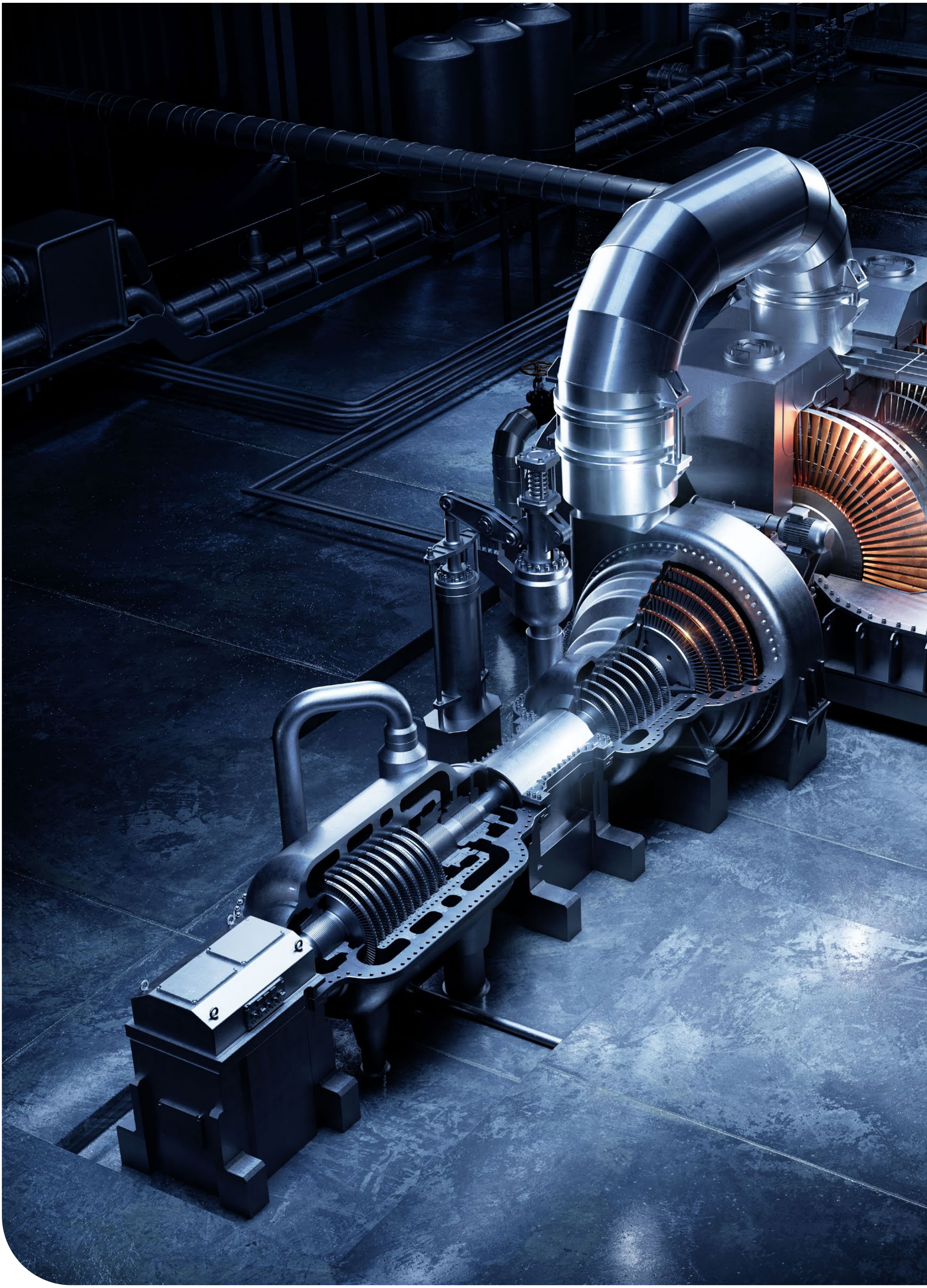
Veolia Komodity ČR, s.r.o.

ANNUAL REPORT 2025

CONTENTS

Annual report compiled on 20 May 2026



01 CORPORATE AND GENERAL INFORMATION ABOUT THE COMPANY

BASIC INFORMATION

Veolia Komodity ČR, s.r.o.

Company name

25 October 1999

Date of incorporation

CZK 2,000,000

Registered capital

private limited liability company (společnost s ručením omezeným)

Legal form

258 46 159

Company number

28. října 3337/7, Moravská Ostrava, 702 00 Ostrava, Czech Republic

Registered office

The Company is incorporated by entry in the Companies Register kept by the Ostrava Regional Court under number C 21431.

«

Veolia Komodity ČR, s.r.o. is one of the largest independent electricity and gas traders in the Czech Republic today. We strive to provide customers with the best possible conditions for the purchase and sale of electricity and gas.

COMPANY DESCRIPTION

Veolia Komodity ČR, s.r.o. ("Veolia Komodity") started to trade in electricity under its original name CZECH-KARBON s.r.o. on 1 October 2001 further to the strategic decision of the Board of Directors of KARBON INVEST a.s.

The purpose was to centralise and rationalise the activities entailed in electricity trading and electricity procurement for the Group's needs under the new conditions on the liberalised electricity market. On 1 December 2008, NWR Energy, a.s. became the sole member of CZECH-KARBON s.r.o.; on 21 June 2010, NWR Energy, a.s. was acquired by Dalkia Česká republika, a.s., which now has the name Veolia Energie ČR, a.s. Since 2012, Veolia Komodity has been licensed to trade in gas. In January 2015, the Company's sole member, acting in the capacity of the General Meeting, decided to amend the Memorandum of Association and change the Company's name from Dalkia Commodities CZ s.r.o. to Veolia Komodity ČR, s.r.o., effective from 1 April 2015. The sole member's name also changed to Veolia Průmyslové služby ČR, a.s., effective from 1 March 2015.

Starting in 2001, Veolia Komodity, as a member of its original parent's group, arranged for the gradual transformation of group companies into eligible customers (with the right to choose their supplier) and steadily developed into an efficient trading company wielding extensive know-how in electricity and gas trading both on the domestic and international stage.

With its close-knit team of staff, Veolia Komodity is in a position to handle all areas specific to trading on Czech and international wholesale markets: the provision of international transmission capacities, trading within the energy systems of neighbouring foreign operators, and sales of electricity and gas to end customers with varying needs and supply volumes.

In 2025, the Company's electricity purchasing comprised supplies from domestic electricity producers, including those supplying electricity from renewable and secondary sources, as well as from domestic and foreign traders. To further its business opportunities, the Company also had the opportunity to draw on supplies from Poland over a 110 kV transmission line to a dedicated island in the Czech Republic, which is part of the system of mines owned by OKD, a.s.

It is the Company's strategy to make use of the maximum means available to maintain a portfolio of ample liquid products for supply purposes. It is one of the counterparties in POWER EXCHANGE CENTRAL EUROPE, a.s. (PXE) and holds a trading licence to trade on Poland's domestic market, where greater opportunities are offered for trading with Polish partners and cross-border trading with Poland.

Besides arranging for the advantageous supplies above, we managed to reduce the costs of imbalances between the quantities of electricity contracted and the quantities actually taken (constituting a large proportion of the price), mainly by applying a high-quality prediction system and by very precise negotiation of our customers' load profiles.

KEY DATA

REVENUE

CZK **6,514,656,0006**

NUMBER OF EMPLOYEES

17

ELECTRICITY SUPPLIED

1,19 TWh

GAS SUPPLIED

1,83 TWh

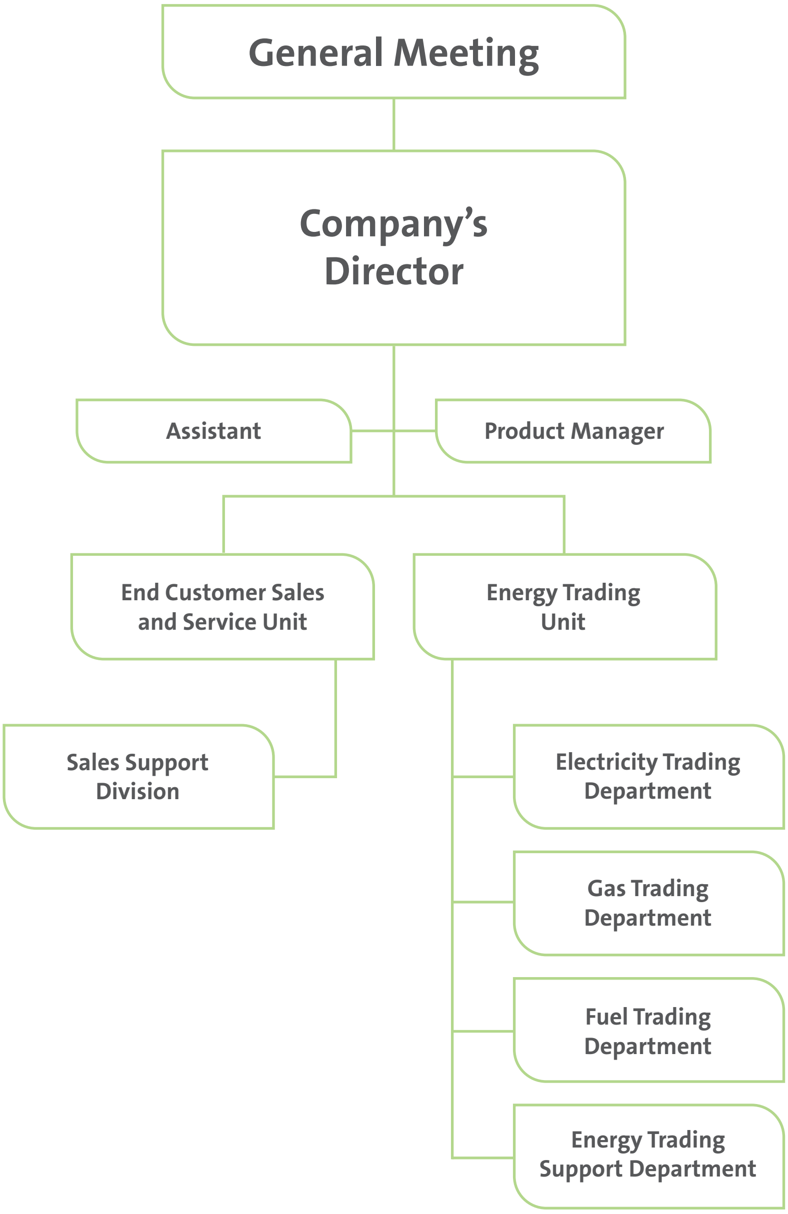
CORPORATE GOVERNANCE

DIRECTOR

Ing. Pavel Luňáček

Corporate Governance as at 31 December 2025

ORGANISATIONAL STRUCTURE



OTHER INFORMATION

Veolia Komodity has no branches or any other form of business representation abroad and does not engage in any research and development. Following the date of the statement of financial position, there were no significant events of relevance to its reported results. As at 31 December 2024, the Company did not hold any of its own shares nor ownership interests in other companies.

02 MANAGEMENT REPORT

FOREWORD

DEAR BUSINESS PARTNERS, LADIES AND GENTLEMEN,

I would like to summarise Veolia Komodity's results for 2025 and highlight the key developments over the past year.

We were very successful in 2025, navigating significant changes in the market while continuing to supply electricity and gas reliably to customers ranging from large industrial consumers to clients in the transport, education, healthcare, services, and public administration sectors.

We also traded actively on commodity exchanges and bought renewable electricity from independent suppliers, enabling us to offer customers electricity supplies backed by guarantees of origin from renewable sources.

We also made progress in developing our business activities in 2025, particularly in the optimisation of electricity and gas trading. Work also advanced on a system to leverage the value of the generation- and demand-side flexibility. Given the positive results achieved, in the year ahead we will continue to focus on managing energy trading more efficiently.

Looking ahead to 2026, we are well prepared for growing volatility in the energy markets. We expect solid financial results, supported by our experience in managing end-consumer and producer portfolios. We will also continue to expand our business activities across the energy market.

Drawing on our extensive experience in domestic and international energy markets, and supported by the strong and stable Veolia Group, of which Veolia Komodity is part, I firmly believe that we will continue to be a valued and professional partner for our customers.

I greatly appreciate the trust our business partners place in us, thank them for their support to date, and look forward to building on our successful cooperation.

I would also like to thank all employees of Veolia Komodity for their commitment, enthusiasm, and outstanding work.

Ing. Pavel Luňáček
Managing Director

ING. PAVEL LUŇÁČEK
Managing Director

CORE VALUES

In its work, the Company relies on core values shared across Veolia Group: customer focus, innovation, responsibility, respect, and solidarity.

RESPONSIBILITY

Veolia's objective is to take an active part in the shaping of a society committed to sustainable development. It is a key player in the environmental services market and as such it assumes, daily, the responsibility for the meeting of general interests such as, in particular:

- support for harmonious regional development;
- improvements in the living conditions of those affected by its operations, and environmental protection;
- the development of employees' business skills, improvements in personal safety at work (occupational injury prevention), and the fostering of a healthy working environment.

SOLIDARITY

As through its business activity Veolia serves common and shared interests, solidarity is one of its core values in its relationships with all stakeholders.

Concretely, this value is expressed by developing solutions which enable Veolia Group to provide essential services for everyone. We consider this to be a central plank of our corporate social responsibility.

RESPECT

This value guides the individual conduct of all Veolia Group employees and is expressed by compliance with the law and the Group's internal rules and through the respect shown to others.

INNOVATION

Research and innovation combine to form the core of the Veolia Group's strategy of developing sustainable solutions and services for customers, the environment, and society at large.

CUSTOMER FOCUS

Veolia pursues this value by, in particular, striving to continuously improve the efficiency and quality of its services. Veolia promotes transparency and ethical rules as the essential prerequisites for building lasting relationships with its customers. Veolia listens to its customers and provides fitting and innovative solutions that meet their technical, economic and environmental requirements.

OUR SERVICES

COMMERCIAL OPERATIONS

Two basic units are responsible for Veolia Komodity's commercial operations:

END CUSTOMER SALES AND SERVICES UNIT

This unit is responsible for electricity and gas sales to end customers and for providing them with a comprehensive service.

In 2025, the End Customer Sales and Services Unit arranged for supplies to end customers with a total annual electricity consumption of 1.19 TWh and gas consumption of 1.83 TWh.

We provide a full service to end customers on the energy market. We place a major emphasis on the pricing of our supply and on delivering top-quality services. We also provide our clients with advice on consumption management, technical conditions for connection and other aspects which ultimately affect the cost of power supply.

ENERGY TRADING UNIT

This unit is responsible for the optimisation of the purchasing portfolio, the operational balancing of the Company's portfolio positions and the further development of trading in domestic and foreign transmission systems.

The Energy Trading Unit's principal task is to procure electricity and gas on the wholesale market to meet the needs of the portfolio of end customers. This includes the purchase and optimisation of standard and non-standard products on the wholesale market for supply to the portfolio of end customers, ad hoc topping-up on spot markets during the year and, based on revised load profile predictions, management of the cost of imbalances on the balancing market.

This unit buys electricity and gas in the wholesale market in order to supply its end customers and also trades in electricity and gas with other companies in the Czech market and in the adjacent foreign markets, in particular on the basis of ad hoc spot transactions leveraging the current movements in the electricity and gas market. Cross-border trading also includes booking the required capacities in each of the interconnectors.

In 2025, we continued to develop our cooperation with independent power producers, including feed-in from renewable and secondary sources; we presented them with the opportunity to use the green bonus system as part of the support for renewable and secondary sources. In 2025, the Company purchased 5.3 GWh of electricity from producers.

INNOVATION

In 2025, innovation continued to focus on honing the services provided to customers, specifically:

IMPROVING RISK MANAGEMENT INSTRUMENTS

The Company regularly evaluates business and financial risks, particularly price, currency and credit risks. We have introduced and periodically evaluate the credit rating of our trade partners and customers, hedge foreign exchange risk, and regularly update forecasts to reflect developments among end customers.

ACHIEVING MAXIMUM CUSTOMER SATISFACTION

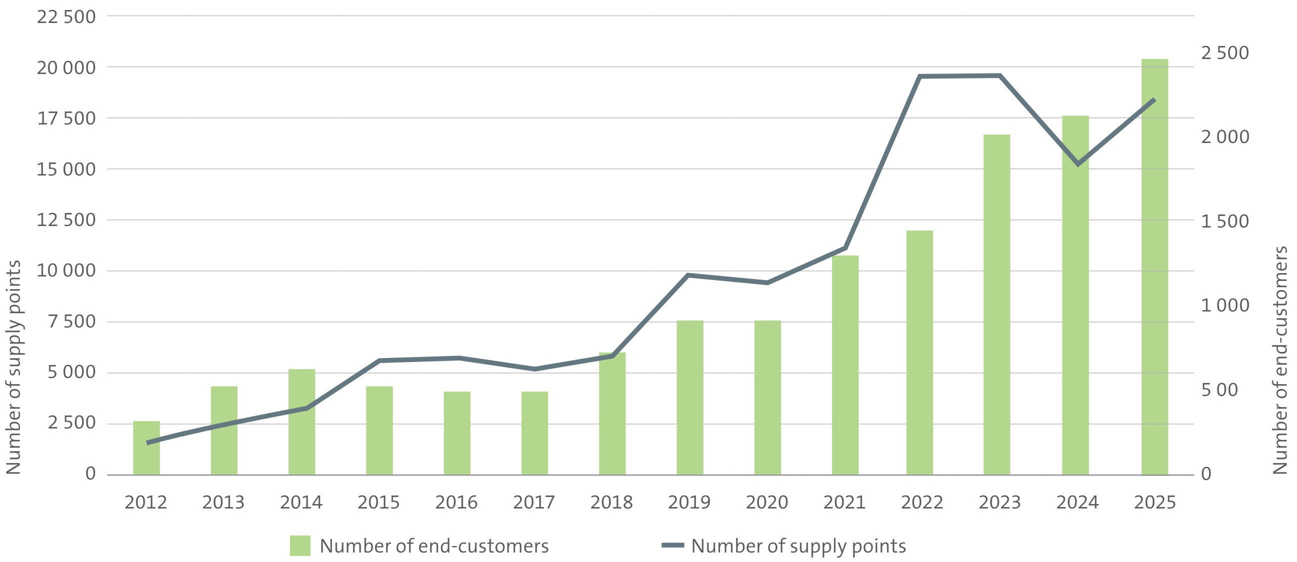
The quality of customer relationships is largely determined by how the customer perceives the Company's key competencies, what share of trading is taken up by the firm, its price competitiveness, the quality of other associated products, knowledge of the customer's business, the level of technology and the intensity of mutual relations. With this in mind, we attach great importance to identifying the needs and requirements of consumers and designing an attractive range of services for each target segment on the market.

CUSTOMERS

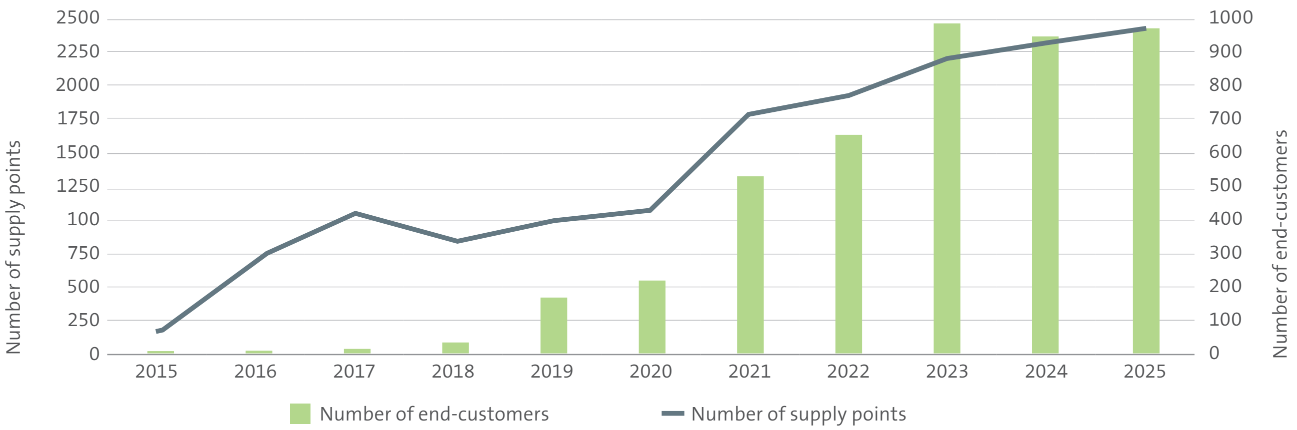
Since 2001, the liberalisation of the electricity market has gradually brought about the need to address requirements of different customer segments. As a result, Veolia Komodity has become a supplier for a wide range of customers.

The Company's current end customer portfolio numbers almost 1,400 customers, whose needs and supply quantities are very diverse. Besides its traditional coal-mining and coke-producing partners, Veolia Komodity also served customers in metallurgy, mechanical engineering, the automotive and food industries, state administration, the tertiary sector, the health sector, etc.

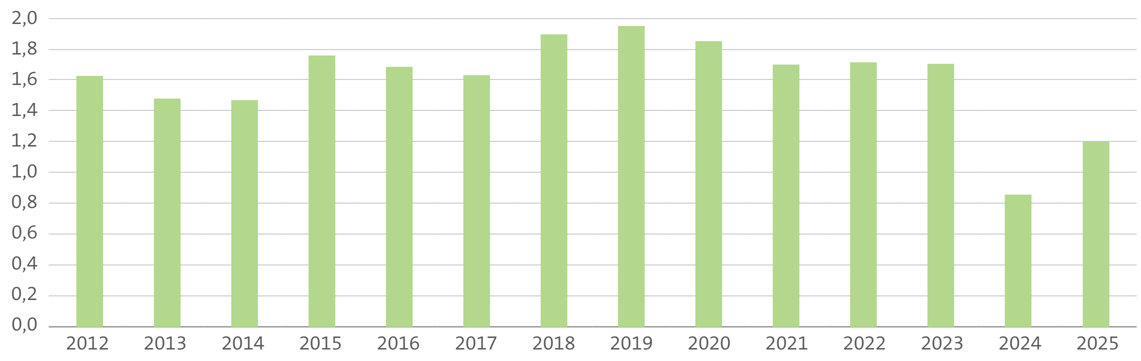
Growth in numbers of electricity supply deals



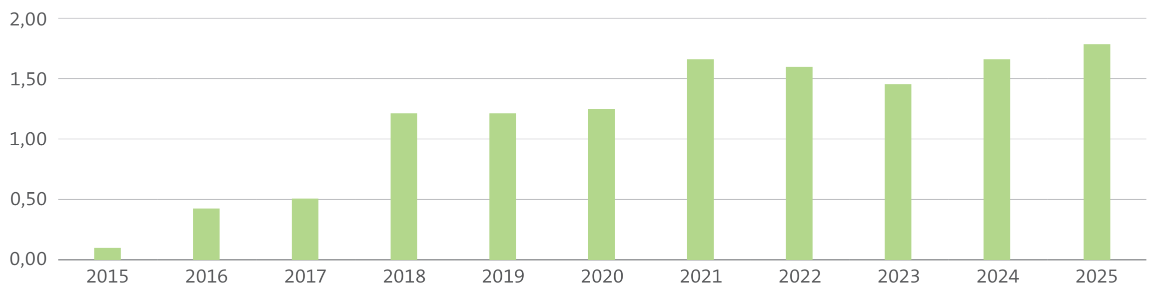
Growth in numbers of gas supply deals



Electricity supply to customers (TWh)



Gas supply to customers (TWh)



HUMAN RESOURCES

At the end of 2025, the Company had 17 employees averaging 44.18 years in age. Of these, 14 hold a university degree.

CORPORATE SOCIAL RESPONSIBILITY

Veolia Group's objective is to use sustainable solutions to ensure that people have access to the basic resources needed for life, and to preserve and renew those resources. To fulfil this mission, the Group has undergone a fundamental transformation, which also led to the formulation of a new vision. Veolia has communicated this vision since 2020 under the name "Our Purpose". The specific path towards achieving that vision is set out in the strategic plan, which for 2024–2027 is called GreenUp. Dialogue with all stakeholders and performance indicators for assessing the results achieved are integral parts of the plan. Corporate social responsibility across all areas of ESG, covering environmental (E), social (S), and governance (G) matters, is one of the fundamental pillars of Veolia Group's strategy and business.

Corporate non-profit organisations contribute to this strategy primarily in the social area (S) – in relation to employees and local communities, as well as in environmental protection and biodiversity (E).

- Veolia Foundation;
- Veolia Energie Humain ČR Foundation;
- Veolia Energie Environment ČR Foundation.

VEOLIA FOUNDATION

With the motto "We respect. We help. We believe.", the Veolia Foundation has been providing meaningful support and inspiring encounters for over 20 years. Since its establishment in 2003, it has contributed almost CZK 290 million to projects serving the public good. In 2025, we focused on developing our key programmes. The STARTér – Trust Yourself and Do Business! programme continued to support the development of craft-based projects and initiatives focused on alternative education. Through the MiNiGRANTS programme, our employees obtained almost CZK 5 million for organisations where they volunteer, actively helping to support local communities. The Keep Smiling programme continued to make life easier for older people and carers, with an emphasis on supporting long-term care facilities and initiatives promoting physical activity and digital literacy. Under the Let's Return Water to Nature programme, the foundation, in cooperation with the Czech Union for Nature Conservation, focused on protecting valuable wetland sites and invited the Czech Society for Ornithology to become a new expert partner.

VEOLIA FOUNDATION'S MAJOR PROGRAMMES

STARTÉR, TRUST YOURSELF AND DO BUSINESS!

The STARTér, Trust Yourself and Do Business! programme helps micro- and small businesses in the Moravian-Silesian, Olomouc, and Central Bohemian Regions turn new business ideas into a reality. Now in its twenty-sixth year, the programme focuses primarily on supporting traditional and non-traditional crafts and industries, as well as projects that benefit the community.

Thanks to the Foundation's grants in 2025, which totalled over CZK 5 million, 72 business plans were implemented, creating 93 new lasting jobs in the process, 12 of which were for persons with disabilities. Since the Foundation's formation, 1,863 projects have received support totalling more than CZK 138 million, creating 2,875 new jobs in the process (of which 420 have been for persons with disabilities).

MINIGRANTS

The MiNiGRANTS programme supports our employees' volunteering outside work. Key areas of support include helping people with disabilities, foster care, improving conditions for volunteer firefighters and rescue workers, leisure activities for children and young people, and care for the elderly. In 2025, 155 Veolia ČR Group employees in the Czech Republic secured funding totalling almost CZK 5 million.

Between 2008 and 2025, we contributed almost CZK 65 million under this programme to projects benefiting the environment and the community.

KEEP SMILING – ACTIVE ALL LIFE LONG

Our Keep Smiling – Active All Life Long programme encourages positive and active ageing, harmonious intergenerational co-existence in communities, the fostering of living conditions suitable for the elderly in their home environment, and new approaches to ageing.

In 2025, the Keep Smiling programme continued its long-term support for three organisations and their projects: Moudrá Sovička (an organisation focused on digital education for older people, involving students as tutors and volunteers); Domov Sue Ryder (whose joint project develops case management in care for older people, with the aim of setting up care in a way that supports older people's satisfaction while also improving care efficiency and financial optimisation); and MILA (which raises awareness of care, the work of carers, and support for caregivers).

LET'S RETURN WATER TO NATURE

The aim of the Let's Return Water to Nature programme is to help save valuable natural sites in the Czech Republic, with a focus on wetlands. The programme is implemented in cooperation with the Czech Union for Nature Conservation. In 2025, we invited another expert partner – the Czech Society for Ornithology – to join the programme. Together, we are helping to protect landscape diversity at more than 70 sites.

The programme is also linked to a fundraising collection, to which anyone can contribute any amount to help save and restore wetlands, as well as to an online shop selling gift items. At least 15% of the price of each item is donated to the collection for the project; the Veolia Foundation then matches all customer contributions and passes them on to the Czech Union for Nature Conservation. This association purchases, restores, and takes long-term care of wetland sites. All items sold in the e-shop are Czech-made. Many of them come from small producers supported by the STARTér, Trust Yourself and Do Business! programme, others from local glassworks or other small-scale craftsmen. Over the course of the programme, we have donated more than CZK 11 million to the preservation of wetlands in the Czech Republic.

03 FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

Veolia Komodity ČR, s.r.o.

FINANCIAL STATEMENTS AS AT 31 DECEMBER 2025

Company name: Veolia Komodity ČR, s.r.o.

Registered office: 28. října 3337/7, Moravská Ostrava, 702 00 Ostrava

Legal form: společnost s ručením omezeným (private limited company)

Company No.: 258 46 159

Components of the financial statements:

Income statement
Statement of comprehensive income
Statement of financial position
Statement of changes in equity
Statement of cash flows
Notes

The financial statements were prepared on 20 May 2026.

Entity's governing body	Signature
Pavel Luňáček Director	

Veolia Komodity ČR, s.r.o.

Income statement

For the year ended 31 December

In thousands of CZK	Note	2025	2024
Revenue	6	6,514,656	7,755,454
Cost of sales	7	(5,782,510)	(6,663,835)
Gross profit		732,146	1,091,619
Administrative expenses	8	(330,344)	(469,920)
Other operating expenses	8	--	--
Operating result		401,802	621,699
Finance income	9	17,033	157,851
Finance costs	9	(61,773)	(95,350)
Profit before tax		357,062	684,200
Income tax expense	10	(89,201)	(350,342)
Profit for the period		**267,861**	**333,858**

The Notes are an integral part of the financial statements.

Statement of comprehensive income

For the year ended 31 December *In thousands of CZK*	**2025**	**2024**
Profit for the period	267,861	333,858
Changes in fair value of hedging instruments (may be reclassified to income statement) *	(21,025)	(5,101)
Other comprehensive income after taxation	**(21,025)**	**(5,101)**
Total comprehensive income for the period	**246,836**	**328,757**

* Taxation is described in Note 10.

The Notes are an integral part of the financial statements.

Veolia Komodity ČR, s.r.o.

Statement of financial position

At 31 December			
In thousands of CZK	**Note**	**2025**	**2024**
Assets			
Intangible assets	23	226	474
Right-of-use IFRS 16	21	102,522	70,709
Other long-term receivables	22	57,496	50,706
Derivatives	11	--	157
Deferred tax assets	13	8,799	2,526
Total non-current assets		169,043	124,572
Inventories	14	243,001	260,940
Trade and other receivables	15	1,858,573	2,019,017
Derivatives	11	--	2,035
Current tax assets	10	595,292	270,343
Cash and cash equivalents	16	352,229	320,075
Total current assets		3,049,095	2,872,410
Total assets		**3,218,138**	**2,996,982**
Equity			
Registered capital	17	2,000	2,000
Reserves and other capital contributions	17	(22,848)	(1,823)
Retained earnings		496,146	562,143
Total equity		475,298	562,320
Liabilities			
Loans and borrowings	12	67,686	36,810
Deferred tax liabilities	13	--	--
Derivatives	11	3,591	201
Total non-current liabilities		71,277	37,011
Trade and other payables	19	1,790,921	2,020,477
Contract liabilities	19	450,087	303,682
Loans and borrowings	12	395,888	67,416
Current tax liabilities	10	--	--
Provisions	18	1,128	1,917
Derivatives	11	33,539	4,159
Total current liabilities		2,671,563	2,397,651
Total liabilities		2,742,840	2,434,662
Total equities and liabilities		**3,218,138**	**2,996,982**

The Notes are an integral part of the financial statements.

Statement of changes in equity

In thousands of CZK	Registered capital	Statutory reserves	Other capital contributions	Cash flow hedges	Retained earnings	Total
Balance at 1 January 2024	**2,000**	**--**	--	**3,277**	**891,516**	**896,793**
Profit for the period	--	--	--	--	333,858	333,858
Other comprehensive income						
Changes in fair value of hedging instruments	--	--	--	(5,101)	--	(5,101)
Employee benefits – actuarial gains (losses)	--	--	--	--	--	--
Total other comprehensive income	--	--	--	(5,101)	--	(5,101)
Total comprehensive income for the period	**--**	**--**	**--**	**(5,101)**	**333,858**	**328,757**
Transactions with owners, recorded directly in equity						
Dividends attributable to shareholders	--	--	--	--	(663,230)	(663,230)
Rounding difference	--	--	--	1	(1)	
Balance at 31 December 2024	**2,000**	**--**	**--**	**(1,823)**	**562,143**	**562,320**
Profit for the period	--	--	--	--	267,861	267,861
Other comprehensive income						--
Changes in fair value of hedging instruments	--	--	--	(21,025)	--	(21,025)
Employee benefits – actuarial gains (losses)	--	--	--	--	--	--
Total other comprehensive income	--	--	--	(21,025)	--	(21,025)
Total comprehensive income for the period	**--**	**--**	**--**	**(21,025)**	**267,861**	**246,836**
Transactions with owners, recorded directly in equity						--
Dividends attributable to shareholders	--	--	--	--	(333,858)	(333,858)
Rounding difference	--	--	--			--
Balance at 31 December 2025	**2,000**	**--**	**--**	**(22,848)**	**496,146**	**475,298**

The Notes are an integral part of the financial statements.

Veolia Komodity ČR, s.r.o.

Statement of cash flows

For the year ended 31 December

In thousands of CZK	**Note**	**2025**	**2024**
Cash flow from operating activities			
Profit for the period		267,861	333,858
Right-of-use amortisation	21	52,062	64,280
Gain on sale of property, plant and equipment		--	--
Change in provisions		(5,388)	3,107
Net interest income and expense		7,614	(44,631)
Interest expense on lease liabilities	9	4,489	4,025
Other financial income and expenses	9	--	--
Other non-financial operations		(5,340)	(9,262)
Costs (income) from remeasurement of derivatives	9	8,348	(19,698)
Income tax	10	89,201	350,342
Cash flow from operating activities		**418,847**	**682,021**
Change in receivables		879,914	1,200,335
Change in current liabilities		(951,215)	(686,319)
Change in contractual liabilities		146,404	(117,503)
Change in inventories		17,939	(13,174)
Income tax paid and tax assessments for previous periods	10	(414,833)	(1,472,957)
Net cash flow from operating activities		**97,056**	**(407,597)**
Cash flows from investing activities			
Acquisition of fixed assets		--	--
Change in receivables and other financial assets		--	--
Net cash flow from (used in) investing activities		--	--
Free operating cash and cash equivalents		**97,056**	**(407,597)**
Cash flow from financing activities			
Received loans and borrowings		--	--
Interest received	9	6,535	53,572
Interest paid	9	(13,511)	(4,368)
Payments of lease liabilities	21	(51,043)	(62,178)
Paid shares of profit		(333,858)	(663,230)
Net cash flow from (used in) financing activities		**(391,877)**	**(676,204)**
Net increase (decrease) in cash and cash equivalents		(294,821)	(1,083,801)
Cash and cash equivalents at 1 January		289,396	1,373,197
Cash and cash equivalents at 31 December	16	**(5,425)**	**289,396**

The Notes are an integral part of the financial statements.

1 General information

Veolia Komodity ČR, s.r.o. (the "Company") is registered in the Czech Republic.

The registered office of the Company is at 28. října 3337/7, Moravská Ostrava, postcode 702 00, Company No. 258 46 159.

The Company's core business includes trading in electricity, trading in gas, and manufacturing, trade and services not listed in Appendices 1 to 3 to the Trade Licensing Act. Veolia Komodity ČR, s.r.o. started to trade in electricity under its original name CZECH-KARBON s.r.o. On 1 December 2008, NWR Energy, a.s. became the sole member of CZECHKARBON s.r.o.; on 21 June 2010, NWR Energy, a.s. was acquired by Dalkia Česká republika, a.s., which now has the name Veolia Energie ČR, a.s. Since 2012, Veolia Komodity has been licensed to trade in gas. The company trades on Czech and international wholesale markets, where it arranges for transmission capacities outside the Czech Republic and for trading in the energy systems of neighbouring foreign operators, and arranges for electricity and gas sales to final customers having different demand and supply volumes.

The sole member of Veolia Komodity ČR, s.r.o. is Veolia Průmyslové služby ČR, a.s., having its registered office at Zelená 2061/88a, Ostrava – Mariánské Hory, postcode 709 74.

The member has not changed and there were no other changes that would have to be entered in the Companies Register in 2025.

2 Basis of preparation

a) *Statement of compliance*

In accordance with Section 19a (1) of the Act on Accounting, No. 563/1991, the Company applies IFRS as adopted by the EU in the preparation of its financial statements. These financial statements have been prepared as separate financial statements. The parent company prepares consolidated financial statements, which include the Company.

The financial statements were approved for release by the Company's Director on 20 May 2026.

b) *Basis of preparation*

The financial statements are presented in Czech crowns, as the functional currency, rounded to the nearest thousand. The financial statements have been prepared on the historical cost basis, except for the derivative financial instruments measured at fair value.

The method of measuring fair value is described in Note 4.

c) *Use of estimates and judgements*

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses as at the date of the financial statements. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis for making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period and in any future periods affected.

Information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant impact on the amounts recognised in the financial statements is set out in the Notes.

d) Changes in accounting policies

(i) Standards not applied

New standards, interpretations and amendments to existing standards issued by the International Accounting Standards Board (IASB) and adopted by the European Union but not yet effective

Standard	Name	Effective date
Amendments to IFRS 9 and IFRS 7	Amendments to classification and measurement of financial instruments	1 January 2026
Amendments to IFRS 9 and IFRS 7	Contracts referencing nature-dependent electricity	1 January 2026
Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7	Annual improvements to IFRS (volume 11)	1 January 2026
IFRS 18	Presentation and disclosure in financial statements	1 January 2027

The Company is currently assessing the impact of the new IFRS 18 on its financial statements and disclosures.

The Company does not expect the adoption of the other new standards and amendments to have any significant impact on its financial statements for future periods.

New standards, interpretations and amendments to existing standards issued by the International Accounting Standards Board (IASB), not yet adopted by the EU

Standard	Name	EU approval status
IFRS 19 and subsequent amendments	Subsidiaries without Public Accountability: Disclosures (IASB effective date: 1 January 2027) Voluntary application by eligible subsidiaries	Not yet adopted by the EU
Amendments to IAS 21	Translation to a Hyperinflationary Presentation Currency (IASB effective date: 1 January 2027)	Not yet adopted by the EU
Amendments to IFRS 10 and IAS 28	Sale or contribution of assets between an investor and its associate or joint Venture and other amendments (The IASB decided to postpone the effective date indefinitely but the amendments may be adopted early)	Approval for use in the EU has been deferred until the completion of the Equity Method of Accounting project.

The Company does not expect the adoption of new standards and amendments to have any significant impact on its financial statements for future periods.

(ii) Applied standards

New standards, interpretations and amendments to existing standards issued by the International Accounting Standards Board (IASB) and adopted by the European Union effective for the period that began on 1 January 2025

- Lack of Exchangeability (amendments to IAS 21);

This amendment had no significant impact on the Company's financial statements.

3 Accounting policies

The accounting policies described below have been applied consistently in all the accounting periods reported in these financial statements.

a) Foreign currency

Foreign currency transactions
Transactions in foreign currencies are translated at the daily exchange rates for the functional currency based on the Czech National Bank's official rates for the day on which the transaction occurs. For currency hedging purposes, payments are settled at the rate agreed in the relevant forward contract.

At the date of the statement of financial position, foreign currency monetary assets and liabilities are translated at the Czech National Bank official rates for that date. Foreign exchange differences arising on translation of foreign currency monetary assets and liabilities are recognised in the income statement. An exception is foreign exchange differences arising in connection with cash flow hedging, which are recognised in equity.b) Financial instruments

(i) Non-derivative financial instruments
Non-derivative financial instruments comprise trade and other receivables, cash and cash equivalents, loans and borrowings, and trade and other payables.

Non-derivative financial instruments are initially stated at fair value plus, for instruments not at fair value through profit or loss, any directly attributable transaction costs. If their fair value cannot be reliably determined, the acquisition cost is used.

Receivables are financial assets of a non-derivative nature that are not quoted on an active market and that arise when selling a non-financial item that can be settled net in cash or another financial instrument, or by exchanging financial instruments. After initial measurement at transaction value, receivables are subsequently carried at their amortised cost less any allowance for impairment (see accounting policies described in Note 3 c).

Cash and cash equivalents presented in the statement of cash flows include cash, bank deposits and cash in the cash pool. Based on contractual terms and conditions, cash pooling receivables are reported in cash and cash equivalents in the statement of financial position, whereas cash pooling payables are shown in loans and borrowings. Cash pooling liabilities are reported in loans and borrowings. For the purpose of the statement of cash flows both cash pool receivables and cash pool payables are presented as cash.

(ii) Derivative financial instruments
The Company uses financial derivatives for hedging the currency risk related to changes in exchange rates.

Derivatives are initially recognised at fair value; attributable transaction costs are recognised in the income statement when incurred. After initial recognition, derivatives are measured at fair value and the change in fair value is then charged to finance costs / income (item: remeasurement of derivatives), with the exception of derivatives that are carried as hedging instruments (on the balance sheet, derivatives are classified as active, passive, short-term and long-term).

Cash flow hedging
Changes in the fair value of a derivative hedging instrument classified as cash flow hedging are charged to equity under the Company's rules. The FX forward hedging instrument means the spot component. Where the hedged item is a non-financial asset, the amount recognised in equity is transferred to the carrying value of the asset when the asset is recognised. In other cases, the amount recognised in equity is transferred to costs or revenue in the period in which the hedged item influences costs or revenue.
To the extent that the hedge is ineffective, changes in the fair value of the derivative are recognised in the income statement.
If the hedging instrument no longer meets the criteria for hedge accounting, or if it expires or is sold, terminated or exercised, then hedge accounting is discontinued as expected. The cumulative gain or loss

previously recognised in equity remains there until the anticipated transaction takes place, and then is charged to costs or revenue.

In relation to gas and electricity commodity market transactions, the Company recognises two portfolios:
1. An own-use portfolio, where the Company's primary objective is to cover its own energy needs and minimise the risk of price fluctuations. These contracts fall under the IFRS 9 exemption, and are recognised only at the time of buying or selling the underlying item.
2. A trading portfolio, where transactions are carried out solely to offset the risk of being unable to meet customer demand (portfolio growth, volatility in offtake). These transactions are measured at fair value and then remeasured at the reporting date, along with their impact on costs or income.

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

(iii) Equity
The registered capital comprises fully paid-up members' contributions. Dividends are recognised as liabilities in the period in which they are declared.

c) Impairment

Financial assets
The Company measures the loss allowances using the model of expected credit losses, which is applied to financial assets measured at amortised cost. In accordance with IFRS 9 the Company measures the loss allowance for credit-impaired financial assets with regard to the development of credit risk, which is reflected in the impairment stage a) corresponding to 12-month expected credit losses (stage 1) or equal to the full lifetime expected credit losses (stages 2-3). After initial recognition, the financial asset is allocated to stage 2 in the event of a significant increase in credit risk since initial recognition, or to stage 3, credit impaired financial assets.

The Company measures loss allowances for credit losses on trade receivables at an amount equal to full lifetime expected credit losses.

For cash and cash equivalents and cash pool the Company measures loss allowances at an amount equal to 12-month expected credit losses unless there has been a significant increase in credit risk since initial recognition or the counterparty's default was identified.

When determining whether the credit risk on a financial asset has increased significantly, the Company compares the risk of a default on the financial instrument occurring at the reporting date with the risk of a default occurring at initial recognition, considering reasonable and supportable information available without undue cost or effort and indicating a significant increase in the credit risk. The Company regards situations where the financial asset has been overdue for more than 90 days as a significant increase in the credit risk. A specific provision is recognised where the client is considered to be risky. In such a case a provision is recognised for all the amounts owed by the client in excess of the provision made under the guidance. It is recognised up to 50%, 70% or 100%.

Losses are measured as the difference between all contract cash flows payable under the contract and all cash flows that the Company expects to collect, discounted using the effective interest rate that was determined at initial recognition.

d) Inventories

Inventories are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less associated costs to complete the asset and estimated associated costs to sell the asset.

At the date of the financial statements the Company reviews the carrying values of inventories. If the realisable value of inventories is lower than the purchase price, the difference is recognised in the income statement.

e) Revenue

The Company applies IFRS 15 for recognising revenue from contracts with customers.

The Company has implemented a five-step model to determine the time and amount at which revenue should be recognised. The model sets forth that revenue is recognised at the moment when the Company transfers control over the goods or services to the customer, in the amount to which it expects to be entitled. Depending on the criteria for the satisfaction of a performance obligation revenue is recognised:

- at a point in time when control over the goods or services is passed to the customer.

Sale of electricity and gas to end customers

The Company recognises revenue at the moment of delivery to the customer. The moment of delivery is understood to be the moment of transferring control over the products, i.e. the moment when the customer receives the rewards and the Company satisfies its performance obligation.

Revenue is measured using transaction prices assigned to such transferred goods and reflects the supplied volume, including the estimated volume supplied between the date of the latest issued invoice and the end of the period. In respect of household customers, advance payments are usually required; their amount is based on historical consumption. Once the actual supply volumes are known the advance payments are accounted for. In respect of commercial customers, invoicing usually takes place more often based on actual supply volumes. Sale transactions do not involve a significant financing arrangement.

Contract assets represent unbilled supplies related to the organisation’s core activity.

Sale of electricity and gas to traders

Revenue from trading with wholesale partners is generated by sales on the wholesale market, which the Company performs in transactions through commodity forwards with physical supply. The contract terms are individualised but to a considerable extent are determined by the standard EFET contract, or the commercial terms on the market managed by the Czech market operator (OTE). Revenue is recognised at the moment of delivering the commodity to the wholesale partner. Invoicing takes place in the month following the month of commodity delivery to the trader. No advances are paid.

f) Expenses

Finance income and expenses

Finance income and expenses comprise interest payable on borrowings calculated using the effective interest rate method, interest receivable on funds invested and unwinding of the discount on provisions.

g) Income tax

Income tax comprises current and deferred tax. Income tax charge is recognised in the income statement except to the extent that it relates to items recognised directly in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates applicable or substantively enacted at the date of the statement of financial position and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes, using the tax rate expected to be valid in the period when the tax asset or liability is expected to be realised.

At the date of the statement of financial position the Company reviews the carrying value of the deferred tax asset. A deferred tax asset is recognised only to the extent that it is probable that such tax asset will be utilised in future periods.

The establishment of deferred tax represents tax consequences subject to the method which the Company expects to use at the end of the reported period to realise or settle the carrying amount of its assets and liabilities. It is assumed for capital assets measured at fair value that the carrying amount of the capital assets is always realised by sale unless such assumption can be disconfirmed.

h) Leases

Where the Company is the lessee, the Company recognises a right-of-use asset and a lease liability at the commencement date.

A right-of-use asset is initially measured at cost (the present value of the lease payments) and subsequently at cost less any accumulated depreciation and any accumulated impairment losses adjusted for any remeasurement of the lease liability primarily due to lease modification or indexation. The right-of-use asset is depreciated on a straight-line basis over the time for which the asset is usable or until the end of the lease, whichever is earlier.

The lease liability is initially measured at the present value of the lease payments due at the commencement date, discounted using the incremental borrowing rate determined by the Group.

The lease liability is subsequently increased by interest expense on the lease liability and decreased by the lease payments made. It is remeasured in case the future lease payments change due to a change in the index or rate, a change in the estimate of the amount expected to be payable under residual value guarantee, or a change in the assessment of whether exercising the option to extend the lease is reasonably certain (including the extension of the expected term of the lease in cases of leases for an indefinite period).

The Company estimates the term of the lease for lease contracts under which it is the lessee and which include options to renew or terminate, or which are concluded for an indefinite period. Assessment whether the Company is reasonably certain that it will exercise such option affects the lease term, which in turn affects the values of the lease liabilities and right-of-use assets recognised. Where the lessee and the lessor have the right to terminate the contract with no more than an insignificant penalty, the period of notice is deemed to be the lease term. In such cases, penalty is understood to include not only, e.g., a penalty for early termination but also the costs incurred in moving or arranging for an alternative lease.

The Company has elected to use the practical expedient, allowed by the standard, not to recognise right-of-use assets and lease liabilities for short-term leases and leases for which the underlying asset is of low value. Short-term leases are leases that have a lease term of 12 months or less. Leases for which the underlying asset is of low value include primarily leases for information technology and office equipment.

The Company only applies the practical expedient not to separate non-lease components from lease components for vehicles, where it accounts for a single lease component.

4 Fair value

Some accounting policies applied by the Company require a fair value to be determined for financial assets and liabilities. In determining fair value, the Company uses data available from the market as far as possible. When a quoted price in an active market is not available, the Company uses valuation techniques that maximise the use of observable market data and minimise the use of unobservable market data. The valuation technique chosen integrates all the factors that market participants would take into account in valuing the transaction. Fair value is not measured if it is justified to recognise it as approximately equivalent to the carrying value.

Where financial instruments are measured at fair value, their fair value is determined by the method below.

(i) Derivatives
The fair value of forward contracts hedging the foreign exchange and commodity risk is determined as the discounted difference between the contractual value and the market forward price. In relation to commodity market transactions, the Company recognises an own-use portfolio and a trading portfolio that is measured at fair value.

5 Financial risk management

The Company has exposure to the following risks:

- credit risk,
- liquidity risk,
- market risk,

The parent company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board reviews and approves the risk management policies described below. The Risk Management Department monitors individual risks and their effect on the Company.

Credit risk
Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

Trade receivables, contract assets and other receivables
The exposure to credit risk is influenced mainly by the individual characteristics of each customer, and the Company endeavours to manage and limit this risk. The Company has established a credit policy under which each major customer is analysed individually for creditworthiness before the standard payment and delivery terms and conditions are offered. The review includes external ratings when available, and in some cases references obtained from a specialised firm. Credit limits are established for each customer. Customer analysis and monitoring of observance of the credit limits is carried out by the Collections Department. Customers that fail to keep within the credit limit may have their deliveries suspended, subject to case-by-case assessment. More than 80 percent of customers have been transacting with the Company for over four years, and losses have occurred infrequently. In monitoring customer credit risk, customers are grouped according to their credit risk characteristics, including whether they are an individual or legal entity, their industry and payment history. Customers that are graded as "high risk" are monitored separately, and sometimes a payment schedule is offered to secure debt recovery.

Credit risk related to receivables is covered by provisions.

Cash and cash pool
As at 31 December 2025, the Company held cash and cash equivalents in the amount of CZK 352,229,000 (2024: CZK 320,075,000). Cash and cash equivalents are deposited with banks with high ratings and in cash pooling with the parent company.

Off-balance sheet liabilities
The Company provides guarantees in the form of long-term deposits, i.e. margin deposits and security deposits with suppliers to financially secure deals in electricity, gas and capacity booking. Otherwise, it provides financial guarantees only on an exceptional basis, where required for the purpose of a tender procedure or where the law provides so. As at 31 December, there were following guarantees:

In thousands of CZK	**2025**	**2024**
Provided guarantees – long-term advance payments	57,496	50,706
Bank guarantees provided	1,951,254	1,306,249
Bank guarantees accepted	(387,920)	(402,960)

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its liabilities when due, not risking damage to its reputation.

The Company uses activity-based costing to cost its products and services, which assists it in monitoring cash flow requirements and optimising its cash return on investments. The Company ensures that it has sufficient cash on demand to meet expected operational expenses through participation in cash pooling within the Veolia Group. Within the cash pooling scheme, the Company may use bank guarantees of up to CZK **1,400 million**. By this approach, the Company limits the possible impacts of unforeseeable events.

Market risk

Market risk is the risk that changes in market prices, foreign exchange rates, interest rates, equity prices or prices of emission allowances will affect the Company's income or the value of financial instruments in its possession.

Currency risk

The Company is exposed to currency risk in the areas of purchasing, sales and financing. For gas and electricity purchases in foreign currencies (EUR) the Company concludes forward contracts to hedge the currency risk, thereby significantly eliminating this risk. All known future sales and purchases of electricity and gas are hedged (i.e. arrangements are in place for buying foreign currencies for each particular transaction).

Interest rate risk

The Company partly covers its exposure to movement in interest rates by obtaining financing mainly from its parent company. This financing is exposed to market risk from movements in interest rates.

Capital management

The Director manages the Company's capital structure in compliance with the investor's requirements, focusing on appropriate indebtedness and dividend policy monitoring. The objective is to achieve a suitable debt-to-equity ratio, as specified by management, and to meet the planned dividend targets. This involves looking for an adequate level of debt, which depends on profit (cash flow) generation, and meeting the average cost of capital and working capital targets planned by the Company.

6 Revenue

In thousands of CZK	**2025**	**2024**
Revenue from the sale and re-sale of electricity and ancillary services	3,592,898	4,862,410
Revenue from the sale of gas	2,450,940	2,506,019
Revenue from the sale of biomass	470,818	387,025
Total	6,514,656	7,755,454
	--	--

In thousands of CZK	**2025**	**2024**
Industry	4,976,442	6,299,489
Public sector	652,610	590,539
Households	885,604	865,426
Total	6,514,656	7,755,454

Public sector revenue streams include energy supplies to hospitals, schools, government institutions, etc.

All of the Company's revenue is generated in the Czech Republic.

The decline in total revenue primarily reflects lower input prices and lower sales.

In 2025, the Company carried out the final settlement of a subsidy to compensate it for the capping of electricity and gas prices; an overpayment of CZK 2,076,000 was refunded as a result (2024: CZK 36,390,000 were received).

Advance payments for energy supplies are made under the relevant contractual arrangements on a monthly basis or, in exceptional cases with minor volumes, on an annual basis. The amount of advance payments is updated regularly.

No clients were connected or disconnected in 2025 so as to affect revenue.

7 Cost of sales

In thousands of CZK	**2025**	**2024**
Personnel expenses	(26,164)	(22,618)
Amortisation/depreciation	(247)	(247)
Right-of-use amortisation	(51,814)	(64,033)
Costs of goods sold excluding electricity	(2,365,430)	(1,832,242)
Cost of purchased electricity	(3,332,194)	(4,675,702)
Consumption of services and other	(12,049)	(65,886)
Change in provisions	5,388	(3,107)
Total	(5,782,510)	(6,663,835)

Electricity purchasing costs and costs of goods sold excluding electricity rose mainly due to the developments in prices.

8 Administrative and operating expenses

In thousands of CZK	**2025**	**2024**
Management costs	(308,481)	(445,877)
Costs for services and other expenses	(21,863)	(24,043)
Total	(330,344)	(469,920)

Management expenses declined due to lower strategic management expenses as part of intra-group transfer pricing at CZK 267,176,000 (2024: CZK 395,500,000).

9 Finance income and expenses

In thousands of CZK	**2025**	**2024**
Interest income	6,535	53,572
Foreign exchange gain	10,498	32,751
Income from derivative operations	--	71,528
Other finance income	--	--
Total finance income	17,033	157,851
Interest expense	(14,150)	(8,940)
Foreign exchange loss	(23,524)	(17,973)
Discount of lease liabilities	(4,489)	(4,025)
Costs of derivative operations	(8,348)	(51,830)
Other finance expenses	(11,262)	(12,582)
Total finance expenses	(61,773)	(95,350)

10 Income tax

Recognised in the income statement

In thousands of CZK		
Current tax	**2025**	**2024**
Current year	(74,190)	(310,890)
Adjustments for prior years	(15,693)	(42,319)
	(89,883)	(353,209)
Deferred tax		
Impact of the change in temporary differences and the change in tax rate	682	2,867
Total income tax expense in income statement	(89,201)	(350,342)

Reconciliation of effective tax rate

In thousands of CZK	**2025**	**2024**
Profit before tax	357,062	684,200
Income tax calculated using the domestic corporate income tax rate	(74,983)	(143,682)
Effect of non-deductible expenses	1,475	(9,884)
Effect of tax exempt income	--	--
Effect of change in the deferred tax rate		
Adjustments for prior years	(15,693)	(42,319)
Windfall tax	--	(154,457)
Total income tax expense in income statement	(89,201)	(350,342)

The Company paid income tax advances in the amount of CZK 237,930,000 (2024: CZK 202,293,000). The corporate income tax estimate is CZK 74,190,000 (2024: CZK 310,890,000). The income tax overpayment is reported under Current tax assets at CZK 163,739,000 (2024: CZK 45,860,000). Windfall tax stood at CZK 0 (2024: CZK 154,457,000). The windfall tax overpayment is reported under Current tax assets at CZK 431,553,000 (2024: CZK 224,483,000).

Deferred tax is based on all temporary differences between the carrying and tax value of assets and liabilities, and other temporary differences (tax losses carried forward, if any), multiplied by the tax rate expected to be valid for the period in which the tax asset/liability will be utilised.

Impact of other comprehensive income items on deferred tax:

In thousands of CZK	**2025**	**2024**
Changes in fair value of hedging instruments: before taxation	(26,613)	(6,457)
Tax	5,588	1,356
After taxation	(21,025)	(5,101)

11 Derivatives

In thousands of CZK

	Balance at 1 January 2025	Remeasurement in equity	Remeasurement in the income statement	Balance at 31 December 2025
Assets				
Short-term derivatives	2,035	(2,127)	92	--
Long-term derivatives	157	(20)	(137)	--
Total	2,192	(2,147)	(45)	--
Deferred tax impact:				
Deferred tax liabilities	(461)	453	8	--
Liabilities				
Short-term derivatives	(4,159)	(21,901)	(7,479)	(33,539)
Long-term derivatives	(201)	(2,565)	(825)	(3,591)
Total	(4,360)	(24,466)	(8,304)	(37,130)
Deferred tax impact:				
Deferred tax assets	916	5,139	1,743	7,798

Derivative financial instruments represent the fair value of forward contracts to hedge the EUR exchange rate risk. At 31 December 2025, the net face value of open derivative positions was a liability of CZK 1,556,452,000 (2024: a liability of CZK 1,267,781,000). The mean forward rate was **25.15**. In relation to commodity market transactions, the Company recognises an own-use portfolio and a trading portfolio that is measured at fair value. The carrying value of commodity derivatives as at 31 December 2025 stood at CZK 0 (2024: CZK 0)

12 Loans and borrowings

This note contains an overview of contractual conditions applicable to the Company’s interest-bearing loans and borrowings. Note 20 contains more detailed information about the credit risk and the interest rate risk to which the Company is exposed.

In thousands of CZK

Short-term loans and borrowings	**2025**	**2024**
Right-of-use liabilities, IFRS 16	38,233	36,737
Unpaid interest on cash pool	5,212	4,572
Cash pooling payables	352,443	26,107
Total short-term loans and borrowings	395,888	67,416

Long-term loans and borrowings	**2025**	**2024**
Right-of-use liabilities, IFRS 16	67,686	36,810

The Company’s long-term loans and borrowings constitute liabilities under leases, recognised as assets – Right-of-use.

13 Deferred tax

Deferred tax assets and liabilities are attributable to the following:

In thousands of CZK	Assets		Liabilities		Difference	
	2025	**2024**	**2025**	**2024**	**2025**	**2024**
Receivables	13	1,045	--	--	13	1,045
Derivatives	7,797	485	--	(29)	7,797	457
Provisions	237	402	--	--	237	402
Right-of-use	713	595	--		713	595
Other items	39	27	--	--	39	27
Deferred tax assets / (liabilities)	8,799	2,554	0	(29)	8,799	2,526

Movement in deferred tax assets and liabilities during the year

	Balance at 1 January 2025	Recognised in income statement	Recognised in equity	Balance at 31 December 2025
Receivables	1,045	(1,032)	--	13
Derivatives	457	1,751	5,589	7,797
Provisions	402	(165)	--	237
Right-of-use	595	118	--	713
Other items	27	12	--	39
Total	2,526	684	5,589	8,799

In thousands of CZK	Balance at 1 January 2024	Recognised in income statement	Recognised in equity	Balance at 31 December 2024
Receivables	285	760	--	1,045
Derivatives	(2,462)	1,563	1,356	457
Provisions	126	276	--	402
Right-of-use	347	248		595
Other items	8	19	--	27
Total	(1,696)	2,866	1,356	2,526

14 Inventories

In thousands of CZK	**2025**	**2024**
Stored gas inventories	243,001	260,940
Total	243,001	260,940

The Company has leased gas storage facilities that are used to shave off peaks in customers' demand and cover spikes in gas prices. No provision is recognised for inventory impairment.

15 Trade and other receivables

In thousands of CZK	2025	2024
Trade receivables due from related parties (see Note 25)	244,330	554,479
Trade receivables due from third parties	509,455	413,317
Contract asset	1,103,224	1,043,504
Other receivables	1,564	7,717
Total	1,858,573	2,019,017

"Contract assets" also comprise assets receivable from companies in the Group (see Note 25) amounting to CZK 724,806,000 (2024: CZK 842,466,000).

Contract assets consist of as yet unbilled supplies related to the organisation's core activity.

The amount recognised for trade receivables as at 31 December 2025 has been reduced by a provision for doubtful debts of CZK 14,151,000 (2024: CZK 18,752,000) due to the likelihood that the value of receivables from particular debtors will be impaired. Most of the provisions cover receivables from debtors in insolvency proceedings.

16 Cash and cash equivalents

In thousands of CZK	2025	2024
Current bank accounts	113,442	118,064
Cash in hand	--	27
Total cash	113,442	118,091
Receivables from cash pool	238,787	201,984
Cash and cash equivalents	352,229	320,075
Cash pooling payables	(357,654)	(30,679)
Total cash in compliance with statement of cash flows	**(5,425)**	**289,396**

17 Capital and reserves

As at 31 December 2025, registered capital is comprised of the member's contribution of CZK 2,000,000 (2024: CZK 2,000,000), which is paid up in full.

Cash flow hedging reserve
As at 31 December 2025, the reserve amounts to CZK 22,848,000 (2024: CZK 1,823,000), comprising the effective portion of the cumulative net change in the fair value of hedging instruments used to hedge cash flows that will subsequently be recognised in the income statement.

Dividends
In the profit distribution decision in 2025, the Company announced dividends of CZK 333,858,000 (2024: CZK 663,230,000) and it has paid out these dividends.

18 Provisions

In thousands of CZK	Balance at 1 January 2025	Provisions recognised	Provisions used	Balance at 31 December 2025	Non-current	Current
Other provisions	1,917	1,128	(1,917)	1,128	--	1,128
Total	1,917	1,128	(1,917)	1,128	--	1,128

In thousands of CZK	Balance at 1 January 2024	Provisions created	Provisions used	Balance at 31 December 2024	Non-current	Current
Other provisions	600	1,917	(600)	1,917	--	1,917
Total	600	1,917	(600)	1,917	--	1,917

A provision for employee bonuses of CZK 1,128,000 was recognised in 2025 (2024: CZK 1,197,000). This annual bonus is a discretionary component of pay (to which no entitlement exists).

19 Trade and other payables, contract liabilities

Current liabilities

In thousands of CZK	**2025**	**2024**
Trade payables to related parties (see Note 25)	711,376	849,858
Trade payables to third parties	1,003,474	1,111,546
Other payables	76,071	59,073
Total	1,790,921	2,020,477

Other payables recognised in 2025 included a VAT liability of CZK 65,883,000, which stood at CZK 55,516,000 in 2024.

In thousands of CZK	**2025**	**2024**
Contract liabilities	450,087	303,682

"Contract liabilities" also comprise liabilities owed to companies in the Group (see Note 25) amounting to CZK 138,164,000, which stood at CZK 152,246,000 in 2024.

Of the contract liabilities recorded as at 31 December 2024, CZK 303,682,000 were recognised in revenue for 2025. The Company recognises particularly advances for electricity and gas supplies received from its customers as contract liabilities.

Reconciliation of liabilities and cash flows from financing activities

In thousands of CZK	Balance at 1 January 2025	Interest expense	Interest paid	Payments of liabilities	New liabilities	Balance at 31 December 2025
Lease liabilities	73,547	4,489	(4,700)	(51,043)	83,627	105,920
Cash pool	30,679	14,150	(13,511)		326,336	357,654
Total	104,226	18,639	(18,211)	(51,043)	409,963	463,574

In thousands of CZK	Balance at 1 January 2024	Interest expense	Interest paid	Payments of liabilities	New liabilities	Balance at 31 December 2024
Lease liabilities	82,716	4,025	(4,698)	(62,178)	53,682	73,547
Cash pool	--	8,940	(4,368)		26,107	30,679
Total	82,716	12,965	(9,066)	(62,178)	79,789	104,226

20 Financial instruments

Credit risk

Maximum exposure to credit risk as at the date of the statement of financial position was:

In thousands of CZK	**Note**	**Carrying amount 2025**	**Carrying amount 2024**
Trade and other receivables	15	1,858,573	2,019,017
Other long-term receivables	22	57,496	50,706
Derivatives	11	--	2,192
Cash and cash equivalents	16	352,229	320,075
Total		2,268,298	2,391,990

Impairment losses

In thousands of CZK	**Nominal value 2025**	**Impairment 2025**	**Nominal value 2024**	**Impairment 2024**
Not yet due	1,913,742		2,044,933	--
0–90 days overdue	2,802	(476)	14,476	
90–180 days overdue	13	(13)	17,544	(5,038)
181–360 days overdue			13	(13)
More than 1 year overdue	13,663	(13,662)	13,701	(13,701)
Total	1,930,220	(14,151)	2,090,667	(18,752)

Movement in impairment provisions in respect of trade receivables in the course of the year was:

In thousands of CZK	**2025**	**2024**
Balance at 1 January	(18,752)	(16,962)
Recognition	(1,093)	(4,948)
Utilisation	5,694	3,158
Balance at 31 December	(14,151)	(18,752)

Liquidity risk

The following are payments of liabilities by the contractual maturities of financial liabilities, including estimated interest payments:

At 31 December 2025

In thousands of CZK	**Carrying amount**	**Contractual cash flow**	**Within 6 months**	**6–12 months**	**1–2 years**	**2–5 years**	**More than 5 years**
Trade and other payables, contract liabilities	2,241,008	2,241,008	2,241,008	--	--	--	--
Current tax liabilities	--	--	--	--	--	--	--
Cash pooling payables	357,654	357,654	357,654	--	--	--	--
Derivative instruments – liabilities	37,130	37,130	33,539		3,591	--	--
Total	2,635,792	2,635,792	2,632,201	--	3,591	--	--

At 31 December 2024

In thousands of CZK	**Carrying amount**	**Contractual cash flow**	**Within 6 months**	**6–12 months**	**1–2 years**	**2–5 years**	**More than 5 years**
Trade and other payables, contract liabilities	2,324,159	2,324,159	2,324,159	--	--	--	--
Current tax liabilities	--	--	--	--	--	--	--
Cash pooling payables	30,679	30,679	30,679	--	--	--	--
Derivative instruments – liabilities	4,360	4,360	4,159		201	--	--
Total	2,359,198	2,359,198	2,358,997	--	201	--	--

Currency risk

To hedge purchases and sales of electricity in foreign currencies (EUR), forward contracts were concluded with Veolia Environnement Finance (see Note 5). Due to the gradual hedging of purchases and sales the currency risk is minimal for the Company.

In thousands of CZK	**2025**	**2024**
Trade receivables	129,812	200,016
Trade payables	(161,724)	(91,197)
Derivatives – assets	--	2,192
Derivatives – liabilities	(37,130)	(4,360)
Cashpooling receivables	238,787	201,984
Net financial position	169,745	308,636

Currency risk sensitivity analysis

In thousands of CZK	Gain or loss		Net result	
	Increase	Decrease	Increase	Decrease
At 31 December 2025				
EUR (10% movement)	16,974	(16,974)	13,410	(13,410)
At 31 December 2024				
EUR (10% movement)	30,864	(30,864)	24,382	(24,382)

A reasonably possible appreciation of the euro in relation to all other currencies at 31 December 2025 would have an impact on the measurement of financial instruments denominated in foreign currencies, on equity and on profit/loss by the amounts specified above. This analysis assumes that all the other variables, in particular interest rates, remain unchanged and ignore any impact of the expected sales and purchases.

Interest rate risk
As at 31 December 2025, the Company has the following interest-bearing financial instruments:

Variable-rate financial instruments

In thousands of CZK	2025	2024
Right-of-use liabilities	105,920	73,547
Cash pooling payables	357,654	30,679
Total	463,574	104,226

Sensitivity analysis of variable-rate financial instruments
Sensitivity analysis was based on exposure to interest rates related to variable-rate credit instruments at the end of the accounting period. For variable-rate debts the analysis is based on the assumption that the outstanding amount of the debt at the end of the accounting period was applicable in the same amount throughout the year.
Had the interest rates been 0.5% higher/lower with all the other variables remaining constant, the Company's profit for the period ending on 31 December 2025 would have decreased/increased by CZK 0.99 million (2024: decrease/increase by CZK 0.79 million).

Effective interest rate and remeasurement analysis
The average interest rate of interest-bearing financial assets and liabilities at the date of the statement of financial position and the periods in which they are remeasured:

In thousands of CZK	Average interest rate in 2025 (%)	Liability 2025	Next re-pricing date	Due date
Lease liabilities	3.79%	(105,920)	--	2026–2030
Cash pool	3.20%	(357,654)		
Total		(463,574)		

Fair value of financial assets and liabilities not recognised at fair value

In accordance with IFRS 7 Financial Instruments: Disclosures, for measuring fair value, the entity uses Level 3 inputs, which are not based on observable market data (objectively unobservable inputs). Fair value is not measured for trade and other receivables and payables and for the cash pool, as it is justified to recognise it as approximately equivalent to the carrying value.

Interest rates used to calculate fair values

The interest rates used to discount cash flows were, as far as possible, based on the interest rate on treasury bonds as at the date of the statement of financial position in respect of derivatives. The rates applied are as follows:

	2025	**2024**
Derivatives	3.4–4.4%	3.64–4.3%

21 Right-of-use under IFRS 16

From the lessee's perspective

The Company leases offices for approximately five years and vehicles for approximately four years. It also leases installations for gas supply.

The right to lease renewal is normally not contained in the contracts. Some contracts are indexed to inflation every year. Sublease of leased assets to third parties does not occur.

IT hardware is not recognised in right-of-use assets due to insignificant value.

Amounts recognised in the income statement, in thousands of CZK	**2025**	**2024**
Costs of short-term leases	18	-178
Costs related to variable lease payments	1,563	2,383
Other expenses	243	196
Total	1,824	2,401

The Company leases land, buildings and equipment, and vehicles. The operating lease contracts that meet the requirements of IFRS 16 are recognised as assets – Right-of-use.
From the lessor's perspective

The Company does not let its assets.

Right-of-use assets

Acquisition cost (CZK thousands)	Balance at 1 January 2025	Additions / transfers	Disposals	Balance at 31 December 2025
Property, buildings and constructions	9,362	6,366	--	15,728
Plant and equipment, and other assets	159,662	77,261	(52,483)	184,440
Total	**169,024**	**83,627**	**(52,483)**	**200,168**
Amortisation, depreciation and impairment losses (CZK thousands)				
Property, buildings and constructions	(5,627)	(2,873)	--	(8,500)
Plant and equipment, and other assets	(92,688)	(48,941)	52,483	(89,146)
Total	**(98,315)**	**(51,814)**	**52,483**	**(97,646)**
Carrying amount (CZK thousands)				
Property, buildings and constructions	3,735	3,493	--	7,228
Plant and equipment, and other assets	66,974	28,320	--	95,294
Total	**70,709**	**31,813**	**--**	**102,522**

Acquisition cost (CZK thousands)	Balance at 1 January 2024	Additions / transfers	Disposals	Balance at 31 December 2024
Property, buildings and constructions	6,122	3,240	--	9,362
Plant and equipment, and other assets	141,310	50,442	(32,090)	159,662
Total	**147,432**	**53,682**	**(32,090)**	**169,024**
Amortisation, depreciation and impairment losses (CZK thousands)				
Property, buildings and constructions	(4,166)	(1,461)	--	(5,627)
Plant and equipment, and other assets	(62,206)	(62,571)	32,089	(92,688)
Total	**(66,372)**	**(64,032)**	**32,089**	**(98,315)**
Carrying amount (CZK thousands)				
Property, buildings and constructions	1,956	1,779	--	3,735
Plant and equipment, and other assets	79,104	(12,129)	--	66,974
Total	**81,060**	**(10,350)**	**--**	**70,709**

Contractual cash flow

At 31 December 2025

In thousands of CZK	**Carrying amount**	**Contractual cash flow**	**Within 6 months**	**6-12 months**	**1-2 years**	**2-5 years**	**More than 5 years**
Long-term liabilities – Right-of-use	67,686	71,100	--	--	51,044	20,056	--
Short-term liabilities – Right-of-use	38,234	41,672	41,672	--	--	--	--
Total	105,920	112,772	41,672	--	51,044	20,056	--

At 31 December 2024

In thousands of CZK	**Carrying amount**	**Contractual cash flow**	**Within 6 months**	**6-12 months**	**1-2 years**	**2-5 years**	**More than 5 years**
Long-term liabilities – Right-of-use	36,810	38,480	--	--	35,091	3,389	--
Short-term liabilities – Right-of-use	36,737	39,102	39,102	--	--	--	--
Total	73,547	77,582	39,102	--	35,091	3,389	--

22 Other long-term receivables

In thousands of CZK	**2025**	**2024**
Other long-term receivables	57,496	50,706
Total	57,496	50,706

Most long-term receivables are comprised of financial hedges related to electricity and gas deals. Security deposits are provided to the OTE, a.s. market operator and Raiffeisenbank a.s.

23 Intangible assets

Acquisition cost (in thousands of CZK)	Balance at 1 January 2025	Additions / transfers	Disposals	Balance at 31 December 2025
Software	989	--	--	989
Other	41,905	--	--	41,905
Total	**42,894**	**--**	**--**	**42,894**
Amortisation, depreciation and impairment losses (CZK thousands)				
Software	(515)	(248)	--	(763)
Other	(41,905)	--	--	(41,905)
Total	**(42,420)**	**(248)**	**--**	**(42,668)**
Carrying amount (CZK thousands)				
Software	474	--	--	226
Other	--	--	--	--
Total	**474**	**(248)**	**--**	**226**

24 Related parties

Transactions with related parties
The Company is controlled by the multinational company Veolia Energie International S.A. and its ultimate parent company, Veolia Environnement – VE SA. The Company has transactions with other Group companies (see Note 25).

Transactions with management personnel
Neither the management personnel of the Company nor their immediate relatives own any voting shares in the Company. In addition to their salaries, the Company also provides cars and mobile phones for both business and private purposes to management personnel.

25 Companies in the Group

Sales and purchases within the Group
Typical transactions between the Company and the parent company and other Group companies controlled by its parent company are as follows:

Sales transactions:

- Revenue from the supply of electricity, gas and biomass.

Purchase transactions:

- Advisory services provided to the Company
- Supply of electricity and distribution services
- Re-invoicing of rent for office space

All significant related-party transactions were carried out under arm's length conditions.
Related parties include all companies in the Veolia Group. The Company reports only material relationships with these entities.

In thousands of CZK	2025	2024
Purchases	1,958,249	2,714,046
Sales	2,867,267	3,780,378
Finance costs	14,445	11,681
Finance income	4,011	50,068

In thousands of CZK	2025	2024
Receivables	244,330	554,479
Liabilities	711,376	849,858
Cash pool liabilities	357,655	34,788

In addition to the above, the Company records contract assets of CZK 724,806,000 and contract liabilities of CZK 138,164,000. It also records derivatives – liabilities valued at CZK 37,130,000. Receivables and payables also include advance payments provided and accepted and estimated assets and, as applicable, estimated liabilities.

The Company is involved in a cash pool with a related party, Veolia Environnement SA (see Note 16). In addition to the above, the Company records finance assets of CZK 238,773,000.

26 Subsequent events

No events occurred between the date of the statement of financial position and the date of preparation of the financial statements that would have any material impact on the financial statements for the year 2025, or that should be disclosed in the financial statements.

04 REPORT ON RELATED PARTIES

Report on Related Parties
i.e. report on the relations between the controlling and controlled entities and between the controlled entity and other entities under common control (related parties)

for the accounting period of 2025

prepared

under Section 82 of Act No. 90/2012 on commercial companies and cooperatives (the Business Corporations Act), as amended, hereinafter "the BCA",

by the governing body of Veolia Komodity ČR, s.r.o.,
having its registered office at 28. října 3337/7, Moravská Ostrava, 702 00 Ostrava
Company No.: 258 46 159,

a company incorporated in the Companies Register maintained by the Ostrava Regional Court, register entry C 21431

Contents

I
Preamble

The Report has been prepared by the Company's governing body under Section 82 of Act No. 90/2012 on commercial companies and cooperatives (the Business Corporations Act, BCA), as amended, on 20 February 2026.

The accuracy of the disclosures contained herein was reviewed by the auditors, Deloitte Audit, s.r.o.

The Report has been prepared for the accounting period of 2025.

II
Specification and description of related parties

The list of related parties provides an overview of all related companies in the Czech Republic regardless of whether the Company had in place or performed under any contract with them in 2025, including their respective controlling entities. Furthermore, the list of related parties also includes those international entities with which the Company had in place or performed under a contract in the year reviewed.

Controlled company

Name:	**Veolia Komodity ČR, s.r.o.**
Registered office:	28. října 3337/7, Moravská Ostrava, 702 00 Ostrava
Company No.:	258 46 159
Register entry:	C 21431, Companies Register maintained by the Ostrava Regional Court
Legal form:	Private limited company

Hereinafter also referred to as Veolia Komodity ČR.

Controlling companies and entities controlling the controlling companies

Name:	**Veolia Průmyslové služby ČR, a.s.**
Registered office:	Zelená 2061/88a, Mariánské Hory, 709 00 Ostrava Special postcode: 709 74
Company No.:	278 26 554
Register entry:	B 3722, Companies Register maintained by the Ostrava Regional Court
Legal form:	Public limited company

Name:	**Veolia Energie ČR, a.s.**
Registered office:	28. října 3337/7, Moravská Ostrava, 702 00 Ostrava
Register entry:	B 318, Companies Register maintained by the Ostrava Regional Court
Company No.:	451 93 410
Legal form:	Public limited company

Name:	**VEOLIA ENERGIE INTERNATIONAL S.A.**
Registered office:	21 rue La Boétie, 75008 Paris, France
Company No.:	433 539 566 R.C.S. Paris
Legal form:	Public limited company

Name:	**VEOLIA ENVIRONNEMENT S.A.**
Registered office:	21 rue La Boétie, 75008 Paris, France
Company No.:	403 210 032 R.C.S. Paris
Legal form:	Public limited compan

Related parties

Name:	**Energie Projekt ČR, s.r.o. "In liquidation"**
Registered office:	Praha 2, Americká 415
Company No.:	257 06 969
Register entry:	C 62955, Companies Register maintained by the Prague Municipal Court
Legal form:	Private limited company
Name:	**RECOVERA CZ, a.s.**
Registered office:	Zelená 2061/88a, Mariánské Hory, 709 00 Ostrava
Company No.:	601 93 204
Register entry:	B 11405, Companies Register maintained by the Ostrava Regional Court
Legal form:	Public limited company
Name:	**OLTERM & TD Olomouc, a.s.**
Registered office:	Janského 469/8, Povel, 779 00 Olomouc
Company No.:	476 77 511
Register entry:	B 872, Companies Register maintained by the Ostrava Regional Court
Legal form:	Public limited company
Name:	**AmpluServis, a.s.**
Registered office:	Ostrava-Třebovice, ul. Elektrárenská 5558, postcode 70974
Company No.:	651 38 317
Register entry:	B 1258, Companies Register maintained by the Ostrava Regional Court
Legal form:	Public limited company
Name:	**Veolia Energie Kolín, a.s.**
Registered office:	Kolín V., Tovární 21, postcode 280 63
Company No.:	451 48 091
Register entry:	B 1523, Companies Register maintained by the Prague Municipal Court
Legal form:	Public limited company
Name:	**Veolia Energie Mariánské Lázně, s.r.o.**
Registered office:	Nádražní náměstí 294, Úšovice, 353 01 Mariánské Lázně
Company No.:	497 90 676
Register entry:	C 4776, Companies Register maintained by the Plzeň Regional Court
Legal form:	Private limited company
Name:	**Veolia Energie Praha, a.s.**
Registered office:	Na Florenci 2116/15, Nové Město, 110 00 Praha 1
Company No.:	036 69 564
Register entry:	B 20284, Companies Register maintained by the Prague Municipal Court
Legal form:	Public limited company
Name:	**Veolia Powerline Kaczyce Sp. z o.o.**
Registered office:	Morcinka 17, 43-417 Kaczyce, Poland
Company No.:	141 89 229, Regional Registry Court in Bielsko Biala
Legal form:	Private limited company
Name:	**Institut environmentálních služeb, a.s.**
Registered office:	Na Florenci 2116/15, Nové Město, 110 00 Praha 1
Company No.:	629 54 865
Register entry:	B 9967, Companies Register maintained by the Prague Municipal Court
Legal form:	Public limited company

The company was wound up by merger with the acquiring company Veolia Support Services Česká republika, a.s. and struck off from the Companies Register on 31 August 2025.

Name:	**VEOLIA EAU - COMPAGNIE GENERALE DES EAUX SCA**
Registered office:	21 rue La Boétie, 75008 Paris, France
Company No.:	572 025 526 R.C.S. Paris
Legal form:	Partnership limited by shares

Name:	**VEOLIA CENTRAL & EASTERN EUROPE S.A.**
Registered office:	21 rue La Boétie, 75008 Paris, France
Company No.:	RCS PARIS B 433 934 809
Legal form:	Public limited company

Name:	**Veolia Holding Česká republika, a.s.**
Registered office:	Na Florenci 2116/15, Nové Město, 110 00 Praha 1
Company No.:	106 96 539
Register entry:	B 26190, Companies Register maintained by the Prague Municipal Court
Legal form:	Public limited company

Name:	**VEOLIA ČESKÁ REPUBLIKA, a.s.**
Registered office:	Na Florenci 2116/15, Nové Město, 110 00 Praha 1
Company No.:	492 41 214
Register entry:	B 2098, Companies Register maintained by the Prague Municipal Court
Legal form:	Public limited company

Name:	**Pražské vodovody a kanalizace, a.s.**
Registered office:	Ke Kablu 971/1, Hostivař, 102 00 Praha 10
Company No.:	256 56 635
Register entry:	B 5297, Companies Register maintained by the Prague Municipal Court
Legal form:	Public limited company

Name:	**MORAVSKÁ VODÁRENSKÁ, a.s.**
Registered office:	Tovární 1059/41, Hodolany, 779 00 Olomouc
Company No.:	618 59 575
Register entry:	B 1943, Companies Register maintained by the Ostrava Regional Court
Legal form:	Public limited company

Name:	**Vodárna Zlín a.s.**
Registered office:	třída Tomáše Bati 383, Louky, 763 02 Zlín
Company No.:	142 37 083
Register entry:	B 8672, Companies Register maintained by the Brno Regional Court
Legal form:	Public limited company

Name:	**Středočeské vodárny, a.s.**
Registered office:	Kladno, U Vodojemu 3085, postcode 272 80
Company No.:	261 96 620
Register entry:	B 6699, Companies Register maintained by the Prague Municipal Court
Legal form:	Public limited company

Name:	**RAVOS, s.r.o.**
Registered office:	Frant. Diepolta 1870, Rakovník II, 269 01 Rakovník
Company No.:	475 46 662
Register entry:	C 19602, Companies Register maintained by the Prague Municipal Court
Legal form:	Private limited company

Name:	**Vodohospodářská společnost Rokycany, s.r.o.**
Registered office:	Sedláčkova 651, Plzeňské Předměstí, 337 01 Rokycany
Company No.:	453 51 325
Register entry:	C 2378, Companies Register maintained by the Plzeň Regional Court
Legal form:	Private limited company

Name:	**Královéhradecká provozní, a.s.**
Registered office:	Víta Nejedlého 893/6, Slezské Předměstí, 500 03 Hradec Králové
Company No.:	274 61 211
Register entry:	B 2383, Companies Register maintained by the Hradec Králové Regional Court
Legal form:	Public limited company

Name:	**1. SčV, a.s.**
Registered office:	Ke Kablu 971/1, Hostivař, 102 00 Praha 10
Company No.:	475 49 793
Register entry:	B 10383, Companies Register maintained by the Prague Municipal Court
Legal form:	Public limited company

Name:	**Česká voda – MEMSEP, a.s.**
Registered office:	Ke Kablu 971/1, Hostivař, 102 00 Praha 10
Company No.:	250 35 070
Register entry:	B 12115, Companies Register maintained by the Prague Municipal Court
Legal form:	Public limited company

Name:	**Solutions and Services, a.s.**
Registered office:	Na Florenci 2116/15, Nové Město, 110 00 Praha 1
Company No.:	272 08 320
Register entry:	B 11409, Companies Register maintained by the Prague Municipal Court
Legal form:	Public limited company

Name:	**Veolia Support Services Česká republika, a.s.**
Registered office:	Na Florenci 2116/15, Nové Město, 110 00 Praha 1
Company No.:	290 60 770
Register entry:	B 18573, Companies Register maintained by the Prague Municipal Court
Legal form:	Public limited company

Name:	**Veolia Vedlejší produkty ČR, s.r.o.**
Registered office:	Na Florenci 2116/15, Nové Město, 110 00 Praha 1
Company No.:	247 15 964
Register entry:	C 168333, Companies Register maintained by the Prague Municipal Court
Legal form:	Private limited company

Name:	**Severočeská servisní a.s.**
Registered office:	Přítkovská 1689/14, Trhovany, 415 01 Teplice
Company No.:	051 75 917
Register entry:	B 2659, Companies Register maintained by the Ústí nad Labem Regional Court
Legal form:	Public limited company

Name:	**IoT.water a.s.**
Registered office:	Radlická 364/152, Radlice, 158 00 Praha 5
Company No.:	055 89 916
Register entry:	B 25457, Companies Register maintained by the Prague Municipal Court
Legal form:	Public limited company

The company was wound up by merger with the acquiring company Popron System a.s. and struck off from the Companies Register on 31 May 2025.

Name:	**Pražská teplárenská a.s.**
Registered office:	Radlická 364/152, Radlice, 158 00 Praha 5
Company No.:	452 73 600
Register entry:	B 1509, Companies Register maintained by the Prague Municipal Court
Legal form:	Public limited company

Name:	**TERMONTA PRAHA a.s.**
Registered office:	Třebohostická 46/11, Strašnice, 100 00 Praha 10
Company No.:	471 16 234
Register entry:	B 1846, Companies Register maintained by the Prague Municipal Court
Legal form:	Public limited company

Name: **PT Koncept, a.s.**
Registered office: Radlická 364/152, Radlice, 158 00 Praha 5
Company No.: 032 61 816
Register entry: B 19886, Companies Register maintained by the Prague Municipal Court
Legal form: Public limited company
The company was wound up by merger with the acquiring company Pražská teplárenská a.s. and struck off from the Companies Register on 1 December 2025.

Name: **Teplo Neratovice, spol. s r.o.**
Registered office: Neratovice, Školní 162, postcode 277 11
Company No.: 498 27 316
Register entry: C 34074, Companies Register maintained by the Prague Municipal Court
Legal form: Private limited company

Name: **PT Distribuční, s.r.o.**
Registered office: Praha 9 - Střížkov, Jablonecká 322/72, postcode 190 00
Company No.: 457 93 590
Register entry: C 11208, Companies Register maintained by the Prague Municipal Court
Legal form: Private limited company

Name: **ENERGOPROJEKTA s.r.o.**
Registered office: Dluhonská 1350/43, Přerov I-Město, 750 02 Přerov
Company No.: 059 85 005
Register entry: C 70165, Companies Register maintained by the Ostrava Regional Court
Legal form: Private limited company

Name: **PT Transit, a.s.**
Registered office: Radlická 364/152, Radlice, 158 00 Praha 5
Company No.: 293 52 797
Register entry: B 19399, Companies Register maintained by the Prague Municipal Court
Legal form: Public limited company

Name: **Popron Systems a.s.**
Registered office: Radlická 364/152, Radlice, 158 00 Praha 5 (formerly Revoluční 1082/8, Nové Město, 110 00 Praha 1)
Company No.: 618 55 162
Register entry: B 28240, Companies Register maintained by the Prague Municipal Court
Legal form: Public limited company
The company name changed on 20 January 2025.

Name: **VEO Project Engineering, s.r.o.**
Registered office: 28. října 3337/7, Moravská Ostrava, 702 00 Ostrava
Company No.: 171 61 703
Register entry: C 89380, Companies Register maintained by the Ostrava Regional Court
Legal form: Private limited company
Name: **Recovera Využití zdrojů a.s.**
Registered office: Radlická 364/152, Radlice, 158 00 Praha 5 (formerly Španělská 1073/10, Vinohrady, 120 00 Praha 2)
Company No.: 256 38 955
Register entry: B 9378, Companies Register maintained by the Prague Municipal Court
Legal form: Public limited company
The company changed its registered office on 1 January 2025 and was transferred under VEOLIA ČESKÁ REPUBLIKA, a.s. on 17 December 2025.

Name: **Recovera Technický servis s.r.o.**
Registered office: Hybešova 523/10, 787 01 Šumperk
Company No.: 268 36 980
Register entry: C 40172, Companies Register maintained by the Ostrava Regional Court
Legal form: Private limited company
The company was transferred under VEOLIA ČESKÁ REPUBLIKA, a.s. on 17 December 2025.

Name:	**Recovera Facility a.s.**
Registered office:	Drčkova 2798/7, Líšeň, 628 00 Brno
Company No.:	60487909
Register entry:	B 9055, Companies Register maintained by the Brno Regional Court
Legal form:	Public limited company

The company was transferred under VEOLIA ČESKÁ REPUBLIKA, a.s. on 17 December 2025.

Name:	**Advance Energo a.s.**
Registered office:	Zelená 2061/88a, Mariánské Hory, 709 00 Ostrava
Company No.:	090 07 172
Register entry:	B 11577, Companies Register maintained by the Ostrava Regional Court
Legal form:	Public limited company

Name:	**Příbramská provozní s.r.o**
Registered office:	Novohospodská 93, Příbram IX, 261 01 Příbram
Company No.:	223 13 460
Register entry:	C 414411, Companies Register maintained by the Prague Municipal Court
Legal form:	Private limited company

Name:	**Energo Příbram, s.r.o.**
Registered office:	Obecnická 269, Příbram VI-Březové Hory, 261 01 Příbram
Company No.:	061 22 108
Register entry:	C 275501, Companies Register maintained by the Prague Municipal Court
Legal form:	Private limited company

The company became part of the Veolia Group on 26 August 2025.

Name:	**Teplo Příbram s.r.o.**
Registered office:	Obecnická 269, Příbram VI-Březové Hory, 261 01 Příbram
Company No.:	106 64 637
Register entry:	C 346189, Companies Register maintained by the Prague Municipal Court
Legal form:	Private limited company

The company became part of the Veolia Group on 26 August 2025.

Name:	**Zkušebna Mydlovary s.r.o.**
Registered office:	Mydlovary 103, 373 49
Company No.:	260 41 863
Register entry:	C 10813, Companies Register maintained by the České Budějovice Regional Court
Legal form:	Private limited company

The company became part of the Veolia Group on 22 July 2025.

Name:	**Zkušebna Mydlovary – Morava s.r.o.**
Registered office:	Fügnerova 1226/10, Horka-Domky, 674 01 Třebíč
Company No.:	033 57 881
Register entry:	C 84395, Companies Register maintained by the Brno Regional Court
Legal form:	Private limited company

The company became part of the Veolia Group on 22 July 2025.

Name:	**Mníšecká provozní, s.r.o.**
Registered office:	Pražská 1616, 252 10 Mníšek pod Brdy
Company No.:	239 58 251
Register entry:	C 435876, Companies Register maintained by the Prague Municipal Court
Legal form:	Private limited company

The company was incorporated and became part of the Veolia Group on 13 November 2025.

Name:	**ČelakoVaK s.r.o.**
Registered office:	Na Požárech 1882, 250 88 Čelákovice
Company No.:	238 37 519
Register entry:	C 433732, Companies Register maintained by the Prague Municipal Court
Legal form:	Private limited company

The company was incorporated and became part of the Veolia Group on 15 October 2025.

Note: Schematic diagrams of the Group composed of the controlling and controlled entities as related parties are shown in Annexes 1 and 2 to this Report.

III
Role of the controlled entity, methods and means of control, and evaluation of the advantages and disadvantages arising from relations between the related parties

Within the meaning of Section 79 BCA, Veolia Komodity ČR, s.r.o. is a dependent entity within the Group and is subject to joint management under a common policy of strategic management of the Group; for the dependent entity, the above primarily generates advantages from the know-how provided within the Group for performing the controlled entity's business. The relationship between the related parties does not cause any disadvantage to any of them. Veolia Komodity ČR, s.r.o. serves as a central intermediary for the purchase and sale of electricity and gas for Group companies.

The dependent entity is controlled through the sole member acting in the capacity of the Company's general meeting, who has the influence to appoint their representatives to the Company's bodies and so can influence the business management of the Company.

The Company is not exposed to any future or long-term risks as a result of its membership of the Veolia Group and the governing body is not aware of any material future developments that may jeopardise the Company as a result of its belonging to the Group.

IV
Overview of agreements between related parties, assessment of damage and compensation for damage under Sections 71 and 72 BCA, and overview of acts made at the instigation or in the interest of the controlling entity or entities controlled by the controlling entity

A. Relations with controlling companies and entities controlling the controlling companies

A1. Veolia Průmyslové služby ČR, a.s.

The following agreements are in place between Veolia Komodity ČR, s.r.o. and Veolia Průmyslové služby ČR, a.s.:

Agreements where Veolia Komodity ČR, s.r.o. is the supplier: an Agreement on Electricity Supply on an arm's length basis.

Agreements where Veolia Komodity ČR, s.r.o. is the customer: an Agreement on Electricity Feed-in from a Renewable Energy Source and an Agreement on Electricity Distribution, on an arm's length basis.

A2. <u>Veolia Energie ČR, a.s.</u>

The following agreements are in place between Veolia Komodity ČR, s.r.o. and Veolia Energie ČR, a.s.:

<u>Agreements where Veolia Komodity ČR, s.r.o. is the supplier</u>: an Agreement on Bundled Gas and Electricity Supply on an arm's length basis. These companies also concluded and performed under a Purchase Agreement for the Purchase and Sale of Biomass on an arm's length basis.

<u>Agreements where Veolia Komodity ČR, s.r.o. is the customer</u>: a Service Agreement, a Commercial Space Sublease Agreement and Personal Property Lease Agreement, an EFET Bilateral Electricity Trading Agreement, an Agreement on Personal Data Processing, a Sub-licence Agreement on Trade Mark Use, all on an arm's length basis.

Veolia Energie ČR, a.s. takes out insurance policies for Veolia Komodity ČR, s.r.o. and then re-invoices the costs.

Veolia Energie ČR, a.s. also invoices fees for financial guarantees provided to Veolia Komodity ČR, s.r.o. in relation to framework agreements on the supply of gas and electricity.

Veolia Komodity ČR, s.r.o. and Veolia Energie ČR, a.s. have in place and perform a Commercial Cooperation Agreement (TP model).

Veolia Energie ČR, a.s. also re-invoices Veolia Komodity ČR, s.r.o. for the costs of services (legal services, administrative fees, promotional items, office leases, consumables, phone charges, communications, travel expenses, internal haulage, maintenance work, sanitary supplies, postal services, servicing work, lighting replacement, etc.).

Veolia Komodity ČR made a financial donation to the Veolia Energie Humain ČR Foundation set up by Veolia Energie ČR, a.s.

A3. <u>VEOLIA ENVIRONNEMENT S.A.</u>

Veolia Komodity ČR, s.r.o signed a Declaration of Participation in the International Group Savings Plan of Veolia Environnement and the Sequoia employee shareholding programme with VEOLIA ENVIRONNEMENT S.A., and in this context, it also bore a share of the contributions to the reserved collective employee shareholding vehicles that invest in VEOLIA ENVIRONNEMENT S.A. shares.

Veolia Komodity ČR, s.r.o. participates in a cash pooling arrangement under a Two-way Physical Cash-pooling Agreement and a Treasury Agreement governing the terms and conditions of the Group cash pool entered into with VEOLIA ENVIRONNEMENT S.A. and Komerční banka, a.s. on an arm's length basis. It has also entered into a Framework Agreement on Forward Financial Instruments with VEOLIA ENVIRONNEMENT S.A.

A4. <u>VEOLIA ENERGIE INTERNATIONAL S.A.</u>

No contracts were concluded or performed, no legal acts or measures were made towards this company, and no deliveries or considerations were provided between this company controlling the controlling entities and the Company.

B. Relations to related parties

B1. <u>OLTERM & TD Olomouc, a.s.</u>

Veolia Komodity ČR, s.r.o. and OLTERM & TD Olomouc, a.s. have in place Agreements on Bundled Electricity Supply, including amendments; an Agreement on Electricity Feed-in, and an Agreement on Bundled Gas Supply, including amendments, all of them on an arm's length basis.

B2. ***Veolia Energie Mariánské Lázně, s.r.o.***

Veolia Komodity ČR, s.r.o. and Veolia Energie Mariánské Lázně, s.r.o. have Agreements on Bundled Electricity Supply and an Agreement on Bundled Gas Supply in place on an arm's length basis. These companies also concluded and performed under a Purchase Agreement for the Purchase and Sale of Biomass on an arm's length basis.

B3. ***Veolia Energie Kolín, a.s.***

Veolia Komodity ČR, s.r.o. and Veolia Energie Kolín, a.s. have Agreements on Bundled Electricity Supply and an Agreement on Bundled Gas Supply in place on an arm's length basis.

These companies also concluded and performed under a Purchase Agreement for the Purchase and Sale of Biomass on an arm's length basis.

B4. ***Veolia Energie Praha, a.s.***

Veolia Komodity ČR, s.r.o. and Veolia Energie Praha, a.s. have Agreements on Bundled Electricity Supply and an Agreement on Bundled Gas Supply in place on an arm's length basis.

B5. ***Vodárna Zlín a.s.***

Veolia Komodity ČR, s.r.o. and Vodárna Zlín, a.s. have an Agreement on Bundled Electricity Supply and an Agreement on Bundled Gas Supply in place on an arm's length basis.

B6. ***1. SčV, a.s.***

Veolia Komodity ČR, s.r.o. and 1. SčV, a.s. have an Agreement on Bundled Electricity Supply, and Agreement on Electricity Feed-in from Renewable Energy Sources and an Agreement on Bundled Gas Supply in place on an arm's length basis.

B7. ***Institut environmentálních služeb, a.s.***

Under an Agreement on Cooperation in Employee Education, until 31 August 2025, Institut environmentálních služeb, a.s. provided Veolia Komodity ČR, s.r.o. with employee training, training record keeping in the personnel system, and regular reporting on training, on an arm's length basis. The company was wound up by merger with the acquiring company Veolia Support Services Česká republika, a.s. and was struck off from the Companies Register on 31 August 2025.

B8. ***Královehradecká provozní, a.s.***

Veolia Komodity ČR, s.r.o. and Královehradecká provozní, a.s. have an Agreement on Bundled Electricity Supply, an Agreement on Electricity Feed-in from a Renewable Energy Source and an Agreement on Bundled Gas Supply in place on an arm's length basis.

B9. ***MORAVSKÁ VODÁRENSKÁ, a.s.***

Veolia Komodity ČR, s.r.o. and MORAVSKÁ VODÁRENSKÁ, a.s. have an Agreement on Bundled Electricity Supply, an Agreement on Electricity Feed-in from a Renewable Energy Source and an Agreement on Bundled Gas Supply in place on an arm's length basis.

B10. ***Pražské vodovody a kanalizace, a.s.***

Veolia Komodity ČR, s.r.o. and Pražské vodovody a kanalizace, a.s. have an Agreement on Bundled Electricity Supply, an Agreement on Electricity Feed-in from a Renewable Energy Source, an Agreement on Bundled Gas Supply and an Agreement on Dispatching Services in place on an arm's length basis.

B11. <u>RAVOS, s.r.o.</u>

Veolia Komodity ČR, s.r.o. and RAVOS, s.r.o. have in place an Agreement on Bundled Electricity Supply, an Agreement on Electricity Feed-in from a Renewable Energy Source and an Agreement on Bundled Gas Supply in place on an arm’s length basis.

B12. <u>Solutions and Services, a.s.</u>

Veolia Komodity ČR, s.r.o. and Solutions and Services, a.s. have in place a Framework Agreement on Electricity Supply, bought in tranches, and a Framework Agreement on Natural Gas Supply, bought in tranches, on an arm’s length basis.

B13. <u>Středočeské vodárny, a.s.</u>

Veolia Komodity ČR, s.r.o. and Středočeské vodárny, a.s. have in place an Agreement on Bundled Electricity Supply, an Agreement on Electricity Feed-in from a Renewable Energy Source and an Agreement on Bundled Gas Supply, all on an arm’s length basis.

B14. <u>Vodohospodářská společnost Rokycany, s.r.o.</u>

Veolia Komodity ČR, s.r.o. and Vodohospodářská společnost Rokycany, s.r.o. have an Agreement on Bundled Electricity Supply, an Agreement on Electricity Feed-in from a Renewable Energy Source and an Agreement on Bundled Gas Supply in place on an arm’s length basis.

B15. <u>Pražská teplárenská a.s.</u>

Veolia Komodity ČR, s.r.o. and Pražská teplárenská a.s. have in place an Agreement on Bundled Electricity Supply, an Electricity Supply Agreement and an Agreement on Bundled Gas Supply, on an arm’s length basis.

B16. <u>Teplo Neratovice, spol. s r.o.</u>

Veolia Komodity ČR, s.r.o. and Teplo Neratovice, spol. s r.o. have an Agreement on Bundled Electricity Supply in place on an arm’s length basis.

B17. <u>PT Koncept, a.s.</u>

Veolia Komodity ČR, s.r.o. and PT Koncept, a.s. have in place a Framework Agreement on Electricity Supply and Offtake, including Imbalance Responsibility Transfer, from 2021 with an indefinite term, on an arm’s length basis.

They have also concluded an Agreement on Bundled Gas Supply, an Agreement on Natural Gas Supply, and an Agreement on Bundled Electricity Supply / Electricity Supply Agreement, all on an arm’s length basis.

B18. <u>PT Distribuční, s.r.o.</u>

Veolia Komodity ČR, s.r.o. and PT Distribuční, s.r.o. have an Agreement on Bundled Gas Supply, an Agreement on Bundled Electricity Supply and a Gas Supply Agreement (agreement for building boiler rooms) in place on an arm’s length basis.

B19. <u>TERMONTA PRAHA a.s.</u>

Veolia Komodity ČR, s.r.o. and TERMONTA PRAHA, a.s. have an Agreement on Bundled Electricity Supply in place on an arm’s length basis.

B20. Recovera Využití zdrojů a.s.

Veolia Komodity ČR, s.r.o. and Recovera Využití zdrojů a.s. have in place an Agreement on Bundled Electricity Supply and an Agreement on Electricity Feed-in from a Renewable Energy Source, on an arm's length basis.

B21. Recovera Technický servis s.r.o.

Veolia Komodity ČR, s.r.o. and Recovera Technický servis s.r.o. have an Agreement on Bundled Electricity Supply in place on an arm's length basis.

B22. Veolia Support Services Česká republika, a.s.

Veolia Komodity ČR, s.r.o. and Veolia Support Services Česká republika, a.s. have an Accounting Agreement in place on an arm's length basis. In 2025, Veolia Support Services Česká republika, a.s. provided Veolia Komodity ČR, s.r.o. with training services on an arm's length basis.

B23. Zkušebna Mydlovary s.r.o.

In 2025, Veolia Komodity ČR, s.r.o. and Zkušebna Mydlovary s.r.o. had in place an Agreement on Electricity Feed-in and entered into an Agreement on Bundled Electricity Supply (performance to start as of 1 January 2026), on an arm's length basis.

B24. Příbramská provozní s.r.o.

In 2025, Veolia Komodity ČR, s.r.o. and Příbramská provozní s.r.o. had in place an Agreement on Electricity Feed-in and entered into an Agreement on Bundled Electricity Supply (performance to start as of 1 January 2026), on an arm's length basis.

B25. Energo Příbram, s.r.o.

In 2025, Veolia Komodity ČR, s.r.o. and Energo Příbram, s.r.o. entered into an Agreement on Bundled Electricity Supply (performance to start as of 1 January 2026), on an arm's length basis.

B26. Relations to other related parties

All the companies of the Veolia Group in the Czech Republic had a Framework Personal Data Protection Agreement in place.

No other contracts were concluded or performed, no legal acts were made, and no deliveries or considerations were provided between the other related companies within the Group.

C. Overview of acts carried out at the instigation or in the interest of controlling entities

In 2025, no acts were carried out at the instigation or in the interest of the controlling entity or entities controlled by the controlling entity concerning assets in excess of 10% of the controlled entity's equity, and the controlled entity was not inhibited from making certain acts or strategic decisions due to control over the Company and due to controlling entities' interest or instigation.

V
Conclusion

Based on the information above, the Director states that in the period under review, the controlled company suffered no damage in its relations with the controlling entity or in relations between related parties. Furthermore, the governing body notes that the Report is complete and that the disclosure of any additional information, in particular such as would extend the scope or depth of the disclosures made herein, is subject to trade secrecy under Section 504 of Act No. 89/2012, the Civil Code.

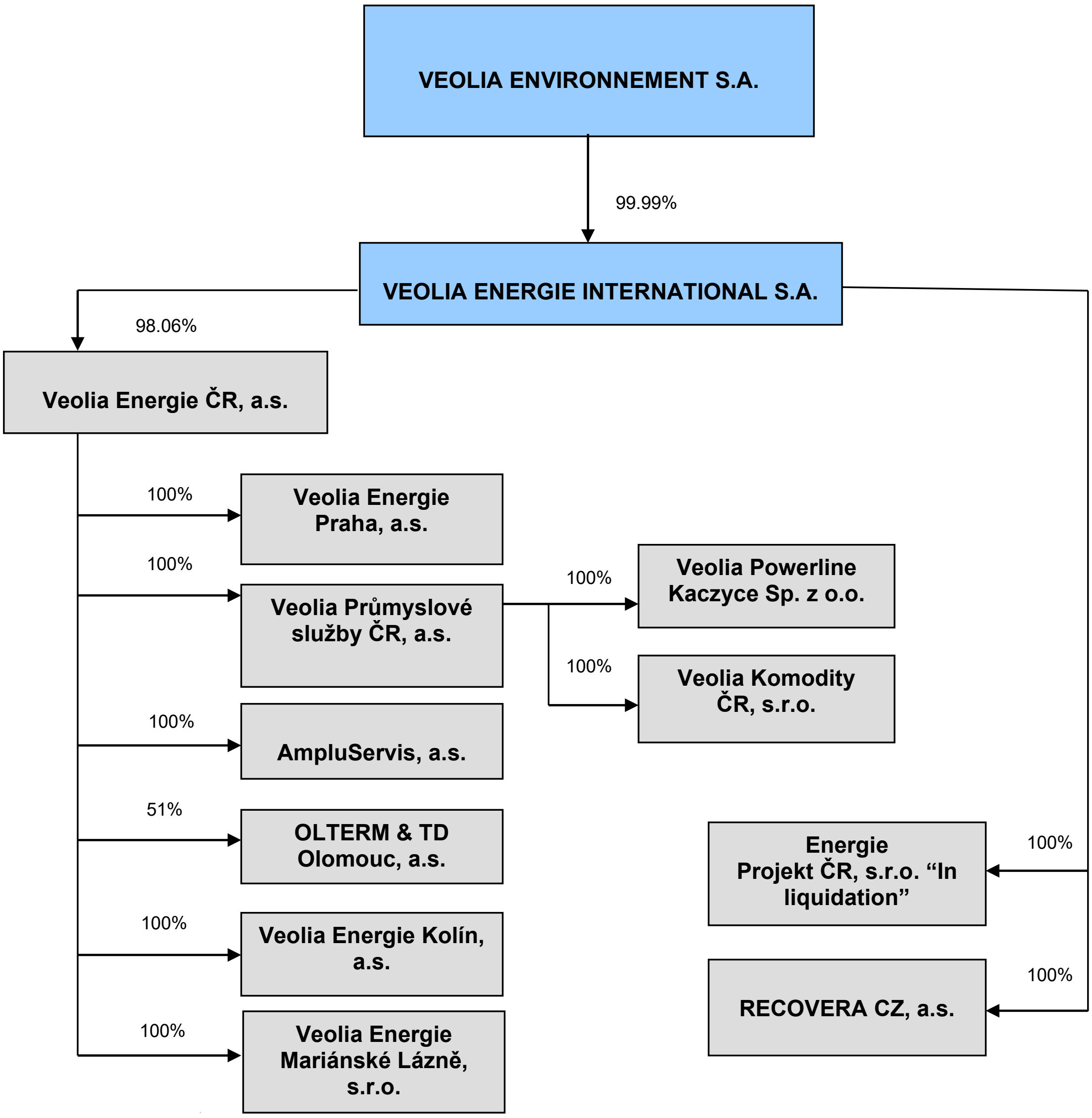
Ostrava, 31 March 2026

Pavel Luňáček
Director

Appendices to the Report on Relations Veolia Komodity ČR, s. r. o.

Relationships of control

Annex 1 to the Report on Related Parties of Veolia Komodity ČR, s.r.o., i.e. the report on relations between the controlling and controlled entities and between the controlled entity and other entities under common control (related parties) valid as at 31 December 2025

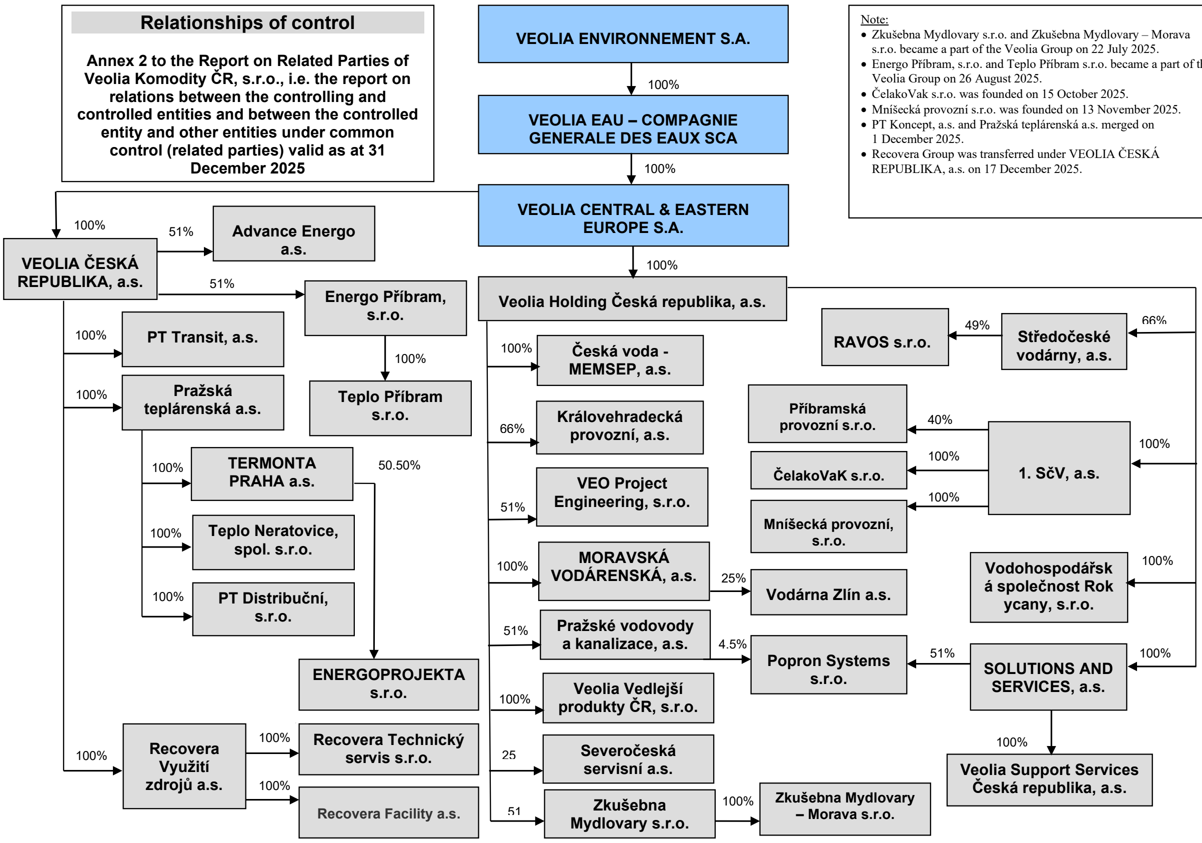


Note:

On 17 April 2025, VEOLIA ENERGIE INTERNATIONAL S.A. bought shares representing a 15% stake in the capital of Veolia Energie ČR, a.s. from ČEZ, a.s.

Relationships of control

Annex 2 to the Report on Related Parties of Veolia Komodity ČR, s.r.o., i.e. the report on relations between the controlling and controlled entities and between the controlled entity and other entities under common control (related parties) valid as at 31 December 2025



Note:

- Zkušebna Mydlovary s.r.o. and Zkušebna Mydlovary – Morava s.r.o. became a part of the Veolia Group on 22 July 2025.
- Energo Příbram, s.r.o. and Teplo Příbram s.r.o. became a part of the Veolia Group on 26 August 2025.
- ČelakoVak s.r.o. was founded on 15 October 2025.
- Mníšecká provozní s.r.o. was founded on 13 November 2025.
- PT Koncept, a.s. and Pražská teplárenská a.s. merged on 1 December 2025.
- Recovera Group was transferred under VEOLIA ČESKÁ REPUBLIKA, a.s. on 17 December 2025.

05 AUDITOR’S REPORT

Deloitte.

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INDEPENDENT AUDITOR'S REPORT

To the Partner of Veolia Komodity ČR, s.r.o.

Having its registered office at: 28. října 3337/7, Moravská Ostrava, 702 00 Ostrava

Opinion

We have audited the accompanying financial statements of Veolia Komodity ČR, s.r.o. (the "Company") prepared on the basis of IFRS Accounting Standards as adopted by the European Union, which comprise the statement of financial position as at 31 December 2025, and the income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

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

Basis for Opinion

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

Other Matter

The financial statements of Veolia Komodity ČR, s.r.o. for the year ended 31 December 2024 were audited by another auditor who expressed an unmodified opinion on those statements on 20 May 2026.

Other Information in the Annual Report

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

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

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

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

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

Responsibilities of the Company's Statutory Executive for the Financial Statements

The Statutory Executive is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as adopted by the European Union and for such internal control as the Statutory Executive 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 Executive 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 Executive either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Statutory Executive.
- Conclude on the appropriateness of the Statutory Executive'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 the Statutory Executive regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

In Prague on 20 May 2026

Audit firm:	Statutory auditor:
Deloitte Audit s.r.o. registration no. 079	Lukáš Pytlíček registration no. 2460

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This Annual Report was prepared by Veolia Komodity ČR, s.r.o.
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Annual report prepared on 20 May 2026

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