EUR

The same or similar obligation had been included in the contracts with the Trade Unions since 1994. The Company has created expectations on the side of its employees that it will continue to provide the benefits, and according to the management's judgment that it is not realistic for the Company to cease providing them.

The conditions of an unfunded defined benefit pension plan resulting from the currently valid collective agreement do not differ significantly from the previous one, valid from 1 April 2020 to 31 December 2022.

The liability recognized in the SOFP in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period.

The defined benefit obligation is calculated annually by independent actuaries using the Projected Unit Credit Method. The amount of the retirement benefit to which an employee is entitled depends on the length of service before the retirement and equals one month of final salary for each year of service.

For determining the present value, the discount rate derived from the yield curve LSEG as at 31 December 2025 (2024: LSEG at 31 December 2023) was used.

Re-measurements (formerly Actuarial gains and losses) arising from experience adjustments and changes in actuarial assumptions are recognized immediately in Other comprehensive income (OCI).

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service costs.

Defined contribution pension plans

The Company contributes to government and to private defined contribution pension plans.

The Company makes contributions to retirement benefit at the statutory rates being in force during the year, based on the gross salary payments.

Throughout the year, the Company contributed to such schemes in the amount of up to 12.5% (2024: 12.5%) of gross salaries up to a monthly salary, which is defined by the relevant law together with the contributions of the employees of a further up to 5.5% (2024: 5.5%) of gross salaries. The costs contributed by the Company are charged to the profit or loss in the same period as the related salary costs.

In addition, with respect to employees who have chosen to participate in a supplementary pension scheme, the Company contributed to the supplementary scheme based on tariff wages and years of service provided in the Company in the following way:

Years of service	Benefit	
	From 1 January 2025	From 1 January 2024
up to 5 years	1.50 % of gross salary	1.50 % of gross salary
from 5 till 10 years	1.75 % of gross salary	1.75 % of gross salary
from 10 till 15 years	2.00 % of gross salary	2.00 % of gross salary
from 15 till 20 years	2.50 % of gross salary	2.50 % of gross salary
from 20 till 25 years	3.00 % of gross salary	3.00 % of gross salary
from 25 till 30 years	3.50 % of gross salary	3.50 % of gross salary
from 30 till 35 years	4.00 % of gross salary	4.00 % of gross salary
from 35 till 40 years	5.00 % of gross salary	5.00 % of gross salary
Over 40 years	6.00 % of gross salary	6.00 % of gross salary

Termination benefits

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Company recognizes termination benefits at the earlier of the following dates: (a) when the Company can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of IAS 37 and involves the payment of termination benefit. In the case of an offer made to encouraged voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

2.19. Provisions and contingent liabilities

A provision is recognized by the Company when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognized for future operating losses. An entity may expect reimbursement of some or all expenditure required to settle a provision (e.g. through insurance contracts). It recognizes a reimbursement when, and only when, it is virtually certain that reimbursement will be received.

A provision for onerous contract is recognized by the Company when the Company identifies a contract, in which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. A contract can be onerous from its outset, or it can become onerous when circumstances change and expected costs increase or expected economic benefits decrease. The Company considers all costs that relate directly to the contract, when assessing if it is onerous - both the incremental costs and an allocation of other costs that relate directly to contract activities.

When there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognized as interest expense.

Contingent liability is defined as (a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity, or (b) a present obligation that arises from past events, but not recognized, because: (i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or (ii) the amount of the obligation cannot be measured with sufficient reliability.

2.20. Government compensation

Grants and other similar contributions are recognised at their fair value where there is reasonable assurance that the grant or contribution will be received, and the Company will comply with all attached conditions. Grants and similar contributions relating to the purchase of property, plant and equipment are accounted as deferred income and subsequently recognised in other operating income on a straight line basis over the expected lives of the related assets. Grants relating to costs are deferred and recognised in other operating income over the period necessary to match them with the costs that they are intended to compensate. Grants relating to past costs are recognised in profit or loss when it is reasonably certain that the grant will be received.

At the end of the year 2022 the Government of Slovak Republic approved the new legislation in energy sector that established the “price cap” of energies provided to corporate and public sector. The Government reacted to the extremely high prices of energies on the market. From the beginning of year 2023, the energy sector companies are compensated the difference between the market price and “price cap” price of energies by the Ministry of Economy of Slovak Republic.

The amount of compensations earned by the Company was EUR 43,830 thousand in 2025 (2024: EUR 101,167 thousand).

2.21. Revenue from contracts with customers

The Company accounts for revenue from contracts with customers in accordance with IFRS 15 Revenue from Contracts with Customers. The standard provides a single, principles based five-step model to be applied to all contracts with customers:

- identify the contract(s) with a customer
- identify the performance obligations in the contract
- determine the transaction price
- allocate the transaction price to each performance obligation
- recognise revenue when a performance obligation is satisfied

The Company recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and specific criteria are met for each of the Company's activities as described below. Revenue comprises the fair value of the consideration received or receivable.

Revenues from supply and distribution of electricity and gas

General revenue recognition policies

The Company sells electricity and gas primarily to final users of commodities and recognizes revenues from such sales for both supply and distribution. Customer contracts combining supply and distribution of commodity are called integrated contracts.

The Company subcontracts electricity distribution companies (incl. sister companies VSD and ZSD) in Slovakia for delivering the distribution services.

The Company subcontracts one gas distribution company for delivering the distribution services in all regions of Slovakia.

Integrated customer contracts contain in general three promises – supply of commodity, distribution of commodity via the distribution system of the distribution company, and balancing services for the clients' deviations from nominated amounts of the commodity. The Company has made judgment that distribution of commodity is not a separate performance obligation as the Company has contractual obligation to deliver commodity.

The supply and distribution of wholesale customers is measured and billed on monthly basis for both commodities.

The supply and distribution of electricity retail customers in households segment is measured and billed on annual basis for each of eleven billing cycles. Each customer is allocated to one of these eleven billing cycles. Annual metering of billing cycles is phased during the year, each month until January to November approximately one eleventh of the customers is measured. The Company uses type diagrams of delivery (TDD) for estimation of the monthly supply to the household segment between the date of last measurement and the end of the reporting period. Retail customers in household segment are billed on a monthly basis in the form of advance payments. The final bill is issued after measurement once a year.

The supply and distribution of gas retail customers in households segment is measured and billed on annual basis for each of twelve billing cycles. Each customer is allocated to one of these twelve billing cycles. Annual metering of billing cycles is phased throughout the whole year. The Company uses type diagrams of delivery (TDD) for estimation of the monthly supply to the household segment between the date of last measurement and the end of the reporting period. Retail customers in household segment are billed on a monthly basis in the form of advance payments. The final bill is issued after measurement once a year.

Using Intelligent Metering Systems (IMS) the majority of the supply and distribution of retail customers in electricity commodity, in the segment of small entrepreneurs, is measured and billed on the monthly basis.

Remaining part of this segment is measured and billed on annual basis from 1 January till 31 December. These customers pay monthly or quarterly prepayments during the year.

The energy supply has the character of contractual performance rendered over time and the Company recognises revenue in the moment of the commodity delivery, based on the measured or estimated volume and price for the unit and after the customer discounts.

Revenue from sale of electricity on the spot market is recognized when the contract is fulfilled.

Non-commodity products and services

In the case of services where customer benefits from the service as it is being performed, revenue from the service is recognised in the reporting period in which the services are rendered, by reference to completion of the specific transaction assessed based on the actual service provided as a proportion of the total services to be provided.

Revenues within the group

Revenues from electricity purchase and sales to Východoslovenská distribučná, a.s.:and Západoslovenská distribučná, a.s.

The Company recognizes revenue from services related to purchase of electricity to cover losses for VSD. The revenues are recognized over time.

2.22. Contract assets and contract liabilities

Contract asset is established in accordance with IFRS 15 in case the Company provides services or goods ahead of payment schedules of customer contracts or in case the related performance obligation is either not yet completely fulfilled or if the right to payment is conditional on a future event. The Company recognizes a loss allowance for contract assets following the adoption of IFRS 9.

The Company has analysed accounting for contract assets and concluded that there are no material contract assets to be recognized.

Contract liabilities in accordance with IFRS 15 are established in case the Company received payments from customers exceeding the services provided or commodities delivered to customers.

2.23. Contract costs

Incremental costs of obtaining a customer contract that the Company would not have incurred had the contract not been obtained, are capitalized and amortized during the estimated period in which the economic benefits from the contract will flow to the Company. The capitalized costs are regularly tested for impairment according to the standard IAS 36 and adjusted for the contracts cancelled and the contracts where the customer payments are delayed.

The Company has assessed that the incremental costs of obtaining the contract as immaterial.

2.24. Interest income

Interest income is recognized on accrual basis using the effective interest rate method independent of timing of settlement of interest.

2.25. Related party disclosures

The Company applies exemptions under IAS 24 and discloses only qualitative and selected quantitative disclosures with entities under control of the government.

2.26. Offsetting financial instruments

Financial assets and liabilities are offset, and the net amount reported in the SOFP when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The Company did not offset any financial assets and financial liabilities and has no offsetting arrangements.

2.27. Gain / (loss) on disposal of property, plant and equipment

The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds and the carrying amount of the item. It is included in the Statement of Profit or Loss and Other Comprehensive Income when the item is derecognised and reported in other Gain / (loss) on disposal of property, plant and equipment.

2.28. Transactions under common control

The Company applies acquisition accounting as set out in IFRS 3 as accounting policy for business combinations under common control. This is relevant for historical contribution-in-kind described in Note 1 when supply part of business was contributed from VSEH to the Company.

The Company applies the method of predecessor values in case of business combinations of companies under common control, with no economic essence, purpose of which is an internal reorganization of the Group.

Zapadoslovenská energetika, a.s. approved the dissolution of ZSE Energia, a.s. without liquidation as of June 30, 2025 in the form of a merger with Východoslovenská energetika, a.s.. The Company became the legal successor of ZSE Energia, a.s. with effect from July 1, 2025. All rights and obligations of ZSE Energia, a.s. were transferred to the Company. The Company approved the change of the Company's name to Energetika Slovensko, a.s.

The historical cost method was used in the merger of ZSE Energia, a.s. and Východoslovenská energetika, a.s. The following table summarizes the carrying amounts of the assets acquired and liabilities assumed as of the transaction date:

In thousands of EUR

Intangible assets	6 072
Property, plant and equipment	679
Investments	8 913
Trade and other receivables	1 571
Inventories	3 319
Receivables from hedging financial instruments	11 604
Trade and other receivables	142 090
Receivables from cash pooling	106 096
Current income tax refund receivable	12 065
Cash and cash equivalents	13 471
TOTAL ASSETS	305 880
Share capital	6 639
Legal reserve fund	1 331
Retained earnings	46 700
Other reserves	1 316
Provisions for liabilities and charges	167
Post-employment defined benefit obligations	848
Deferred income tax liabilities	1 092
Lease liabilities	7 944
Trade and other payables	231 175
Lease liabilities	1 415
Payables from hedging financial instruments	7 055
Provisions for liabilities and charges	194
Bank overdrafts	4
TOTAL LIABILITIES AND EQUITY	305 880

The accompanying Notes 1 to 30 are an integral part of these financial statements.

3. Financial risk management

The Company's activities are exposed to a variety of financial risks: market risk (including risk of changes in foreign currency exchange rates, interest rates, and price risk), credit risk and liquidity risk. The strategy of risk management of the Company is focused on the mitigation of potential negative impacts on financial results of the Company. The Company has established risk management framework, focusing on contractual, credit and financial risk.

Risk management function is carried out by the central department Risk controlling, governed by policies approved by the Chief Executive Officer. Risk controlling identifies, evaluates and manages financial risks in close co-operation with the Company's operating units. The Risk controlling department provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, credit risk, use of derivative financial instruments and non-derivative instruments. Management of liquidity and interest rate risks is carried out by department Finance.

3.1 Credit risk

The Company is exposed to credit risk because of the possibility of failure of business partner and subsequent non-payment. The assessment of credit risk associated with customers of the Company is covered by internal directive ("CBO manual") on responsibility segregation for process of elaboration of price offer, conclusion of contracts, products development, spot market trading, and reporting.

The Company is exposed to credit risk due to financial guarantees. For information on guaranteed borrowings see Note 26. The risk was estimated to be not material.

The group has the following types of financial assets that are subject to the expected credit loss model:

- Trade and other receivables
- Receivables from cash-pooling
- Cash and cash equivalents.

Credit risk related to derivative financial instruments and commodity contracts designated at fair value through profit or loss upon initial recognition is reflected in fair values of these financial instruments recognized in the statement of financial position. Maximum exposure at the end of the reporting period is the carrying amount of these financial assets.

Trade and other receivables

Majority of trade and other receivables are with external customers. Key customers of the Company are final users of commodity.

The Company is applying a system of advance payments for small price-list customers (retail), thus significantly reducing credit risk for the period for which the customers offtake of commodity is not measured. Consumption of households are measured during the year in eleven cycles for electricity delivery and in twelve cycles for gas delivery. Consumption of small entrepreneurs is measured either during period from 1 January to 31 December or on monthly basis for gas customers (see Note 2.21 for more details). At the year-end, the advance payments billed to households are recognized within unbilled electricity balance in the SOFP. Respective individual net debit balance is presented in trade receivables and individual net credit balance is presented in contract liabilities.

Credit risk of customers is considered within the process of commenting and approving standard contracts and terms and conditions for customer segments as well as individual contracts for large customers.

The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade and other receivables. The Company has analysed historical credit losses experienced over a period of 24 months before 31 December 2025 and 31 December 2024 respectively. The historical loss rates were adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the counterparties to settle the receivables. The Company has identified the GDP and the unemployment rate in Slovakia and European Union countries to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

Fully impaired types of receivables primarily include receivables related to imposed penalties and reminder fees, as well as receivables filed in bankruptcy proceedings. Based on historical experience, the Company anticipates a very low collectability of these receivables. Therefore, a full provision is made for them.

In accordance with the Company's internal accounting policies, provisions for receivables related to the sale of electricity and gas are made based on the category of the customer (large consumers, small business consumers, or households). The amount of the provision is determined by a percentage, which is established based on the number of days past the due date of the receivable.

In thousands of EUR	2025	2024
Trade receivables	230,157	72,837
Less impairment provision for trade receivables	(26,970)	(31,249)
Current trade receivables, net	203,187	41,588
Compensation and grants	16,970	2,210
Total current trade and other receivables	220,157	54,549

Movements in the impairment provision for current trade receivables are as follows:

In thousands of EUR	2025	2024
Provision for impairment as at 1 January	31,249	32,984
Impairment loss expense	(2,564)	(396)
Amounts written off during the year as uncollectible	(1,715)	(1,339)
Provision for impairment as at 31 December	26,970	31,249

More details of ECL in relation to current trade receivables as at the balance sheet date are as follows:

In thousands of EUR	31 December 2025				31 December 2024			
	Loss rate	Gross carrying amount	ECL	Net carrying amount	Loss rate	Gross carrying amount	ECL	Net carrying amount
<i>CurrentDue</i>	1.64 %	197,328	3,230	194,098	3.38 %	39,570	1,341	38,229
<i>Past due:</i>								
1 to 30 days	7.71 %	7,015	541	6,474	12.48 %	2,459	307	2,152
31 to 60 days	10.87 %	1,629	177	1,452	18.84 %	929	175	754
61 to 90 days	15.66 %	709	111	598	34.54 %	388	134	254
91 to 120 days	50.00 %	446	223	223	59.40 %	431	256	175
121 to 180 days	44.35 %	372	165	207	95.62 %	183	175	8
181 to 360 days	22.41 %	174	39	135	95.62 %	365	349	16
over 360 days	100.00 %	22,484	22,484	-	100.00 %	28,512	28,512	-
Total trade receivables		230,157	26,970	203,187		72,837	31,249	41,588

Loan provided to subsidiary

In 2019 the Company provided a loan to its subsidiary iWATT in amount of EUR 200 thousand. The loan was provided with the interest rate of 5.00% p.a. and it is due as at 31 December 2022. In 2020, the principal of this loan was increased by EUR 400 thousand to total of EUR 600 thousand. The interest rate and the maturity remained unchanged. In 2021, the Company booked a 100% bad debt provision for the principal of this loan. In 2022, the maturity of the loan was extended to 31 March 2023. In 2023, the loan was forgiven & the share of the Company in iWATT was sold. In 2024, the acquisition of iWATT was reversed.

Receivables from cash-pooling

In thousands of EUR	31 December 2025	31 December 2024
Total receivables from cash pooling gross	181,859	83,757
ECL allowance for possible impairment of receivables from cash pooling	(588)	(270)
Total receivables from cash pooling	181,271	83,487

The Company has concluded cash pooling agreements with its subsidiaries. Based on this agreement, free cash is managed by the Company. In case of need for cash, these funds are available to the Company's subsidiaries.. The interest rate on cash pooling liabilities in 2025 was (STR+0,4% p.a), at least 0,4% p.a.

In 2025, the Company, based on the merger with ZSE Energia, a.s., recognized an ECL provision in the amount of EUR 413 thousand and as of December 31, 2025, it released an ECL provision for the cash pooling receivable in the amount of EUR 96 thousand (2024: the Company created an ECL provision in the amount of EUR 271 thousand).

Cash and bank accounts

Credit risk also originates from cash and bank accounts. Risk resulting from bank accounts is reduced through diversification of deposits in several banks. As a result, the Company evaluates the risk of bank accounts as standard.

The table below shows the amounts of cash and bank accounts and overdraft facilities:

in EUR thousand	Rating		Bank balance	
	2025	2024	31 December 2025	31 December 2024
Bank				
VÚB	A2/P-1	A2/P-1	1,254	878
ING bank	AA3/P-1	A1/P-1	101	209
Citibank	Aa3/P-1	Aa3/P-1	3	2,846
Tatrabanka	A3/P-2	A2/P-1	154	-
Česká spořitelna	A1/P-1	A1/P-1	-	10
UniCredit Bank				
Slovakia	A2/P-1	-	623	-
UniCredit Bank Czech Republic	A2/P-1	-	4,749	-
UniCredit Bank AG	A3/P-2	-	8,797	-
Slovenská sporiteľňa	A2/P-1	-	1,010	-
Total			16,693	3,943

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

3.2 Liquidity risk

For the Company, prudent liquidity risk management means maintaining sufficient cash and availability of credit facilities and the ability to close out market positions. The Company's financing position management is focused on maintaining flexibility of financing by ensuring availability of credit lines, which can be used by the Company. Management monitors interim liquidity forecasts based on expected cash flows that are presented in cash and cash equivalents.

The table below shows the analysis of financial liabilities of the Company according to residual contractual maturities. The amounts in the table present the undiscounted cash flows. The amounts due up to 12 months are equal to their carrying amount, as the impact of discounting is not significant.

in EUR thousand	Less than 3 months	3 months to 1 year	1 to 2 years	2 to 5 years	Over 5 years	Total
31 December 2025						
Issued guarantees	-	-	-	-	-	-
Lease liabilities (Note 6)	310	2,146	2,310	5,050	9,208	19,024
Contract liabilities with customers	113,624	-	-	-	-	113,624
Bank overdraft	15	-	-	-	-	15
Trade and other payables (net of liabilities within the Group) (Note 14)	115,027	-	-	-	-	115,027
Liabilities within the group (Note 14)	78,757	-	-	-	-	78,757
Total	307,733	2,146	2,310	5,050	9,208	326,447

in EUR thousand	Less than 3 months	3 months to 1 year	1 to 2 years	2 to 5 years	Over 5 years	Total
31 December 2024						
Issued guarantees	-	-	-	-	-	-
Lease liabilities (Note 6)	99	295	394	416	7	1,211
Contract liabilities with customers	39,590	-	-	-	-	39,590
Bank overdraft	6	-	-	-	-	6
Trade and other payables (net of liabilities within the Group) (Note 14)	60,443	-	-	-	-	60,443
Liabilities within the group (Note 14)	17,704	-	-	-	-	17,704
Total	117,842	295	394	416	7	118,954

3.3 Cash flow interest rate risk

As the Company has no other significant interest earning assets besides bank accounts and finance lease receivables, the interest income and operating cash-flow are only slightly dependent on the changes of market interest rates. As the interest paid is not significant for the Company, the impact of the interest rate risk is limited.

3.4 Foreign exchange risk

Management does not consider foreign exchange risk as a significant exposure to the Company's operations as it has only immaterial volume of transactions in currency other than its functional currency.

3.5 Price risk

The Company has used derivative financial instruments as disclosed in the Note 2.8. The derivative financial instruments and underlying commodity contracts are accounted for at fair value through profit or loss. Derivatives are only used for economic hedging purposes and not as speculative investments. For details of fair value assumptions and methods see Note 3.7.

3.6 Capital management

The Company defines capital as equity. The Company's capital management objective is focused on maintaining optimal structure of debt and own capital (debt/equity ratio). Management monitors debt/equity ratios. Currently, the Company is financed wholly by internal resources. The balance of cash and cash equivalents is EUR 16,693 thousand as at 31 December 2025 (EUR 3,943 thousand as at 31 December 2024). In case of need of external resources there is available cash-pooling financing (Note 2.12).

3.7 Fair value estimation of financial instruments

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured initially at fair value and subsequently at amortised cost. To provide an indication about the reliability of the inputs used in determining fair value, the group classifies its financial instruments into the three levels prescribed under the accounting standards.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted market prices at the end of the reporting period. The Company has no financial instruments classified within Level 1 of fair value hierarchy.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Due to the short-term nature of the trade and other receivables, their carrying amount is considered to be the same as their fair value. The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature. Fair value of cash and cash equivalents and cash-pooling balances is not significantly different from respective carrying amounts.

Fair values analysed by level in fair value hierarchy for financial assets and liabilities is as follows:

Level 1 – Cash in hand (Note 12);

Level 2 – Cash and cash equivalents except for cash in hand (Note 12), Receivables from cash-pooling (Note 2.12), Trade and other receivables (Note 3.1), Trade and other payables (Note 14); Lease liabilities (Note 6);

Level 3 – Issued financial guarantee contracts (Note 28), Financial investments at fair value through other comprehensive income (Note 9), Derivative financial instruments (Note 3.5, 3.7 and 9), Financial assets and liabilities at fair value through profit or loss designated as such upon initial recognition (Note 3.5, 3.7 and 9).

4. Critical accounting estimates and judgments

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are considered to be reasonable under the circumstances.

4.1 Critical accounting estimates and assumptions

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. Estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

Revenues from unmeasured electricity supply and distribution

As a result of the fact that the retail customers in the household segment and households are metered at one of the eleven cycles which are phased between January and November of a calendar year (more detailed description in Note 2.21), remaining part of electricity supply and distribution for the reporting period gives rise to revenues from unmeasured electricity supply and distribution. It is an accounting estimate which is based on the estimate of the supplied resp. distributed volume to households in technical units (MWh) between the date of last metering and the end of the reporting period.

The balance of such revenues is determined as the estimated delivery in MWh multiplied by unit price in EUR/MWh.

The Company estimates unmeasured supply based on customer expected consumption time curves. The revenues from unmeasured electricity supply and distribution amounted to EUR 306,009 thousand as at 31 December 2025 (EUR 111,057 thousand as at 31 December 2024).

If the estimate of total network losses were lower by 0.1%, which represents 14 GWh (2024: 14 GWh), while maintaining other parameters, revenues would be lower by EUR 459 thousand (2024: lower EUR 1,046 thousand).

Revenues from unmeasured gas supply and distribution

As a result of the fact that the retail customers in the household segment and households are metered at one of the twelve cycles which are phased throughout whole calendar year (more detailed description in Note 2.21), remaining part of gas supply and distribution for the reporting period gives rise to revenues from unmeasured gas supply and distribution. It is an accounting estimate which is based on the estimate of the supplied resp. distributed volume to households in technical units (MWh) between the date of last metering and the end of the reporting period.

The balance of such revenues is determined as the estimated delivery in MWh multiplied by unit price in EUR/MWh.

The Company estimates unmeasured supply based on customer expected consumption time curves. The revenues from unmeasured gas supply and distribution amounted to EUR 52,366 thousand as at 31 December 2025 (EUR 50,850 thousand as at 31 December 2024).

If the estimate of the total volume of gas supplied were 10 GWh higher (2024: 10 GWh higher), while maintaining other parameters, revenues from gas supply and distribution would be higher by EUR 540 thousand (2024: EUR 804 thousand).

Economic useful life intangible fixed assets

The economic useful life of intangible fixed assets stated in Note 2.6 was based on the best estimate of the Company's management. Should the estimated useful life of intangible fixed assets be shorter by 10%, the Company would record additional annual amortization charge of intangible fixed assets of EUR 721 thousand (2024: EUR 570 thousand). Should the estimated residual useful life of intangible fixed assets be longer by 10%, the Company would record amortization charge lower by EUR 882 thousand (2024: EUR 697 thousand).

Impairment of financial assets

The loss allowances for financial assets are based on assumptions about the risk of default and expected loss rates. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation based on the Company's history, existing market conditions as well as forward looking estimates. Details on expected loss rates are in Note 3.1.

5. Property, plant and equipment

in EUR thousand	Buildings and infrastructure	Machinery, vehicles and office equipment	Construction in progress	Total
At 1 January 2024				
Cost	121	5,770	29	5,920
Accumulated depreciation	(7)	(4,013)	-	(4,020)
Net book value	114	1,757	29	1,900
Additions	-	-	933	933
Correction of opening balance	-	-	-	-
Correction of accumulated depreciation	-	-	-	-
Transfers	26	929	(955)	-
Remaining value of sold assets	-	(2)	-	(2)
Damages	-	(8)	-	(8)
Remaining value of disposed assets	-	-	-	-
Depreciation charge	(4)	(371)	-	(375)
Closing net book value	136	2,305	7	2,448
At 31 December 2024				
Cost	147	6,586	7	6,740
Accumulated depreciation	(11)	(4,281)	-	(4,292)
Net book value	136	2,305	7	2,448
At 1 January 2025				
Cost	147	6,586	7	6,740
Accumulated depreciation	(11)	(4,281)	-	(4,292)
Net book value	136	2,305	7	2,448
Additions	-	-	118	118
Correction of opening balance	534	143	-	677
Correction of accumulated depreciation	-	-	-	-
Transfers	6	90	(96)	-
Remaining value of sold assets	-	(73)	-	(73)
Damages	(141)	(1,430)	-	(1,571)
Remaining value of disposed assets	-	-	-	-
Depreciation charge	(20)	(275)	-	(295)
Closing net book value	515	760	29	1,304
At 31 December 2025				
Cost	563	5,074	29	5,666
Accumulated depreciation	(48)	(4,314)	-	(4,362)
Net book value	515	760	29	1,304

Main part of property, plant and equipment is represented by products rented to customers as described in the Note 2.21 (EUR 602 thousand as of 31 December 2025; EUR 802 thousand as of 31 December 2024).

The Company does not recognise or use any significant assets subject to the right of lien and other restrictions.

As of 31 December 2025, the Company insured its property, plant and equipment in total value of EUR 6,944 thousand (2024: EUR 5,089 thousand)

6. Right of use assets and lease liabilities

This note provides information for leases where the Company is a lessee.

Amounts recognized in the statement of financial position

The statement of financial position shows the following amounts relating to leases:

	31 December 2025	31 December 2024
Right-of-use assets		
Buildings	14,668	1,071
Vehicles	469	76
	15,137	1,147
Lease liabilities		
Current	1,927	373
Non-current	13,837	790
	15,764	1,163

Additions to the right-of-use assets during the 2025 financial year were EUR 4,969 thousand (2024: EUR 26 thousand).

Amounts recognized in the statement of profit or loss

The statement of profit or loss shows the following amounts relating to leases:

	2025	2024
Depreciation charge of right-of-use assets		
Buildings	1,179	361
Vehicles	116	18
	1,295	379
Interest expense (included in finance cost)	303	28
Expense relating to short-term leases (included in service expenses)	-	-
Expense relating to leases of low-value assets that are not shown above as short-term leases (included in service expenses)	1,482	447

The total cash outflow for leases in 2025 was EUR 1,675 thousand (2024: EUR 843 thousand).

7. Intangible assets

in EUR thousand	Computer software	Customer portfolio	Goodwill	Intangible assets not yet ready for use	Total
At 1 January 2024					
Cost	13,478	115,779	14,476	993	144,726
Accumulated amortization	(9,681)	(41,002)	-	-	(50,683)
Net book value	3,797	74,777	14,476	993	94,043
Additions	-	-	-	1,068	1,068
Transfer from CIP	1,066	-	-	(1,066)	-
Damages	-	-	-	-	-
Amortization charge	(1,269)	(4,631)	-	-	(5,900)
Closing net book value	3,594	70,146	14,476	995	89,211
At 31 December 2024					
Cost	14,544	115,779	14,476	995	145,794
Accumulated amortization	(10,950)	(45,633)	-	-	(56,583)
Net book value	3,594	70,146	14,476	995	89,211
At 1 January 2025					
Cost	14,544	115,779	14,476	995	145,794
Accumulated amortization	(10,950)	(45,633)	-	-	(56,583)
Net book value	3,594	70,146	14,476	995	89,211
Additions	-	-	-	2,357	2,357
Transfer from CIP	983	-	-	-	983
Damages	1,557	-	-	4,515	6,072
Amortization charge	(1,715)	(4,632)	-	-	(6,347)
Closing net book value	4,419	65,514	14,476	6,884	91,293
At 31 December 2025					
Cost	31,099	115,779	14,476	6,884	168,238
Accumulated amortization	(26,680)	(50,265)	-	-	(76,945)
Net book value	4,419	65,514	14,476	6,884	91,293

There are no restrictions of ownership relating to intangible assets. No intangible assets are pledged.

Internally generated intangible assets are not material.

8. Subsidiaries

The Company's subsidiaries at 31 December 2025 are set out below. These subsidiaries have share capital consisting solely of ordinary shares that are held directly by the Company, and the proportion of ownership interests held equals the voting rights held by the Company. The country of incorporation or registration is also their principal place of business.

As at 31 December 2025

Name	Country of incorporation	Date of incorporation	Date of commencement of operation	% interest held	Purpose
E.SK Call centrum, s.r.o.	Slovak Republic	Jun 2025	Jun 2025	100%	IT and marketing services
iWATT s.r.o., in liquidation	Slovak Republic	June 2019	June 2019	80%	IT and marketing services

As at 31 December 2024

Name	Country of incorporation	Date of incorporation	Date of commencement of operation	% interest held	Purpose
iWATT s.r.o., in liquidation	Slovak Republic	June 2019	June 2019	80%	IT and marketing services

Investments in subsidiaries measured at cost less impairment allowance is as follows:

in EUR thousand	As at 31 December	
	2025	2024
E.SK CC	315	-
iWATT s.r.o.	-	-
Total	315	-

Management of the Company has considered that there are impairment indicators related to financial results of subsidiaries. Management has analysed fair value and value in use of these subsidiaries and concluded that as of 31 December 2025, investment in iWATT s.r.o. is impaired by EUR 700 thousand (as of 31 December 2024: EUR 700 thousand).

In 2023, the Company's 80% investment in iWATT s.r.o. was sold. In 2024, due to the buyer's withdrawal from the contract, the sale of iWATT s.r.o. was cancelled and the value of the investment in iWATT s.r.o. is impaired by EUR 700 thousand. The reduction in value is already reflected in the table above. During 2024, the 100% of shares in VSE Solutions, s.r.o. was sold. The Company iWatt entered liquidation on December 31, 2025.

9. Financial instruments by category

Financial assets

in EUR thousand	As at 31 December 2025	As at 31 December 2024
Financial assets at fair value through other comprehensive income		
Financial investments at fair value through other comprehensive income (Note 1)	177	177
Financial assets at amortised cost		
Loan provided to subsidiary (Note 3.1)	-	-
Trade and other receivables (Note 3.1)	203,187	54,587
Compensations	16,970	2,210
Receivable from cash-pooling (Note 2.12)	181,271	83,487
Cash and cash equivalents (Note 12)	16,693	3,943
Financial assets at fair value through profit or loss		
Receivables from hedging financial instruments (Note 2.10)	30,845	-
Financial assets at fair value through profit or loss (Note 2.8)	-	12
Total financial assets	449,143	144,416

Financial assets at fair value through other comprehensive income (Note 1) are as follows:

Name	% share in paid-up share capital	
	As at 31 December 2025	As at 31 December 2024
People2People, s. r. o.	6.55%	6.55%

* The liquidation of the company was completed during 2025 and was subsequently deleted from the Commercial Register on February 17, 2026.

Financial liabilities

in EUR thousand	As at 31 December 2025	As at 31 December 2024
Financial liabilities at fair value through profit or loss		
Derivative financial instruments (Note 2.10)	24,723	20
Financial liabilities at fair value through profit or loss (Note 2.10)	-	38
Financial liabilities at amortised cost		
Lease Liabilities (Note 6)	13,837	1,163
Trade and other payables net of liabilities within Group (Note 14)	189,682	77,540
Payables to employees (Note 14)	4,102	607
Bank overdraft	15	6
Total financial liabilities	232,359	79,374

10. Other non-financial assets

in EUR thousand	As at 31 December 2025	As at 31 December 2024
Contract assets, long-term part	2,464	1,090
Contract assets, short-term part	1,821	532
Other receivables including prepayments and other accrued income	9,279	2,200
Total	13,564	4,020

The accompanying Notes 1 to 30 are an integral part of these financial statements.

11. Inventories

in EUR thousand	As at 31 December	
	2025	2024
Goods	921	1,346
Materials and spare parts	3,866	-
Provision for impairment of inventories	(513)	-
Natural gas	3,192	11,144
Total	7,466	12,490

12. Cash and cash equivalents

in EUR thousand	As at 31 December	
	2025	2024
Cash at bank (Note 3.1)	16,693	3,943
Total	16,693	3,943

For the purposes of the Statement of Cash Flows, the cash and cash equivalents comprise of the above-mentioned items.

The bank guarantees issued for the Company are as follows:

	Currency	As at 31 December	
		2025	2024
Citibank	EUR thousand	21,421	26,004
Citibank ČR	CZK thousand	52,000	14,000
Tatra banka	EUR thousand	23,000	-
SLSP	EUR thousand	34,950	20,000

On top of the bank guarantees, the parent company ZSE issued parent company guarantee for the Company. The parent company guarantees issued for the Company are as follows:

	Currency	As at 31 December	
		2025	2024
ZSE	EUR thousand	355,954	181,500

As at 31 December 2025, the total limit of parent company guarantees approved for the Company is EUR 460,000 thousand (as at 31 December 2024: EUR 460,000 thousand).

The guarantees issued for the Company relate mainly to procurement of electricity and gas and to Company's access to gas distribution network.

The Company had no restrictions related to cash and cash equivalents in 2025 and 2024.

13. Equity

The amount of subscribed and paid share capital of the Company as to 31 December 2025 is EUR 58,751 thousand (31 December 2024: EUR 58,751 thousand).

The total authorized number of ordinary shares is 2. One share in a nominal value of EUR 35 thousand and one share in a nominal value of EUR 58,716 thousand in relation to transition of Sales division from VSEH to VSE in 2014.

There is no share capital not listed in the Commercial Register as at 31 December 2025.

The Company created the legal reserve fund in amount of 20% of share capital established at the transformation to the joint-stock company.

Financial statements of the Company for prior accounting period have been approved by General Meeting on 26 June 2025.

The Board of Directors had not presented a proposal for settlement of 2025 profit as of the date of these financial statements.

As at 31 December 2025, retained earnings increased as a result of reassessment of employee benefit obligations in the amount of EUR 635 thousand (2024: increased in the amount of EUR 163 thousand).

14. Trade and other payables

in EUR thousand	As at 31 December	
	2025	2024
Financial liabilities at amortised cost		
Trade and other payables net of liabilities within Group (Note 9)	131,728	58,925
Liabilities within Group included in trade and other payables (Note 9)	57,954	17,704
Employee benefits – accrued bonuses and holidays	2,241	911
Payables to employees (Note 9)	1,861	607
Total financial liabilities	193,784	78,147

There are no liabilities pledged or secured in another way.

The Company recognizes no payables overdue as at 31 December 2025 and as at 31 December 2024.

15. Contract liabilities

in EUR thousand	As at 31 December	
	2025	2024
Contract liability from net customer prepayments for unmeasured period (See Note 2.21)	113,624	39,590
Total	113,624	39,590

16. Other non-financial liabilities

in EUR thousand	As at 31 December	
	2025	2024
Social securities and other taxes	444	468
VAT liability	562	7,708
Other	1,846	521
Total	2,852	8,697

17. Deferred income tax

Deferred income taxes are calculated in full on temporary differences under the liability method using an enacted tax rate of 24% with an uplift related to a special levy legislation (2024: enacted tax rate of 24% with an uplift related to a special levy legislation). The uplift is applied to that part of the temporary differences that relates to the difference between values recognized under the Slovak Accounting Standards and values recognized under IFRS. The change in tax rate is described in Note 23.

The gross movement on the deferred income tax account is as follows:

in EUR thousand	2025	2024
At the beginning of the period	(11,059)	(5,668)
Income/expense in profit or loss statement (Note 23)	2,320	(5,377)
Merge	(1,092)	-
Income/expense recognized as part of other comprehensive income	215	(14)
At 31 December	(9,616)	(11,059)

The movement in deferred tax assets and liabilities during the year is as follows:

in EUR thousand	2025	2024
Difference between tax base and carrying amount of non-current assets	(14,402)	(15,363)
Post-employment benefit obligations	390	263
Tax losses	-	1,871
Other liabilities	2,888	931
Impairment for expected credit losses from receivables	1,531	1,633
Right-of-use assets	(3,633)	(275)
Lease liabilities	3,784	279
Other	(174)	(398)
Total	(9,616)	(11,059)

Movements in deferred taxes from temporary differences have been accounted for with an impact on the financial result, except for the amount of EUR 215 thousand (2024: EUR (14) thousand), which relates to actuarial remeasurements of employee benefit obligations due after the termination of employment and has been recognized in other comprehensive income.

18. Provisions

in EUR thousand	Restructuring	Other	Total
At 1 January 2025	524	356	880
Creation of provision	361	151	512
Used/paid during year	(186)	(326)	(512)
At 31 December 2025	699	181	880

in EUR thousand	Restructuring	Other	Total
At 1 January 2024	20	416	436
Creation of provision	524	356	880
Used/paid during year	(20)	(416)	(436)
At 31 December 2024	524	356	880

Restructuring provision

The aim of the ongoing integration of the ZSE Group companies and the former VSEH Group is to create a larger, more stable and financially stronger organisation that can serve its customers more effectively. Various organisational changes are and will be taking place in the ZSE Group between 2025 and 2028. For this purpose, the Company created a restructuring provision as of 31 December 2024, which assumes the amount of future employee benefits related to organisational changes. The provision is based on the expected number of job positions, average salaries and the resulting expected impact on severance pay. The estimated costs of employee restructuring are EUR 699 thousand.

Other provisions

The provision includes amounts relating to customer claims arising from the contractual terms of customer programs.

19. Employee benefits

The following amounts have been recognized with respect of the defined benefit pension plan in the financial statements:

in EUR thousand	As at 31 December	
	2025	2024
SOFP obligation for:		
Present value of recognized unfunded retirement obligations	1,353	532
Jubilee awards	270	41
Liability in the SOFP	1,623	573

Use of the provision for retirement depends on the termination of employment by employees at the normal retirement date, which is expected in accordance with actual legislation. Provision for jubilee awards is expected to be used at life or work milestones, when such an event occurs.

in EUR thousand	2025	2024
Income statement charge included in operating and financial profit		
Current service cost	72	(17)
Interest cost	15	28
Past service cost, other	19	82
Total charge / (credit) included in employee benefit expense	106	93

in EUR thousand	2025	2024
Re-measurements for:		
Defined pension benefits	(67)	(177)
Total re-measurements	(67)	(177)

The movements in defined benefit pension over the year are as follows:

in EUR thousand	Present value of obligation
As at 1 January 2025	573
Reclass to other group company	122
Merge	848
Current service cost	72
Past service cost	2
Interest cost	15
	1,632
Re-measurements:	
Gain (-) / loss (+) from change in financial assumptions	(1)
Gain (-) / loss (+) from change in demographic assumptions and in fluctuation	(104)
Gain (-) / loss (+) from actual adjustments	(172)
	67
Payments from plan	(76)
Change in social security contributions	-
As at 31 December 2025	1,623

in EUR thousand	Present value of obligation
As at 1 January 2024	718
Reclass to other group company	-
Current service cost	(17)
Past service cost	82
Interest cost	28
	811
Re-measurements:	
Gain (-) / loss (+) from change in financial assumptions	(141)
Gain (-) / loss (+) from change in demographic assumptions and in fluctuation	4
Gain (-) / loss (+) from actual adjustments	(40)
	(177)
Payments from plan	(61)
Change in social security contributions	-
As at 31 December 2024	573

The principal actuarial assumptions to determine the pension liability were as follows:

31 December 2025

Number of employees with entitlement to the benefits	533
Expected salary increases	4.1% in year 2026, 4.0% in years 2028-2030, 2.5% since 2031
Discount rate	4.38%

31 December 2024

Number of employees with entitlement to the benefits	237
Expected salary increases	6.0% in year 2025, 2,5% since 2026
Discount rate	4.0%

Sensitivity analysis of liability for employee benefits of the Company is stated in following table (in EUR thousand). The Company does not expect a significantly different change in the liability for employee benefits due to a change in fluctuations, or other parameters, compared to the previous year.

Description of change of parameter	Liability as at 31 December 2025	Change in comparison with basic scenario	Change in comparison with basic scenario in %
Basic scenario	1,623		
Increase in salaries by +10.00% compared to principal assumptions	1,667	44	3
Decrease in salaries by -10.00% compared to principal assumptions	1,581	(42)	(3)
Discount rate +0,50% compared to principal assumptions	1,549	(74)	(5)
Discount rate (0,50)% compared to principal assumptions	1,703	80	5

Description of change of parameter	Liability as at 31 December 2024	Change in comparison with basic scenario	Change in comparison with basic scenario in %
Basic scenario	573		
Increase in salaries by +10.00% compared to principal assumptions	594	20	4
Decrease in salaries by -10.00% compared to principal assumptions	554	(19)	(3)
Discount rate +0,50% compared to principal assumptions	534	(39)	(7)
Discount rate (0,50)% compared to principal assumptions	616	43	8

Sensitivity analysis is based on a change in one assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated.

Amounts paid for defined contribution pension plans:

in EUR thousand	2025	2024
Defined contribution pension plans	1,973	573
Total	1,973	573

20. Receivables and Payables from Hedging Financial Instruments

Receivables from Hedging Financial Instruments

In thousands of EUR	As at 31 December	
	2025	2024
Commodity fair value hedge	22,796	-
Commodity contracts at FVTPL	8,049	-
Total receivables from hedging financial instruments at FVTPL	30,845	-
Commodity cash flow hedge	-	-
Currency cash flow hedge	-	-
Total receivables from hedging financial instruments at FVOCI	-	-
Total receivables from hedging financial instruments	30,845	-

Payables from hedging financial instruments

In thousands of EUR	As at 31 December	
	2025	2024
Commodity fair value hedge	24,723	20
Commodity contracts at FVTPL	-	-
Total payables from hedging financial instruments at FVTPL	24,723	20
Commodity cash flow hedge	-	-
Currency cash flow hedge	-	-
Total payables from hedging financial instruments at FVOCI	-	-
Total payables from hedging financial instruments	24,723	20

The table below sets out an analysis of net movements of receivables / (payables) from hedging financial instruments for each of the periods presented:

<i>In thousands of EUR</i>	Commodity cash flow hedge	Commodity fair value hedge	Currency cash flow hedge	Commodity contracts at FVTPL	Total
At 1 January 2024	-	928	-	-	928
Change in fair value of hedging financial instrument recognised in other comprehensive income	-	(948)	-	-	(948)
Change in fair value of hedging financial instrument recognised in profit or loss					
At 31 December 2024	-	(20)	-	-	(20)
Additions	-	-	-	7,243	7,243
Merge	4,394	(401)	(2,071)	2,627	4,549
Change in fair value of hedging financial instrument recognised in other comprehensive income	(2,900)	20	2,071	-	(809)
Change in fair value of hedging financial instrument recognised in profit or loss	(1,494)	(1,526)	-	(1,821)	(4,841)
At 31 December 2025	-	(1,927)	-	8,049	6,122

The accompanying Notes 1 to 30 are an integral part of these financial statements.

The following amounts were recognised in consolidated profit or loss in relation to hedging financial instruments:

<i>In thousands of EUR</i>	As at 31 December	
	2025	2024
Net gain/(loss) on commodity cash flow hedging financial instrument not qualifying as hedges included in profit or loss	(1,494)	(948)
Change in fair value of hedging financial instrument recognised in profit or loss	(3,347)	-
Total	(4,841)	(948)

Hedging financial instruments

The Group recognises hedging financial instruments (hedging) classified as cash flow hedge and fair value hedge.

Commodity contracts

The Group recognises commodity financial instruments designated as cash flow hedges in respect of contracts for purchase and sale of electricity and gas, according to the valid accounting policy of the Group. These transactions are executed with the aim of economic hedging against the volatility of the respective commodity prices.

Exchange rate

The Group hedges the impact of the exchange rate fluctuations connected with the purchase of gas through forwards on currency exchange rates. The cash flows from these hedging financial instruments are contracted to occur in the moment when the purchase of the hedged transaction is expected to occur.

In case of purchase of gas, the cash flows from the currency hedging financial instruments are recognised in profit or loss at the moment of the realization of the trade.

21. Revenue from contracts with customers

The Company derives revenue from the transfer of commodities, goods, services and leases. Further details are as follows:

in EUR thousand	2025	2024
Electricity to industrial and commercial customers, of which:	673,169	299,545
- <i>Sales of electricity</i>	478,965	216,540
- <i>Distribution fees</i>	194,204	83,005
Electricity to households, of which:	496,514	210,088
- <i>Sales of electricity</i>	303,604	113,712
- <i>Distribution fees</i>	192,910	96,376
Gas, of which:	299,982	180,449
- <i>Sales of gas</i>	216,360	124,317
- <i>Distribution fees</i>	83,622	56,132
Revenues from non-commodity products and services	9,458	11,586
Revenue from services within Group	-	-
Other revenues	2,305	1,629
Total revenues from contracts with customers	1,481,428	703,297

22. Compensation

At the end of the year 2022, the Government of Slovak Republic approved the new legislation in energy sector that established the “price cap” of energies provided to corporate and public sector. The Government reacted to the high prices of energies on the market. From the beginning of year 2023, the energy sector companies are compensated the difference between the sales price and “price cap” price of energies by the Ministry of Economy of Slovak Republic.

Additionally, the Company received some compensation to cover the higher expenses for purchase of electricity consumed in its own buildings.

The Company recognized this income separately in the Statement of Profit or Loss and Other Comprehensive Income as Compensation.

<i>In thousands of EUR</i>	2025	2024
Compensation to electricity suppliers in connection with the introduction of maximum electricity prices for businesses	-	(150)
Compensation to gas suppliers in connection with the introduction of maximum gas prices for businesses	464	1,868
Compensation to gas suppliers in connection with the introduction of maximum gas prices for households	42,652	100,040
Compensation to heat suppliers in connection with the introduction of maximum prices for regulated heat supply for selected end customers	9	153
Total compensation	43,830	101,912

23. Profit from operations

The following amounts have been charged or credited in arriving at profit from operations:

in EUR thousand	2025	2024
Revenues (Note 20)	1,481,428	703,297
Purchases of electricity and gas	(851,422)	(563,025)
Distribution and transmission costs	(552,194)	(179,616)
Electricity and gas costs:	(1,403,616)	(742,641)
Raw materials and other consumed materials, merchandise sold	(2,890)	(3,285)
Wages and salaries	(12,939)	(7,985)
Defined contribution pension plan (Note 20)	(1,973)	(573)
Social security costs	(2,895)	(2,801)
Other staff costs	(1,213)	(345)
Employee benefit expense	(19,020)	(11,703)
Costs from Service Level Agreements (SLA) within the VSE H group	(6,948)	(6,488)
Advertising	(1,833)	(1,161)
Sales support	(887)	(373)
Services from subcontractors related to non-commodity business	(2,220)	(1,463)
IT and telecommunication charges	(4,984)	(1,002)
Cash collection & post services	(2,246)	(2,356)
Personnel lease and part time services	-	(103)
Consultancy fees	(2,444)	(490)
Education and Trainings	(79)	(119)
Rent	-	(448)
Gas storage capacity	(202)	(2,313)
Deferral of acquisition costs	(204)	241
Services Call centre	(1,925)	(2,003)
Other services	(1,329)	(943)
Assurance services provided by auditor	(102)	(65)
Services	(25,403)	(19,086)
Depreciation (Note 5)	(296)	(375)
Remaining value of disposed assets (Note 5)	-	-
Amortisation of right-of-use assets (Note 6)	(1,295)	(379)
Amortization (Note 7)	(6,346)	(5,900)
Depreciation and amortization	(7,937)	(6,654)
Net impairment losses on financial asset (Note 3.1)	836	41
Net loss from sale of assets	(35)	(2)
Government compensation	43,830	101,912
Other net gains/losses	7,549	635
Profit or loss from operations	74,742	22,514

Net costs of obligations in the general economic interest:

Net costs of obligations in the general economic interest In EUR thousand		NC _{WGEI} *	NC _{GEI} **	NCP***
Household Segment	Revenues	162,088	154,277	7,811
	Costs	167,500	167,500	-
Selected vulnerable customers segment	Revenues	4,124	3,939	185
	Costs	17,890	17,890	-

* Net costs of the provider of the obligations in general economic interest if the obligation imposed in the general economic interest were not provided

** Net costs of the provider of the obligations in general economic interest when fulfilling the obligation imposed in the general economic interest

*** Net costs of the provider of the obligations in general economic interest

The net cost of the obligations of general economic interest was EUR 0 as of 31 December 2025.

24. Finance income and costs

in EUR thousand	2025	2024
Gains less losses from derivative transactions	(3)	(192)
Gains less losses from commodity contracts designated FVTPL	(4)	(31)
Profit from sale of subsidiaries	-	137
Interest income - finance lease	-	-
Interest income – non-commodity sale	2,094	181
Interest expense	(321)	(117)
Finance income - net	1,766	(22)

25. Income tax expense

The reconciliation between the reported income tax cost and the theoretical amount that would arise using the standard tax rates is as follows:

in EUR thousand	2025	2024
Profit before tax	22,960	1,595
Effect of special levy scheme payments	2,278	718
Impact of the change from the standard rate to 24% to deferred taxes from January 1, 2025	(2,320)	5,376
Other	(204)	-
Current tax charge	20,436	6,971

The Company pays a special levy that is relevant for regulated business. The special levy is presented under income tax expense, as special levy is profit based expense, and therefore also in scope of IAS 12. Basis for special levy payment is profit before tax.

Until 2016, the legislation on special levy was approved annually for only one year ahead with very limited impact on deferred tax. Amendment 338/2016 to this legislation effective from 31 December 2016 has changed the annual approval to indefinite period of time and temporary has increased special levy rates for next 4 years. The amount of the monthly levy is calculated as the product of the levy rate and the levy base. For 2025, the monthly levy rate was 0.00363 (2024: monthly levy rate was 0.00363). The special levy is a deductible expense for the purposes of applying the income tax payable.

The corporate income tax rate applicable for the year 2025 is 24% (2024: 21%).

The accompanying Notes 1 to 30 are an integral part of these financial statements.

As a result, the income tax rate applicable to regulated activities is as follows:

	2025	2024
Standard income tax rate for the year	24.000%	21.000%
Special levy rate	4.356%	4.356%
Effect of deductibility of special levy from standard rate*	(1.184%)	(1.058%)
Tax rate applicable on profits generated by regulated industry operations	27.172%	24.298%

* the effect is calculated as special levy rate in % x ((1- income tax rate in %)/(1+ special levy rate in%)-1)

The Group includes activities or subsidiaries taxed at the standard tax rate of 24% or at the 27.172% rate applicable to regulated industry operations. For the purpose of the approval of the applied and effective tax rate below, the applied tax rate of 26.160% (2024: 23.160%) was used, which represents the weighted average of the tax rates for regulated and unregulated transactions.

A reconciliation between the reported income tax charge and the theoretical amount that would arise using the applicable tax rates is as follows:

in EUR thousand	2025	2024
Profit before tax	76,508	22,492
Income tax calculated at tax rate of 23.275% (2023: 23.86%)	18,362	5,235
Tax effects of:		
Expenses not deductible for tax purposes	265	50
Effect of special levy scheme payments	2,278	-
Impact of the change from the standard rate to 24% to deferred taxes from January 1, 2025	-	1,382
Other	(469)	303
Current tax charge	20,436	6,971

The global minimum tax rules are based on the OECD Model Rules for Pillar Two, in particular Article 3.2.1 governing the calculation of GloBE Income and excluded items. The obligation to assess the domestic top-up tax (Qualified Domestic Minimum Top-up Tax – QDMTT) applies to the domestic ZSE group. The calculation is performed centrally at the level of the parent company, which assesses the occurrence of the top-up tax for all basic entities in the Slovak Republic.

The top-up tax is not taken into account in the calculation of deferred tax in accordance with the OECD Model Rules for Pillar Two. The potential impacts of the Pillar Two rules are assessed centrally at the level of the ZSE group by the parent company.

26. Cash generated from operations

The Company prepared cash flow statement using indirect method.

in EUR thousand	2025	2024
Profit before tax	76,508	22,492
Adjustments for:		

The accompanying Notes 1 to 30 are an integral part of these financial statements.

Depreciation of property, plant and equipment (Note 5)	296	374
Amortisation of intangible assets (Note 7)	6,346	5,901
Amortisation of right-of-use assets (Note 6)	1,295	379
Payments for short-term and low-value leases	193	447
Change in provisions (Note 18 and Note 19)	(372)	476
Change in allowance for trade receivables and cash pooling (Note 3.1)	-	(1,464)
Interest income (Note 22)	(2,094)	(181)
Interest expense (Note 22)	321	117
Loss on NCA assets sold	35	2
Shortages and damages	-	10
Revaluation of financial instruments	(2,449)	-
Sale of subsidiary	-	(137)
Write-off of receivables	(802)	1,339
Addition of right-of-use and lease liabilities	352	29
Other non-cash operations	1,572	279
Changes in working capital:		
Inventories (Note 11)	8,343	(478)
Trade and other receivables (Note 3.1)	(28,426)	41,644
Trade and other payables (Note 14)	45,266	(43,132)
Contract liabilities (Note 15)	14,378	(8,502)
Other non-financial assets (Note 10)	(2,317)	(96)
Other non-financial liabilities (Note 16)	(21,509)	(4,276)
Payable from acquisition of subsidiaries	-	-
Cash generated from operations	96,936	15,311

27. Contingencies

Taxation

Tax legislation in Slovakia which was enacted or substantively enacted at the end of the reporting period, is subject to varying interpretations when being applied to the transactions and activities of the Company. Consequently, tax positions taken by management and the formal documentation supporting the tax positions may be challenged by tax authorities. Slovak tax administration is gradually strengthening, including the fact that there is a higher risk of review of tax transactions without a clear business purpose or with tax challengeable counterparties. Management is not aware of any circumstances that may give rise to future material expenses in this respect.

28. Commitments and issued financial guarantees

Capital commitments

As at 31 December 2025, the Company have capital commitments in the amount of EUR 3,850 thousand (31 December 2024: EUR 395 thousand).

Commitments of Guarantor

As of December 31, 2025, the Company is not a guarantor for any bank loans.

The Company has assessed that fair value of these financial guarantees is not material to the financial statements as there is a history of bank loans provided to VSEH that were not secured by financial guarantees and interest differential was insignificant between the guaranteed and unguaranteed loans.

Contracts for future supply of electricity and gas

The financial liability arising from electricity purchase agreements amounts to approximately EUR 676,049 thousand (2024: EUR 177,759 thousand) as of 31 December 2025, of which EUR 575,096 thousand (2024: EUR 157,495 thousand) are due within one year. The financial liability arising from natural gas purchase agreements amounts to approximately EUR 324,370 thousand (2024: EUR 130,913 thousand) as of 31 December 2025, of which approximately EUR 285,812 thousand (2024: EUR 107,992 thousand) are due within one year.

29. Related party transactions and balances

The related party transactions and outstanding balances were as follows at 31 December 2025:

<i>tisíoch EUR</i>	Parent company	E.ON Group**	Slovak government*	Entities under common control of the Parent company
Compensation	3,816	1,315	206,668	76,692
Purchases	4,402	-	771,691	358,460
Receivables other than taxes	182,074	194	22,020	(4,738)
Payables other than taxes	4,313	-	58,989	73,969
Paid dividends	101,780	-	-	-

* The Slovak government caption represents individually material transactions with entities under control, joint control or significant influence of the Slovak government.

** E.ON Group caption represents transactions with entities under control, joint control or significant influence of the E.ON Group

The related party transactions and outstanding balances were as follows for 2024:

<i>V tisíoch EUR</i>	Parent company	E.ON Group**	Slovak government*	Entities under common control of the Parent company
Compensation	308	-	22,677	33,075
Purchases	-	-	272,117	156,221
Receivables other than taxes	83,487	-	2,117	1,367
Payables other than taxes	230	-	20,969	17,704
Paid dividends	4,029	-	-	-

* The Slovak government caption represents individually material transactions with entities under control, joint control or significant influence of the Slovak government.

** E.ON Group caption represents transactions with entities under control, joint control or significant influence of the E.ON Group.

30. Events after the reporting period

Since December 31st, 2025, up to the date of preparation of the financial statements, no significant events occurred, that would require adjustment or disclosure in these financial statements.

Energetika Slovensko, a.s.
Annual Report 2025

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01 COMPANY INFORMATION

Foreword by the Chairman of the Board of Directors

Dear customers, partners, friends,

The year 2025 was a turning point in the Slovak energy sector in many ways. After the previous turbulent period, we were once again able to rely on the high stability and security of energy supplies. The development of household prices was significantly influenced by the Government of the Slovak Republic's continued measures to protect consumers and its gradual shift from flat subsidies to more targeted assistance. The past year also brought several legislative changes, including amendments to the Energy and Regulation Acts, which, among other things, strengthened the authority and competencies of the Regulatory Office for Network Industries.

We ourselves contributed to one of the significant milestones. The completion of the integration process and the merger of our two sister companies – ZSE Energia, a.s. and Východoslovenská energetika, a.s. – changed market shares and strengthened our position among the leading players in the entire energy sector.

Energetika Slovensko, a.s.

The merger of the companies was registered in the Companies Register of the Slovak Republic on 1 July 2025. The successor company VSE, a.s. changed its business name after the merger, thus creating space for the largest electricity supplier and the second-largest natural gas supplier in the country under the name Energetika Slovensko, a.s.

We continued to serve our 1.3 million customers through the VSE and ZSE brands, aiming to remain a leader in the electricity and natural gas supply and to grow the number of customers, the volume of delivered commodities, and related products. I am pleased that we have been able to fulfill this intention from the beginning and that our Company is making visible progress.

New energy

I am convinced that growth in the commodities supply is possible mainly through new products and services, especially in the new energy sector focused on surpluses from photovoltaic devices, energy sharing, and the provision of flexibility services. That is why in 2025, we introduced the Electricity Sharing Management Product, which also became the first joint solution of our ZSE and VSE brands. It is the first market product to offer customers comprehensive and systematic support, from establishing a sharing group to choosing a sharing method to preparing a report on shared electricity. In 2025, 3.6% of the electricity volume by our Company, Energetika Slovensko, a.s. came from the Virtual Battery and Electricity Sharing Management Product, which I consider an excellent result.

Customer communication

We also dedicated one of our media campaigns to introducing the Electricity Sharing Management Product. Further communication with household customers focused on our most important products and services – ZSE Air Conditioners, the ZSE Online Account, and the Green Energy Service by VSE.

In relation to small and medium-sized enterprises, we also launched our first joint online campaign last year - a campaign by both brands with the same concept and the goal of reaching and acquiring new business customers.

Artificial intelligence in customer service

Digitalization and artificial intelligence in customer service are no longer just a competitive advantage. I believe they are now essential for providing efficient, modern-quality services. In 2025, we also paid considerable attention to this area. We improved our customer portals and gradually introduced artificial intelligence tools in a number of internal processes.

To our customers, partners, and friends

I sincerely thank you for the trust and loyalty you have shown to our VSE and ZSE brands over the years.

I assure you that you can continue to rely on the supply stability and security that our brands represent. We are also ready to deliver even better, higher-quality services by sharing joint experiences. The development of new, innovative products and solutions to respond to customer needs and expectations, as well as market dynamics, remains a priority.

I look forward to the next meetings on behalf of Energetika Slovensko, a.s.

Mgr. Ing. Juraj Bayer, PhD., Chairman of the Board of Directors and General Director

Company Bodies

The composition of statutory and supervisory bodies of Energetika Slovensko, a.s. in 2025:

Statutory Body

Board of Directors	
As of 31 December 2025.	
Chairperson	Ing. Mgr. Juraj Bayer, PhD. (position started 1 July 2025) Ing. Mgr. Juraj Bayer, PhD. (position terminated 30 June 2025)
Vice Chairperson	JUDr. Tomáš Baník (position started 4 July 2025) Mgr. Ľuboš Michel' (position terminated 3 July 2025)
Members	Ing. Ľudovít Šipoš (position started 1 January 2024)
	PhDr. Michal Dubeň (position started 1 January 2024)
	Mgr. Ľuboš Michel' (position started 4 July 2025) Mgr. Emil Poľák (position terminated 3 July 2025)

Supervisory Body

Supervisory Board	
As of 31 December 2025.	
Chairperson	Mgr. Marcela Martonová (started as a Member of the Supervisory Board on 5 November 2025, elected as Chairwoman of the Supervisory Board on 12 November 2025) Ing. Ján Jakubov (terminated position as a Member and Chairman of the Supervisory Board on 3 July 2025)
Vice Chairperson	Mgr. Lucia Macaláková (position started 1 January 2024)
Members	Dr.h.c.prof. Ing. Michal Cehlár, PhD. (position terminated on 3 July 2025) JUDr. Vladimír Mačík (position started on 4 July 2025)
	Ing. Bystrík Lukáč (position terminated on 3 July 2025) Ing. Bystrík Lukáč (position started on 4 July 2025)
	Ing. Jaroslav Breznen (position terminated on 3 July 2025) Ing. Jaroslav Breznen (position started on 4 July 2025)
	Mgr. Nadežda Sirková (position terminated on 3 July 2025) Mgr. Nadežda Sirková (position started on 4 July 2025)
	Ing. Peter Revický (position started on 16 September 2022)
	Ing. Jakub Bujňák (position started on 16 September 2022)
	Ing. Stanislava Bak Lorenčíková (position started on 13 December 2024)

Shareholder structure as of 31 December 2025:

Shareholder structure			
As of 31 December 2025.	Absolute value in EUR	Registered capital share	Number of voting rights
Západoslovenská energetika, a.s.	58,751,000	100%	100%

Line of Business

Company history

Východoslovenská energetika was established on 1 April 2014, by changing the limited liability company VSE Development, s.r.o., into the joint-stock company VSE Development, a.s.

In the following period, to gradually meet regulatory requirements and separate distribution and commercial activities, the commercial activities of the then company Východoslovenská energetika a.s. were separated on 1 July 2014, by being transferred to its (previously) wholly owned subsidiary VSE Development, a.s.

On the same date, the trade name of Východoslovenská energetika a.s. was changed to Východoslovenská energetika Holding a.s. (VSE Holding a.s.), as well as the trade name of VSE Development a.s. to Východoslovenská energetika a.s. (Východoslovenská energetika a.s. or VSE a.s.).

Since July 2014, VSE a.s. has been the focus of the business activities of the then VSE Holding Group in the electricity supply sector. The company built on the experience and portfolio of customers who transferred to VSE a.s. from VSE Holding a.s.

VSE Holding a.s., as the then sole shareholder of VSE a.s., by the decision of 27 May 2022, approved the merger of VSE a.s., as the successor company, with the sister company innogy Slovensko s.r.o., as the dissolving company, and set the decisive date of the merger of the companies as 1 July 2022. The merger of the companies was registered in the Companies Register on 1 July 2022. The activities of innogy Slovensko s.r.o. continued to be carried out by VSE a.s.

VSE Holding a.s., as the former sole shareholder of VSE a.s., by the decision of 19 September 2023, exercising the powers of the Company's General Meeting, approved the transfer and contribution of shares of VSE a.s. to Západoslovenská energetika, a.s. This transfer and contribution of shares entered into force on 24 November 2023. On this date, Západoslovenská energetika, a.s. became the sole shareholder of VSE a.s.

Current facts and line of business

The company Východoslovenská energetika a.s. merged with the company ZSE Energia, a.s., with effect from 1 July 2025. The company ZSE Energia, a.s. ceased to exist with this act, and the company Východoslovenská energetika a.s. became its legal successor.

The merger of the sister companies was approved by the relevant bodies of the individual companies, including the shareholders of the ZSE Group. At the same time, Východoslovenská energetika a.s. changed its business name to Energetika Slovensko, a.s., effective from 1 July 2025, and later also its registered office.

Company data:

Business name: Energetika Slovensko, a.s.

Company seat: Čulenova 6, 811 09 Bratislava

Company ID: 44 483 767

The main business line of Energetika Slovensko, a.s. (E.SK, a.s.) is the electricity and natural gas supply to households and corporate customers.

The company Energetika Slovensko, a.s., together with the companies Západoslovenská energetika, a.s., Západoslovenská distribučná, a.s., ZSE Elektrárne, s.r.o., ZSE Energy Solutions, s.r.o., ZSE MVE, s.r.o., ZSE Business Services, s.r.o., ZSE Energetické služby, s.r.o., E.SK Centrum služieb, s.r.o., Východoslovenská distribučná, a.s., VSE Solutions s.r.o., E.SK Call centrum, s.r.o., VSE Ekoenergia, s.r.o., EKOTERM, s.r.o. and BK, a.s., form the ZSE Group.

The Company did not acquire any own shares, temporary certificates, or business interests of the parent entity. On 27 June 2025, the Company acquired a 100% share in E.SK Call centrum, s.r.o. and became its sole shareholder.

Energetika Slovensko, a.s. did not incur significant research and development costs in 2025.

Risks and uncertainties

The main area of operation of Energetika Slovensko, a.s. is the supply of electricity and gas to end customers. In connection with the provision of energy supply, Energetika Slovensko, a.s. is exposed to several risks. In particular, these are credit and price commodity risks.

Credit risk is related to the liquidity risk on the part of the company's business partners, especially electricity and gas consumers. The company has an internal credit risk assessment process, which includes assigning individual credit ratings to its customers based on a combination of independent financial information and their payment discipline. In addition, the company actively uses credit insurance as an additional risk management tool.

Market risk is caused by changes in market variables due to the development of supply and demand on the commodity market. It is reflected in fluctuations in energy prices

and the dynamics of the economic environment. Price fluctuations may have an impact on the closing price of the Company's open position. The company applies a conservative approach to managing commodity purchases by maintaining a limited open position and purchasing commodities mainly on a back-to-back basis, i.e. at the moment of volume contracting on the sales side.

Significant events that occurred after the end of 2025 and require disclosure in the annual report

The ongoing conflict between the Russian Federation and Ukraine and related events have increased the perceived risks of doing business in the energy sector. The imposition of economic sanctions has led to greater market uncertainty and increased volatility in energy prices. The long-term effects of the recently imposed sanctions, as well as the threat of future sanctions, are currently difficult to determine. As of the date of approval for publication of these financial statements, the military conflict continues. The outcome and impacts of the conflict are difficult to predict, but it may harm the Slovak economy. A potential escalation of the conflict and sanctions could negatively affect the company's results and financial position, but it is currently impossible to determine whether or to what extent this risk will occur.

No events occurred after the end of 2025 that would have an impact on the financial statements for the year ended 31 December 2025.

Compliance

The Company continuously pays special attention to developing, implementing, and strengthening the Compliance Program, i.e., a set of processes focused on compliance with laws and on the ethical behavior of ZSE Group employees throughout their work lives. The Compliance Program is gradually implemented and enhanced in all subsidiaries of the ZSE Group, including Energetika Slovensko, a.s.

The main objective of the Compliance Program is to prevent, detect, and respond to behavior that may violate internal and legal regulations, potentially resulting in personal liability for the individuals involved, the Company's management, or the Company as such (criminal liability of legal entities).

Code of conduct

The basic document of the Compliance Program is the Company's Code of Conduct, which enshrines the principles of responsible business practices to which the ZSE Group companies adhere. It also serves as a binding code of conduct for employees and all those who cooperate with ZSE Group companies.

The Code of Conduct is further developed by additional binding internal regulations that provide deeper insight into relevant compliance areas (e.g., AML, conflicts of interest, criminal liability of legal entities, and whistleblowing).

To increase employees' ethical awareness across ZSE Group companies, various educational activities are organized, with the scope defined by each participant's tasks and responsibilities.

In 2025, ZSE Group companies continued to make e-learning courses available to employees across the Group. Since 2020, all employees have been required to complete the Code of Conduct e-learning module annually. In 2025, the training focused on responsible business and compliance (including whistleblowing and internal reporting systems).

Through this educational activity, ZSE Group companies continued to support the so-called speak-up culture, encouraging employees to openly address and escalate their compliance-related concerns. The educational module also included several hypothetical practical situations that employees may encounter, thereby testing their acquired knowledge.

Employees in departments without internet access completed offline training.

New employees who completed e-learning or face-to-face training on the Code of Conduct were informed about the ZSE Group's compliance rules and who to contact for consultation or to submit a complaint.

Integrity training was made available to managers in the ZSE Group.

Compliance and notifications

Transparent and sustainable business relationships, a good working atmosphere, and responsible entrepreneurship are extremely important for the ZSE Group, its managers, employees, and shareholders. To ensure compliance with the above standards, the ZSE Group has established reporting channels through which whistleblowers (employees and other persons within the meaning of the whistleblowing legislation) can report anti-social activities and violations of internal or legal regulations. In 2023, the ZSE Group implemented a new reporting channel, namely a web form available on the ZSE Group website, intended for both employees of the ZSE Group and other parties. Potential whistleblowers are instructed in detail, in accordance with the published information, on the methods of reporting, their position in the investigation process, and, if interested, they can also submit a report anonymously and use the ZSE Group's reporting channels.

Number of compliance notifications in the ZSE Group in 2025

With regard to the aspect of transparency and clarity, we divide notifications into the following categories:

Concern, potential illegal activity, violation of laws, corruption, antitrust rules, compliance with KYC and integrity rules of business partners, insider trading.	2
Fraud against ZSE Group companies, including theft, embezzlement, and other fraudulent activities.	4
A complaint regarding HR concerns, such as conflict of interest, mobbing, bossing, sexual harassment, discrimination, etc.	5
Any other topics related to the Code of Conduct.	0
TOTAL	11*

** Compliance notifications are the ones directed to responsible persons from the Compliance team through the relevant communication channels. The number of notifications does not include customer complaints and claims that do not relate to anti-social activity or that do not contain specific information necessary to verify the notification, nor repeated notifications delivered through internal reporting channels.*

Zero tolerance for corruption

In line with the ten principles of the Global Compact, according to which companies and firms strive to prevent corruption in any form, the ZSE Group is committed to the fight against corruption and expresses this commitment in the Code of Conduct, which covers activities that are most exposed to the risks of corruption and unfair practices. The commitment to zero tolerance for corruption is also reflected within the ZSE Group and its suppliers, as it is incorporated into the ZSE Group Supplier's Code of Conduct.

Giving and receiving gifts

The procedures for giving and receiving gifts are part of the anti-corruption measures set out in the Code of Conduct. All gifts, except those within defined limits, must be approved and documented in the central gift register in accordance with established procedures.

Topics on anti-corruption behavior, gift-giving and receiving, and entertainment are regularly communicated to employees through internal channels. The area of gifts and entertainment is also part of training, including for new employees, as well as regular annual training related to compliance and the Code of Conduct.

Contributions to political parties, charitable donations, and sponsorships

Donation and sponsorship programs are transparent. Through sponsorship, the ZSE Group supports specific projects and initiatives in education, environmental protection, innovation, and community development, if they meet the following criteria:

- The project objectives are linked to the Company's goals and mission,
- The funds have a clear purpose, and their use is properly and transparently documented and verifiable at any time.

The ZSE Group does not finance political parties, their candidates or representatives, whether in Slovakia or abroad, nor does it sponsor conventions or rallies whose sole or main purpose is political propaganda.

Combating money laundering and terrorist financing

In the fight against money laundering and terrorist financing, the ZSE Group complies with Slovak and European legislation. The ZSE Group never condones, facilitates, or supports money laundering or terrorist financing, which means that it:

- complies with laws and regulations regarding money laundering and terrorist financing,
- never engages in risky activities that could be aimed at financing or supporting crime or terrorism,

- adopts measures and mechanisms to assess potential as well as current business partners.

Competition and anti-competitive behaviour

At ZSE Group, we believe that we can only win and retain customers and build stable relationships with stakeholders if we act responsibly and honestly.

The ZSE Group is governed by competition rules and does not tolerate prohibited agreements that restrict competition (cartel agreements) or the abuse of a dominant position in any form. All employees of the ZSE Group are obliged to comply with the rules on competition protection, as discussed in more detail in the Code of Conduct.

Special attention is paid, in accordance with the ZSE Group's internal rules, to compliance with the principles of competition protection in dealings with competitors. When contacting competitors, employees must ensure they do not receive or provide any information that could lead to conclusions about the current or future behavior of the ZSE Group companies or their competitors in the market.

It is also extremely important for the ZSE Group to comply with national and international laws. Likewise, the ZSE Group companies require the same from their business partners.

Know Your Counterparty check

The ZSE Group selects its business partners based on professional and economic criteria. However, it also pays close attention to environmental protection, compliance with human rights, labor and other generally binding standards, and anti-discrimination and anti-corruption policies. When selecting business partners, it also reflects international sanctions, as well as regulatory, legal, or reputational risks that could have serious impacts on the ZSE Group.

Internal control system

The internal control system is a continuous process carried out by the Board of Directors through the Company's managers and experts to provide all stakeholders with adequate assurance that the Company's strategic objectives will be achieved. The Company has established itself for these purposes:

- 1.** Internal control mechanisms. Internal control mechanisms have been implemented at the individual process level to identify and prevent risks of fraud, corruption, and unfair practices. The role of the internal control system is to prevent and identify, in a timely manner, errors and irregularities that may arise from intentional fraud, as well as unintentional acts or omissions.
- 2.** Internal audit is a set of independent, objective, assurance, and consulting activities aimed at improving management and control processes, considering the internationally recognized auditing standards "International Standards for the Professional Practice of Internal Auditing". The ZSE Group has an established internal audit department that continuously monitors the implemented control mechanisms, identifies their shortcomings, and proposes action plans to improve and make the internal control system more efficient. The

Head of Internal Audit is responsible for developing and implementing the internal audit plan, based on a risk assessment that considers the Company's risk management framework and the levels of management response to risk across various activities.

- 3.** The Compliance Team is part of the organizational structure of the ZSE Group, and its tasks include, but are not limited to, the development, implementation, and updating of documentation related to the Compliance Program, updating the ZSE Group's Code of Conduct, and performing activities related to training activities, methodological support and investigation of violations of the Code of Conduct.

02 ECONOMY

Structure of sources and usage of natural gas and electricity

Structure of gas supply				
	2025	share (%)	2024	share (%)
Volume of supplied gas (GWh)	4,314	100%	3,098	100%
of which supply to households (GWh)	2,876	67%	2,143	69%
of which supply outside households (GWh)	1,438	33%	955	31%

Indicators		
	2025	2024
Revenues from natural gas sales (thousand EUR)*	343,098	282,358
Volume of supplied gas (GWh)	4,314	3,098
Volume of sourced gas/third-party sources (GWh)	4,314	3,098
Volume of generated gas/own sources (GWh)	0	0
Number of supply points	256,619	159,257

* based on a contract on combined gas supply

Structure of electricity supply				
	2025	share (%)	2024	share (%)
Volume of electricity supplied, including losses (GWh)	5,809	100%	2,622	100%
of which supply to households (GWh)	2,572	44%	1,292	49%
of which supply outside households (GWh)	3,237	56%	1,330	51%

Indicators		
	2025	2024
Revenues from electricity sales (thousand EUR)*	1,169,683	509,153
Volume of electricity supplied, including losses (GWh)	5,809	2,622
Volume of sourced electricity/third-party sources (GWh)	5,809	2,622
Volume of generated electricity/own sources (GWh)	0	0
Number of supply points	1,641,757	606,904

* based on a contract on combined electricity supply

Useful electricity supply (GWh)	
2025	5,809
2024	2,622

Company's key indicators

In 2025, Energetika Slovensko, a. s. achieved a profit of EUR 56,072 thousand with revenues of EUR 1,481,428 thousand and incurred total costs amounting to EUR 1,465,718 thousand.

Key data about the Company according to the International Financial Reporting Standards applicable in the European Union:

Key data about the Company as to 31 December		
In thousand EUR	2025	2024
Long-term assets	112,992	95,231
Short-term assets	467,532	158,501
Total assets	580,524	253,732
Own equity	209,128	113,245
Long-term liabilities	25,796	12,733
Short-term liabilities	345,600	127,754
Total own equity and liabilities	580,524	253,732
Turnover	1,481,428	703,297
EBIT (operating profit)	74,742	22,514
EBITDA	82,679	29,168
Total revenues	1,542,226	807,645
Total costs	1,465,718	785,153
Profit before tax	76,508	22,492
Yearly profit	56,072	15,521
Average headcount	384	251

Profit distribution for 2024

By decision of the sole shareholder of the Company made in the exercise of the General Meeting's authority on 26 June 2025, the distribution of the accounting profit for 2024 in the amount of EUR 15,521,000 was approved, and dividends of EUR 15,491,000 were paid.

Receivables and payables

Receivables and payables from business transactions		
In thousand EUR	2025	2024
Receivables from business transactions and other receivables	220,157	54,549
of which: overdue	32,829	33,267
Payables from business transactions and other payables	193,784	78,147
of which: overdue	205	0

Proposed distribution of 2025 profit of Energetika Slovensko, a.s.

Proposed distribution of 2025 profit of Energetika Slovensko, a.s.	
submitted to the Board of Directors of Energetika Slovensko, a.s. on 16 April 2026	In thousand EUR
Financial result for the accounting period	56,072
Allocation to the Social Fund	30
Dividends	56,042
Total profit to be distributed	56,072

03 HUMAN RESOURCES

As of 31 December 2025, the Company employed 542 employees (excluding members of the Board of Directors and the Supervisory Board and employees under a work performance agreement). The average age of an employee was 44 years.

- Proportion of women/men: women 64%; men 36%.
- Education: university 59.78%; complete secondary vocational education 38.38%; secondary vocational education 1.48%; primary 0.37%.

Company merger

On 1 July 2025, the merger of two sister companies ZSE Energia, a.s. (which ceased to exist because of the merger) and VSE a.s. (which became the successor company and at the same time changed its registered office and name to E.SK, a.s. on the date of the merger) took place. All employees of ZSE Energia, a.s., were transferred to the successor company on the said date under the transfer of rights and obligations from employment relationships. The merger in question was preceded by planned organizational changes in both sister companies, which ensured a smooth course for the merger from the Company's organizational perspective. At the same time, on the same date, employees of the Payment Settlement and Receivables Management teams from VSE Holding a.s. were also transferred to E.SK, a.s.

Employee training and development

In 2025, a program focused on developing digital and artificial intelligence skills, the "Digital University", was launched for selected employees, which develops both theoretical knowledge and practical skills.

Short online training formats called "Managerial Coffee" were available for employees in leadership positions. This format covers monthly online webinars on soft skills development topics.

Team leaders who were new to their positions also had the opportunity to participate in the Team Leadership Academy, a development program that provides comprehensive support for basic management skills.

If needed, employees can attend professional webinars and training to develop their soft and hard skills. Popular development tools in 2025 also included an online learning platform offering hundreds of professional courses and podcasts on various topics.

Within the scope of topics related to human resources, diversity, and inclusion, the Company did not forget the need for continuous lifelong learning, not only in developing hard skills but also with an emphasis on mindfulness, positive thinking, and body balance.

We also made the unique Customer Solutions Universe-ity educational program, created within the E.ON Group, available to E.SK employees. The program offered

digital education across 15 modules and developed skills suitable for the actual energy sector business world.

Mental health/ well-being support

In 2022, the Company joined the Coalition of Companies for Mental Health, and as part of this collaboration, an online expert discussion was held monthly for all employees to support mental health and well-being.

The ZSE Group also organizes Mental Health Days every year, which include lectures by experts on various topics in mental health and well-being.

Promoting diversity

The ZSE Group is a signatory to the Diversity Charter Slovakia, thereby confirming its commitment to creating and maintaining an inclusive working environment for all employees. By signing, it confirms that it will not accept any forms of discrimination in the workplace and will protect employees from any intolerance. This experience actively helps us build a safe and respectful working environment that emphasizes accepting people regardless of their individual differences. The ZSE Group regularly participates in the Diversity Charter's educational activities to bring the latest knowledge, approach, and methodologies in the field of a diverse and inclusive workplace.

Diversity Days were held in May 2025 to raise employee awareness of diversity, equality, and inclusion through lectures, workshops, interviews, and excursions. The webinars focused mainly on diversity within our companies, including gender and age. To make various forms of education accessible, a "Diversity Library" was created for employees. The library contains professional and educational books on diversity topics that provide both theoretical knowledge and mediated life experiences from people with unique life stories, which employees can borrow at any time.

04 OCCUPATIONAL HEALTH AND SAFETY

The health and safety of our employees and partners have been, remain, and will continue to be our top priority.

The Company continuously monitors and reviews risks arising from work and the working environment and takes measures to reduce them and prevent occupational accidents. Given the nature of work in the energy sector, compliance with occupational health and safety rules is a high priority.

The Company has long been dedicated to systematic employee training in occupational health and safety.

To raise employee awareness in OHS, various articles and competitions were published on the Company's intranet in 2025. In employee health protection, webinars focused on well-being and mental health protection were held.

In addition, the entire year 2025 was framed by a health and safety culture program. Under the Group's motto *"It's not only about you"*, we also continued involving employees and other collaborators in a culture of personal and general responsibility. We brought employees a video interview with Markus Kaune, Chairman of the Board of Directors and CEO of ZSE, a.s., on the new E.ON and ZSE Group philosophy: Vision 0 (zero serious and fatal accidents). We also prepared an internal campaign, in which the children of our employees appeared in the main video titled *"Safety is not a game"*.

The Company underwent an audit, the so-called Quick-Check 2.0, which provides a comprehensive assessment of the OHS culture. The Company demonstrated a strong, stable safety culture in the independent phase of the Bradley Curve. The expert assessed our level with an overall score of 3.2. Compared to other companies on the market, this is an above-average result. In the long term, our goal is to achieve a 4.0 score.

In 2025, two registered work accidents were recorded in the Company.

In the electricity purchase and sale area, the Company has implemented and uses a quality management system (ISO 9001), an occupational health and safety management system (ISO 45001), and an environmental management system (ISO 14001) in purchasing and selling electricity and gas to corporate customers.

05 SUSTAINABILITY

All information related to sustainability is published by Západoslovenská energetika, a.s. (ZSE), the parent company of the ZSE Group.

Consolidated sustainability reporting contains disclosures about the ZSE Group's strategy, position, activities, impact, and objectives in the environmental, social, and governance areas and includes information regarding:

- climate change, including data on the share of eligible and ineligible economic activities and related information in accordance with the EU Taxonomy Regulation, greenhouse gas emissions, and the transition to a low-carbon economy,
- impacts on air, water, and soil pollution,
- protection of biodiversity and ecosystems,
- waste management and circular economy,
- own employees,
- workers in the value (supply) chain,
- consumers and end customers,
- business conduct, including respect for human rights, ethical principles, and the fight against corruption and bribery.

This information is part of the ZSE Annual Report prepared for the relevant calendar year and is available on the website www.skupinazse.sk.

In 2025, E.SK completed a sustainability assessment conducted by EcoVadis, one of the leading global providers of ESG ratings, which assesses companies in the areas of environment, labor and human rights, ethics, and sustainable procurement. The assessment results were announced to the company in January 2026. **Based on this assessment, the company received the EcoVadis Silver Medal, placing it among the top 15%** of the best-rated companies in its peer group worldwide. The company thus demonstrated an advanced sustainability management system and effectively established processes across environmental, social, and ethical responsibility, and ESG management. The assessment obtained provides significant external confirmation of the Company's quality in internal processes and sustainability management approach.

06 PRODUCTS AND SERVICES

E.SK is the Market Leader in Green Solutions

Our customers continue to confirm in 2025 that climate and environmental protection are integral to their lives.

One of E.SK's main products is Green Electricity. In 2025, more than 130,000 customers throughout Slovakia used this product. They have a guarantee that the entire volume of electricity they consume is generated from renewable sources. Customers from the corporate and organizational segments continue to show stable interest in Green Electricity. In addition, the Company returns part of the funds collected from its customers back to the regions - to cities, municipalities, or community projects. We do this together with the ZSE Foundation, with which we are successfully continuing the Solar Roofs Program. There are several benefits to this project. First, the environment is protected by using electricity from renewable sources. The second benefit is saving local government finances, since schools and social facilities generate a significant part of their electricity in-house. Finally, there is also an educational benefit - not only for students in physics, biology, or environmental education classes, but also for the entire community, which positively perceives that a municipality or self-governing region is using renewable energy sources.

Development of Services in Electricity Generation

The Company launched the Electricity Sharing Management product in 2025. It helps its customers easily share the electricity generated by their photovoltaic systems with their relatives, friends, or business outlets. It thus supports the development of the entire field of electricity generation, which has enjoyed increased interest in Slovakia in recent years.

In its Virtual Battery products, the Company responded flexibly to the increasing difference in electricity prices at the time of production and at the time of customer consumption in 2025. It placed great emphasis on customer communication during this change, as the solution is to be delivered in the long term.

Other Household and Business Services

Household help through value-added services

Tens of thousands to hundreds of thousands of customers have long-term use of the Company's assistance with extra household services. These include assistance services, health, or insurance of energy payments. The most popular extra service in 2025 was also household assistance insurance. This includes free elimination of electricity, gas, water, and heating problems in the household, repairs of appliances, white and black appliances, including spare parts, or fixing a broken window or express opening of a slammed door, up to an amount of EUR 200.

Health insurance, on the other hand, allows customers to use the services of a doctor by phone or access above-standard services during hospitalization. It covers, for

example, accommodation for a parent with a child, compensation for a hospital stay, transport from a medical facility, or accompaniment to a doctor if needed. Insured payment services are available in the event of the customer's incapacity for work or an accident to the customer.

Solutions for increased household comfort

Despite the state subsidies on photovoltaics, the Company continued to successfully install devices primarily in households. The total number of solar devices installed in recent years exceeds 4,500.

At the same time, the Company continues to intensively strengthen its market position in air conditioning installation. The entire market faced fluctuating weather during the summer of 2025, which partially reduced customer demand. Despite this, the Company installed air conditioning in more than 2,000 households. Klima Bezstarosti product has maintained a high customer interest for a long time, thanks to a combination of affordable financing and comprehensive care. It brings air conditioning to the customer as a service, within which the customer receives the product, transportation, and installation for only EUR 1 per day, electricity amounting to 300 kWh, part of which is completely free of charge, service, and an extended warranty for the entire period of the service use.

In practice, the Company guarantees the customer the functionality of the air conditioning throughout the service period. If the air conditioning breaks down and cannot be repaired, the device is replaced.

Offer development in commodity products

Since the energy crisis, customers have continued to show increased interest in various types of products for electricity and gas supply, whether it is a price list solution, a longer-term price fixation, or prices linked to developments in the wholesale market. This is especially true in the corporate customer segment. The Company also increased the attractiveness of its products for existing customers in 2025. The result is a stabilized corporate customer portfolio.

Online Account

One of the Company's key goals remains to move as many transactions and customer inquiries as possible to the self-service online environment. That is why, in customer care, we have extended the functionality of our websites (www.zse.sk and www.vse.sk) and mobile application with a new Help and Support Section and a completely new online Requests Section, with more than 60 types, for households and businesses. The Requests Section can also be launched by a customer without an online account (ZSE Online Account and My VSE). All they need is a mobile phone or email and verification via a one-time code. The result is clearer navigation and significantly easier request submission.

In the first half of 2025, we also launched automated notifications on planned outages, which ZSE customers receive via email or a text message (SMS). These changes bring greater comfort, faster orientation, and greater information availability for all customers.

The online account provides customers with an overview of consumption, payments, and invoices, and allows immediate payments via a payment gateway. It allows activating an electronic invoice, changing contact details, the number of advances, or the payment method, setting up an account for sending overpayments, or switching a consumption point to another customer. The security of all active operations is ensured through SMS code verification. The online account also supports an ecological approach: all changes are processed automatically, without the need for paper documents.

In the corporate customer segment, we launched a completely new online account project in 2025, which will bring extended billing and data management capabilities in the future. The project preparation included modernizing the environment and adding features tailored to the specific needs of corporate clients.

By the end of 2025, more than 626,000 customers used joint online accounts from ZSE and VSE, and more than 853,000 customers used electronic invoices. At the same time, the Company continues to actively divert customers to online self-service rather than using the customer line, email, or personal contact at customer centers.

In 2026, we plan to introduce additional automated online applications for households, launch a new online account for businesses, and continue developing projects to strengthen digital services and improve customer comfort.

Research and Development Activities

In 2025, we systematically researched and innovated activities to support the energy transformation towards greater efficiency, flexibility, and sustainability. We focused on implementing and preparing international projects, submitting new project proposals to secure financial support for research and innovation, and expanding cooperation with academic and technological partners.

Our activities focused on integrating renewable sources, creating and managing energy communities, implementing smart grids, and developing digital tools for energy system management. These initiatives also included preparing the launch of a pilot project on household flexibility aimed at verifying the possibilities of involving households in providing flexibility to the electricity system.

1. Project activities in the field of research and innovation

DanubeEnergy Project (Interreg Danube): We successfully completed and administratively settled the DanubeEnergy project in 2025. Its output is, among other things, cooperation on the prepared project proposal in the LIFE Program. In cooperation with the Slovak (KInIT) and Ukrainian (Odessa Polytechnic National University) partners, we focused on developing greener heating systems that combine renewable sources with existing thermal infrastructure. As part of the project, we developed policy analyses, identified key stakeholders, and compiled an overview of available financial instruments for subsequent investments in energy communities.

ENHANCER Project Proposal: In 2025, we submitted a project proposal called ENHANCER to the LIFE-CET-ENERCOM program. If approved, the project will focus on supporting the development of energy communities in disadvantaged regions through a digital and local advisory center (One-Stop-Shop). Pilot activities in four countries will validate business models, financing, and flexibility services, including community heating. The project will aim to remove legislative and capacity barriers and accelerate the clean energy transition.

DECIDE-AI project proposal: In 2025, we submitted the DECIDE-AI project proposal under the Interreg Danube Program. The project responds to the need to strengthen municipalities' capacities in renewable energy integration and energy community management. If supported, it will aim to develop an AI-supported planning platform and demonstrate three pilot urban energy communities using storage, V2X technologies, and dynamic tariffs. The project brings together 13 partners from 7 countries and will create a transferable model for scaling up solutions in the Danube Region.

2. Supporting research and obtaining funding

Certificate for conducting research and development: Energetika Slovensko, a.s. holds a certificate of competence to conduct research and development, issued by the Ministry of Education, Research, Development, and Youth of the Slovak Republic. In 2025, we also confirmed the certificate's validity and submitted an electronic statement of research and development potential for 2024. This certificate allows us to apply for national and international grants and develop cooperation with scientific and research institutions.

3. Partnerships

In addition to long-term stable partnerships, such as cooperation with KInIT, For Green, TUKE, and other professional institutions, we extended our network with new contacts and strategic cooperation at both national and international levels in 2025. These partnerships strengthen our research and innovation potential and create space for participation in broader European initiatives in energy and digitalization.

Mining College - Technical University of Ostrava: Cooperation with the Faculty of Electrical Engineering and Informatics of VŠB-TUO focuses on sustainable energy solutions, energy storage, smart-grid technologies, and optimization of electricity grid operations. The partnership allows us to connect industrial practice with academic research and to develop technological solutions that support the stability and efficiency of energy systems.

Kempen University of Applied Sciences: We collaborate with the IEAT and IFM institutes on energy systems, electromobility, V2X technologies, and smart mobility. The partnership links research in energy, storage, and smart charging with advanced assisted and autonomous mobility systems. The aim is to create comprehensive solutions connecting energy and transportation systems.

energiQube, s.r.o.: Cooperation with energiQube focuses on market models design, software solutions for electricity sharing, and the development of energy communities.

The partnership strengthens our competencies in electricity market organization, flexibility aggregation, and implementation of legislative changes into practice.

4. Pilot activities in household flexibility

In 2025, we established a collaboration with Delta Green to pilot the flexibility of the household segment. The aim is to test the technical possibilities of connecting households with photovoltaics, battery storage, and smart charging of electric vehicles to provide flexibility for the energy grid. The pilot project will focus on automated management of energy consumption and generation using data and control algorithms. The expected benefit is to lay the groundwork for a future commercial service that enables households to actively participate in grid management.

07 SOCIAL RESPONSIBILITY

The ZSE Group is one of the leaders in Slovakia in corporate social responsibility, and its principles are incorporated into everyday decisions and business strategy. The main areas of support are environmental protection, education support, and community-oriented public benefit activities. The ZSE Foundation and the VSE Foundation also played a significant role in this in 2025.

Through the Employee Grant Program, the ZSE Foundation supports employees who, in addition to their daily work and duties, are interested in volunteering to benefit their community. Active participants were also employees of ZSE Energia, a.s. In 2025, the ninth year of the program, 152 projects received EUR 150,000 in support. The program was announced at the beginning of 2025, but the projects themselves were implemented till the end of November 2025.

The commitment of employees, including those of VSE a.s., to improving the lives of the communities in which they live and work was also supported by the VSE Foundation through the Companius – Helping Together IV employee grant program. In 2025, it contributed EUR 79,270.77 to community development.

In 2025, ZSE Energia, a.s. provided the ZSE Foundation with a donation of EUR 100,000 to implement the Solar Roofs Program, announced in autumn 2025. The program is intended for schools and school facilities, facilities providing social services, sheltered homes, and registered social enterprises, which can apply for free installation of photovoltaic solutions. The program helps fulfill the environmental commitments of the entire ZSE Group in the regions in which it operates.

At the beginning of 2025, VSE, a.s. supported projects worth a total of more than EUR 55,000 from funds collected by Green Energy Service customers. In cooperation with the SOSNA NGO, 10 climate gardens were created at regional elementary schools. Cooperation with the Story of the Bee NGO continued with the planting of a lavender and blueberry grove suitable for a honeybee colony near the village of Rudník. Assistance in purchasing wetlands to preserve endangered species of animals also continued, and we also helped build nest boxes for the rare *Coracias garrulus*. In 2025, we did not forget about young scientists and supported a project to use bacteriophages in wastewater treatment.

In 2025, the VSE brand also appeared in connection with the charity run in Košice City Center – VSE City Run. A record-breaking 2,700 participants took part in the 17th annual event in May 2025, who, together with the VSE brand, supported the Light of Help organization with EUR 15,785. In October 2025, the VSE brand announced its role as the main partner of the International Peace Marathon in Košice, thereby confirming its longstanding partnership with the oldest marathon in Europe.

The ZSE and VSE brands were also actively presented at the autumn event, White Night. In both cities, Bratislava and Košice, where the event took place, they visibly

contributed to supporting modern art alongside innovations and technologies that deliver unforgettable experiences to participants.

ANNEX

Financial Statements and Independent Auditor Report – 31 December 2025