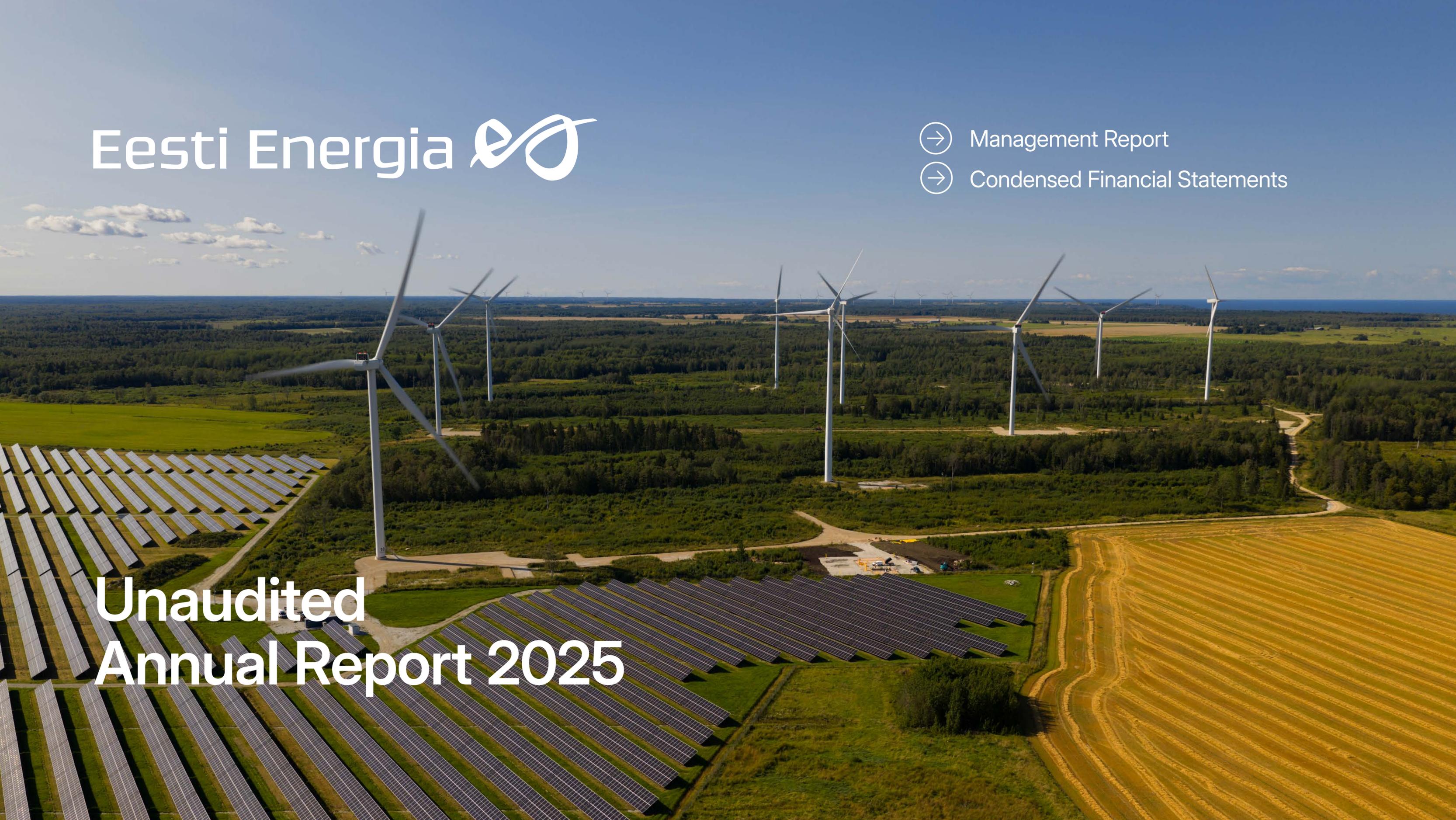


## Unaudited Annual Report 2025



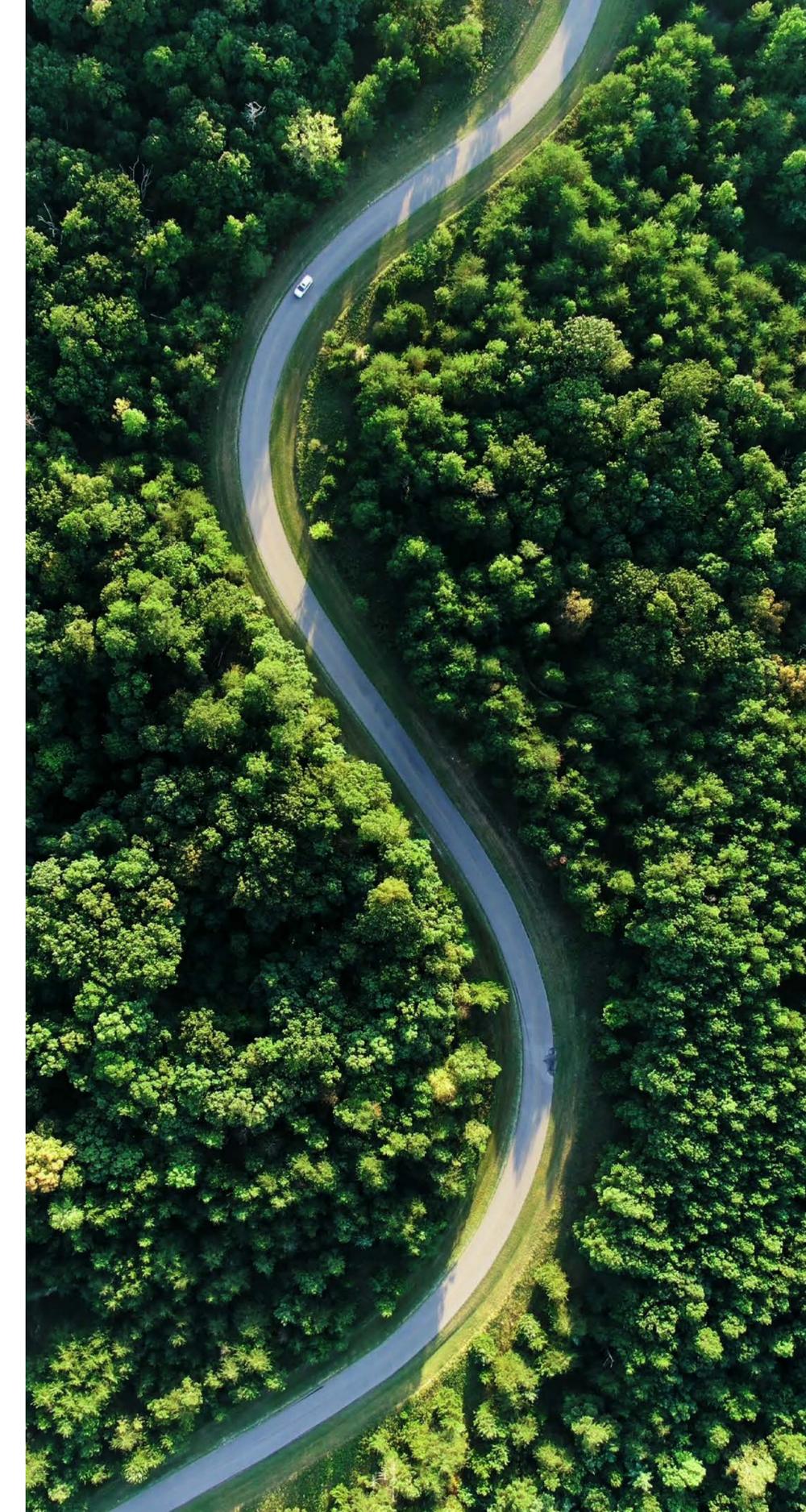
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## Operating Results in 2025

SALES REVENUE

**1.6** bn €

EBITDA

**317** m €

INVESTMENTS

**459** m €

EMPLOYEES (average number)

**4,697** No.

ELECTRICITY PRODUCTION

**3.6** TWh

SHALE OIL PRODUCTION

**378** th t

TOTAL ELECTRICITY SALES

**10.6** TWh

ELECTRICITY DISTRIBUTED

**6.6** TWh

## Group CEO's Letter

Eesti Energia's role is no longer just to produce energy and ensure security of supply. We must lead the way in driving the transition to sustainable electricity production and a cleaner economic model across the Baltic countries and Poland.

The year 2025 confirmed that Eesti Energia's strength lies not only in megawatts, but also in its people. Our employees fight for every megawatt, make difficult decisions, maintain and build complex energy systems, and take daily action to provide hundreds of thousands of people and companies in the region, from Estonia to Poland, with a sense of security.

### We are evolving in line with the business environment

Our ambition is to become the region's leading energy company that supports Estonia and its neighbouring countries in both achieving energy security and transitioning to sustainable electricity production. This requires forward-looking decisions and consistent investment, which will ultimately enable the switch to a cleaner, more environmentally friendly economic model. Our investments of over €2 billion in recent years have laid the groundwork for a future energy system characterised by growing renewable energy capacities, a robust power grid and smart solutions.

Eesti Energia started 2026 with a renewed management structure to support its goal of becoming the leading energy company in the region. Business operations are now divided between three subsidiaries: Enefit, which handles the electricity business; Enefit Industry, which deals with the industrial business; and Elektrilevi, which operates the distribution network. These changes underpin our new operating model, which will enable us to become more flexible, transparent and competitive

### A green transition that creates value

Enefit, the Group's electricity business subsidiary, is the largest wind energy producer in the Baltic countries. Last year, we expanded our renewable energy portfolio by 335 MW of wind power and 74 MW of solar power. The Sopi-Tootsi green energy site, which includes Estonia's largest wind farm, is a prime example of how revitalising a former industrial area can create value for local communities.



During the year, we built new wind farms in Lithuania and new solar farms in Latvia. Construction began on one of our largest solar farms: the Strzałkowo project in Poland, which is expected to have an annual output of around 45 GWh.

These projects are much more than just production units: they represent a significant step forward in making electricity increasingly affordable for people in the Baltics and Poland

We also made significant progress in promoting the transition to electric transport to reduce the environmental footprint of the transport sector. We expanded our electric vehicle charging network by 40%. This means that we now have enough connectors to charge over 1,600 electric vehicles simultaneously across the region from Estonia to Poland.

The use of electric transport is growing rapidly, as reflected by the increase in charging volumes. In 2025, customers in our core markets charged their cars with almost 6,000 MWh of electricity – twice the quantity recorded the previous year. This amount of electricity could power a journey of around 29 million kilometres.

### A more resilient power grid and improved security of supply in Estonia

In the field of dispatchable power generation, we ensured the security of supply in Estonia by signing a new island operation capability agreement with the Estonian transmission system operator Elering, which guarantees 1,036 MW of dispatchable capacity. In addition, we signed an agreement to build a 100 MW hydrogen-ready power plant at the site of our existing Balti power plant.

Shortly before the Baltic electricity grid was connected to the Continental Europe Synchronous Area, we launched Estonia's first large-scale energy storage facility. Built by Eesti Energia, the 53.1 MWh battery is located in the Auvere industrial complex in Ida-Viru County. It balances the grid and reduces price spikes.

Record investments by Elektrilevi (totalling over €170 million) have made Estonia's distribution networks more resilient to weather and crises. The more than twofold decrease in faults in the medium-voltage network on the island of Saaremaa clearly demonstrates that our efforts to enhance the security of supply are having a tangible impact on people's lives in Estonia.

In addition, we conducted various exercises and implemented changes across the Group to enhance crisis resilience and maximise our contribution to energy security.

### Reducing our environmental footprint with smart solutions

Reducing our environmental footprint is also a constant priority in our shale oil production operations. For example, in early summer 2025, we installed a new secondary air system in both units of our oldest shale oil plant, Enefit140, which can reduce emissions without the need for costly afterburning. Thanks to the consistent efforts of our engineers, emissions from the plant were reduced by almost 80%.

Large infrastructure projects boost the circular economy. In collaboration with Rail Baltic, we are investigating the use of waste rock from mining in railway construction. This would reduce our environmental footprint while enabling us to contribute to the completion of the Baltic countries' strategically important railway infrastructure project by utilising our production by-products. If the trial is successful, 800,000 tonnes of waste rock could be used in the construction of Rail Baltica. This would promote sustainable construction, support the environmental goals of Estonia and Europe, and reduce costs for end users

All of these measures are designed to help us achieve a clean industry by 2050, with production processes that do not result in the direct emission of greenhouse gases.

### Caring is an integral part of our daily work

The impact of the Eesti Energia Group extends far beyond kilowatt-hours. We acknowledge our responsibility to society. As part of the 'Lae end' ('Charge Yourself') programme, we are working with various Estonian companies and institutions to inspire students to study the natural sciences and support the professional development of teachers. The ten mathematics and chemistry teachers who completed the fourth season of the programme were recognised by Alar Karis, the President of Estonia. In Latvia, we are collaborating with universities and the state to train new science, technology and mathematics teachers to ensure that STEM education is equally accessible in all regions of the country. We are also contributing to the development of the Energy Discovery Centre, which aims to spark interest in energy among children and young people. Last year, we helped young engineers build a solar car that came second in the Bridgestone World Solar Challenge in Australia.



April 2025 saw the Estonian Health Trails Foundation celebrate its 20th anniversary. During this time, 130 wellbeing trails have been built across Estonia in cooperation with local governments. These are open daily and free for everyone to use. The founders of the Foundation – Enefit, Merko and Swedbank – have invested a total of €8.5 million in providing Estonians with opportunities to exercise outdoors. In recent years, the trails have been visited nearly 8 million times. The goal is to encourage people to exercise more in open air and increase their healthy life expectancy.

These projects are investments in the future, aimed at engaging young people with the natural and real sciences, as well as engineering, to drive the future development of the energy and technology sectors. The projects also aim to ensure that everyone living in Estonia has access to high-quality exercise opportunities close to home, enabling them to pursue a healthy lifestyle safely and conveniently.

### Moving into a cleaner future with dedicated employees

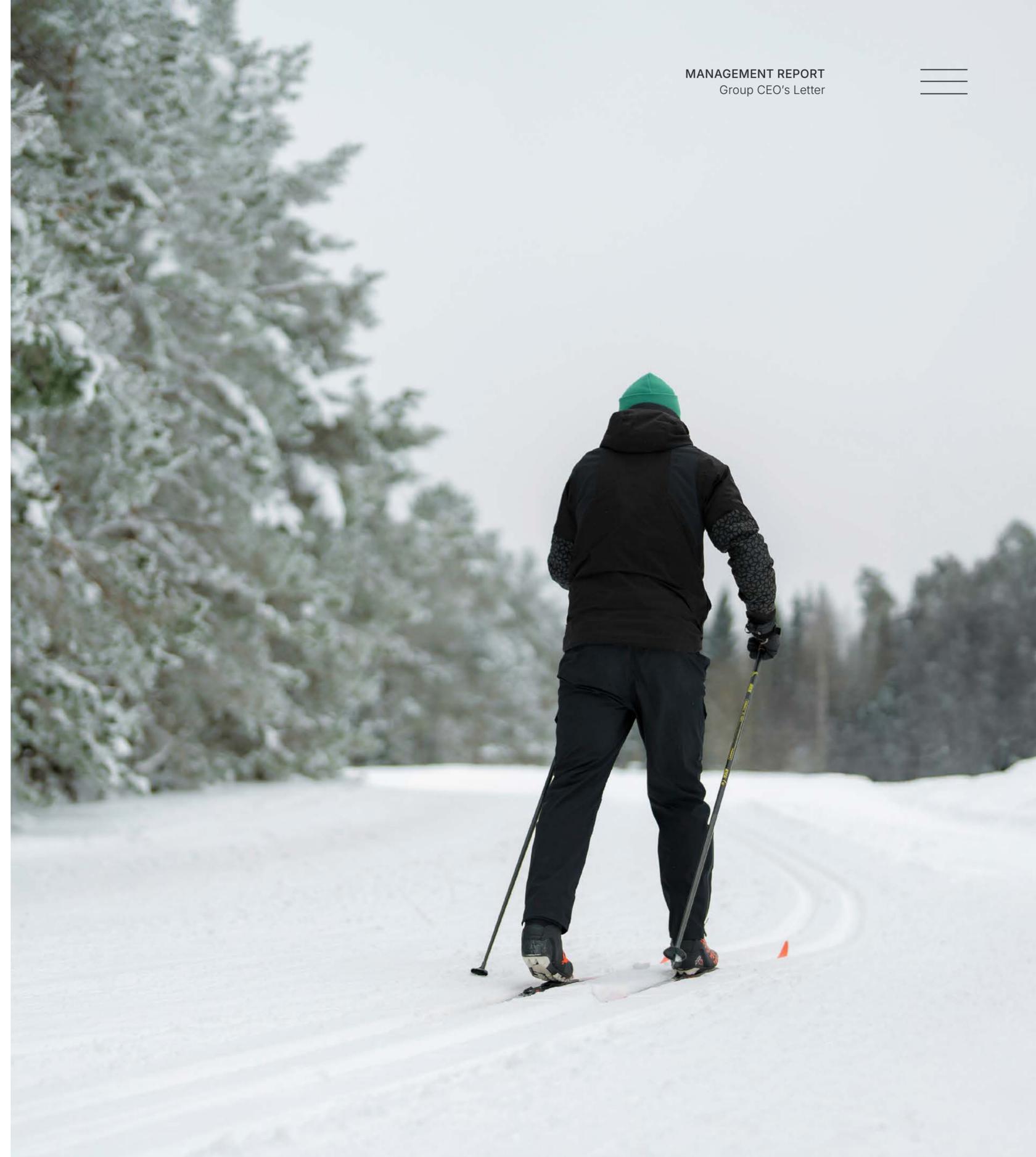
Our organisational culture is characterised by high levels of employee engagement and a strong focus on safety. While engagement can decline during periods of significant organisational change, it actually increased at the Eesti Energia Group. Our employee engagement index, as measured by Kantar Emor, was 76 points in 2025, surpassing both the Estonian average and the benchmark for manufacturing companies. During the period, we invested in the development of our safety culture and well-being programmes. We also kept our employees informed of ongoing changes, maintained openness and encouraged them to provide feedback to the management board.

Our transition to sustainability is a marathon, not a sprint, and we are running it together with our partners, communities and customers. We recognise that the decisions we make today will influence the energy landscape for decades to come.

I would like to thank our employees, partners, customers and communities for joining us on this journey. Together, we are creating the energy of the future in a responsible and sustainable way.

**Andrus Durejko**

*Chairman of the Management Board and CEO of Eesti Energia*





# Key Figures and Ratios

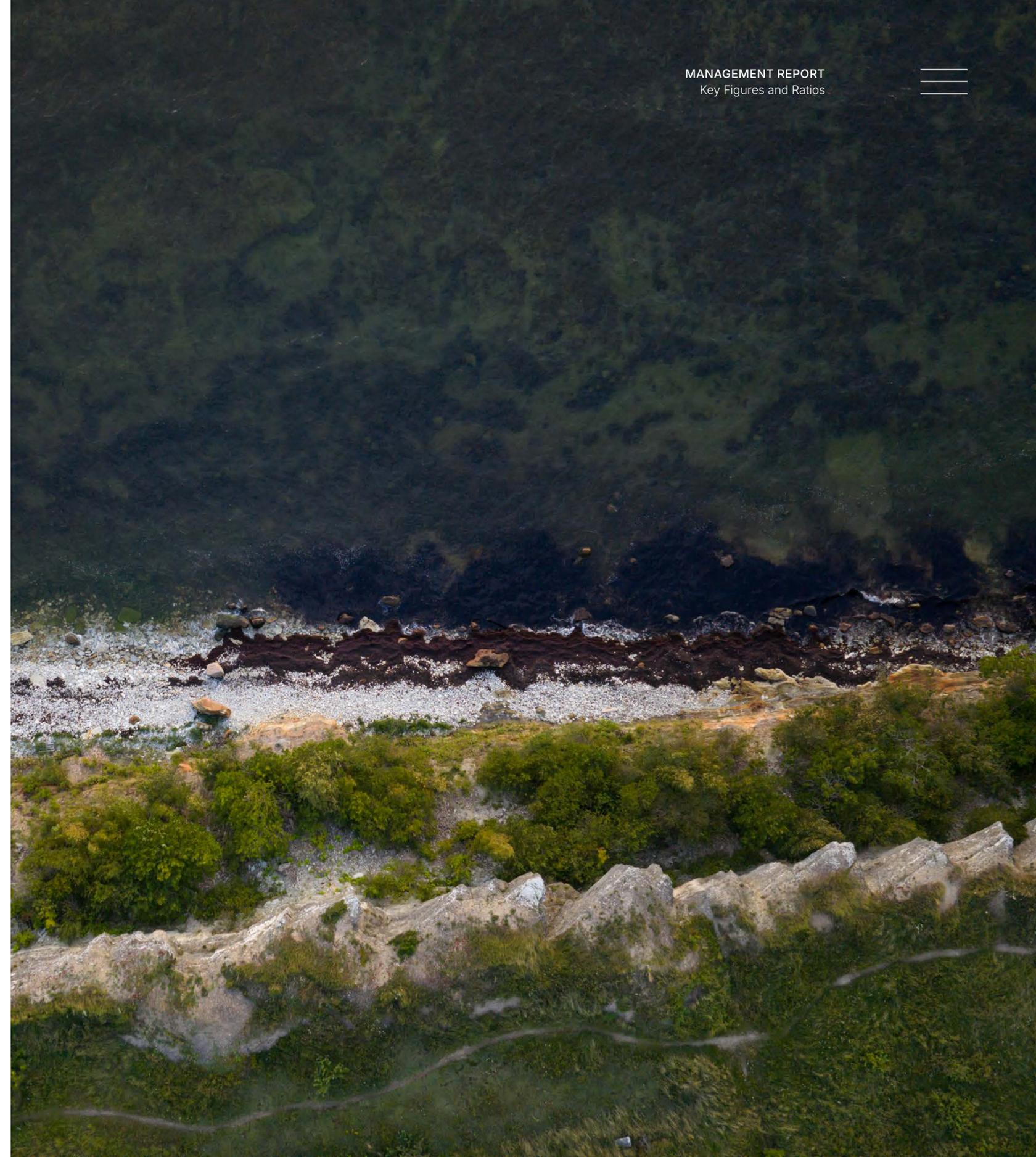


## Key Figures and Ratios

		2025	2024
Total electricity sales	GWh	10,574	10,417
Electricity distributed	GWh	6,598	6,557
Shale oil sales	th t	394	435
<hr/>			
Electricity production	GWh	3,623	3,791
<i>incl renewable electricity production</i>	GWh	2,257	2,129
Shale oil production	th t	378	451
Heat production	GWh	960	1,041
<hr/>			
Average number of employees	No.	4,697	4,908
<hr/>			
Sales revenue	m €	1,646.9	1,785.2
EBITDA	m €	317.2	398.2
Net profit (loss)	m €	(82.6)	12.9
<i>incl impairment of fixed assets*</i>	m €	(197.6)	(171.1)
<hr/>			
Investments	m €	459.2	723.6
Cash flow from operating activities	m €	362.8	594.6
Non-current assets	m €	3,940	4,042
Equity	m €	1,993	2,383
Net debt	m €	1,254	1,201
<hr/>			
Net debt / EBITDA	times	3.95	3.02
EBITDA margin	%	19.3	22.3
ROE**	%	(2.3) [6.9]	2.9 [9.4]

\* Includes impairment of oil shale assets in the amount of €164 million in 2024 and €195 million in 2025

\*\* The value shown in square brackets represents the return on equity (ROE) excluding the impact of asset impairments





# Operating Environment

# Operating Environment

The energy sector plays a vital role in the functioning of the economy and society because its operators ensure the availability and security of the energy supply, which is essential for everyday life and business.

As an international energy company, Eesti Energia must consider various factors that affect its operating environment, including market price fluctuations, regulations, weather conditions, and the global economic and political situation. Our activities are also driven by key trends in the development of the energy sector, such as expectations regarding climate change, technological innovations and breakthroughs, and the need to provide customers with sustainable and flexible energy solutions.

The following trends in market prices (compared to 2024) had a significant impact on our business in 2025:

- Electricity prices in the Baltic countries decreased due to high levels of renewable energy production. However, they remained volatile due to interconnection constraints and weather-related fluctuations.
- Natural gas prices increased at the beginning of the year, but remained stable for the rest of the year thanks to favourable weather and supply conditions.
- Emission allowance prices rose moderately.
- World market prices for oil products fell due to the impact of OPEC+ production policy, geopolitical tensions and weakening demand.

**Norway**

Production	159.2 TWh
Consumption	136.8 TWh
Average price	40.1 €/MWh (+8.5%)

**Sweden**

Production	159.8 TWh
Consumption	129.5 TWh
Average price	35.0 €/MWh (+3.5%)

**Denmark**

Production	32.7 TWh
Consumption	38.4 TWh
Average price	81.8 €/MWh (+15.6%)

**Finland**

Production	79.4 TWh
Consumption	84.5 TWh
Average price	40.5 €/MWh (-11.2%)

**Estonia**

Production	4.6 TWh
Consumption	7.9 TWh
Average price	80.4 €/MWh (-7.9%)

**Latvia**

Production	5.5 TWh
Consumption	6.7 TWh
Average price	85.7 €/MWh (-1.9%)

**Lithuania**

Production	9.0 TWh
Consumption	11.7 TWh
Average price	85.3 €/MWh (-2.3%)

**Poland**

Production	153.9 TWh
Consumption	157.8 TWh
Average price	104.3 €/MWh (+8.4%)



Source for production and consumption data: ENTSO-E  
Source for average prices: Nord Pool

Average electricity price (€/MWh)	2025	2024	Change
Estonia	80.4	87.3	-7.9%
Latvia	85.7	87.4	-1.9%
Lithuania	85.3	87.3	-2.3%
Poland	104.3	96.3	+8.4%
Finland	40.5	45.6	-11.2%
Norway	40.1	36.9	+8.5%
Denmark	81.8	70.8	+15.6%
Sweden	35.0	33.8	+3.5%

### Average electricity prices in our core markets mainly decreased in 2025

Estonia is a member of Nord Pool, the Nordic and Baltic power exchange, where electricity generators sell their electricity to the exchange and electricity suppliers buy it for resale to end consumers. Nord Pool prices are determined in each price area based on the relationship between supply and demand. Our operations are most affected by electricity prices in Estonia, Latvia, Lithuania and Poland, as we both produce and sell electricity in these countries.

The electricity markets in Estonia and its neighbouring countries are closely interconnected by transmission cables. This means that electricity generation and prices are also influenced by various factors beyond our main markets, such as water levels in Norwegian hydropower reservoirs, regional wind conditions and natural gas prices. Additionally, potential disruptions to transmission cables can strongly impact the balance between electricity supply and demand, causing price volatility.

### In 2025, electricity prices in the Baltic countries were primarily influenced by renewable energy production and transmission capacity

In the first half of 2025, the electricity markets in Estonia and its neighbouring countries were influenced by several factors, the most significant of which was the Baltic countries' decoupling from the Russian electricity system and synchronisation with the Continental Europe Synchronous Area. This was accompanied by transmission capacity restrictions and the opening of the frequency reserve market,

which affected electricity prices. Unfavourable wind and solar conditions, coupled with relatively high natural gas prices, led to a decline in renewable energy production and higher prices in the first quarter. The second quarter saw stabilisation, with more favourable weather conditions leading to increased wind, solar and hydropower production, while stable LNG supplies ensured a more reliable gas supply, triggering a decline in prices. However, price dynamics throughout the first half of 2025 were negatively impacted by the failure of the EstLink2 power link between Finland and Estonia, which limited electricity imports from the Nordic countries until it was restored at the end of the second quarter.

The second half of the year began with a surge in renewable energy production across the Baltics, with solar and hydropower production reaching record levels in July. This significantly reduced the proportion of electricity produced from fossil fuels, as renewable energy and imports were able to meet much of the region's electricity demand. However, with the arrival of autumn, renewable energy production declined due to fewer daylight hours and variable wind conditions, leading to price increases. Price pressure was increased by the disruption to the EstLink1 interconnector in September, which reduced transmission capacity between Finland and Estonia, limiting the flow of cheaper Nordic electricity to the Baltic countries.

In the fourth quarter, electricity prices were primarily affected by a seasonal growth in demand, variations in wind energy productivity, and transmission capacity constraints between Estonia and Latvia. Prices were driven up by colder weather, lower solar energy production and unfavourable wind conditions. At the same time, transmission constraints between Estonia and Latvia limited the flow of cheap electricity from the Nordic countries to Latvia and Lithuania, putting pressure on prices and consequently affecting price dynamics across the region. In order to maintain market balance, it was once again necessary to rely on more expensive fossil fuel-based power plants. Overall, the second half of the year was characterised by high volatility in electricity prices, primarily due to variations in the availability of solar and wind energy, the reliability of power transmission links, and seasonal changes in electricity demand.

In 2025, the average electricity price in Estonia was €80.4/MWh (€6.9/MWh, 7.9% compared to 2024). The highest daily average price was recorded on 15 February at €269.3/MWh (€621.3/MWh compared to 2024), while the lowest was recorded on 29 June at €2.4/MWh (€5.0/MWh compared to 2024).



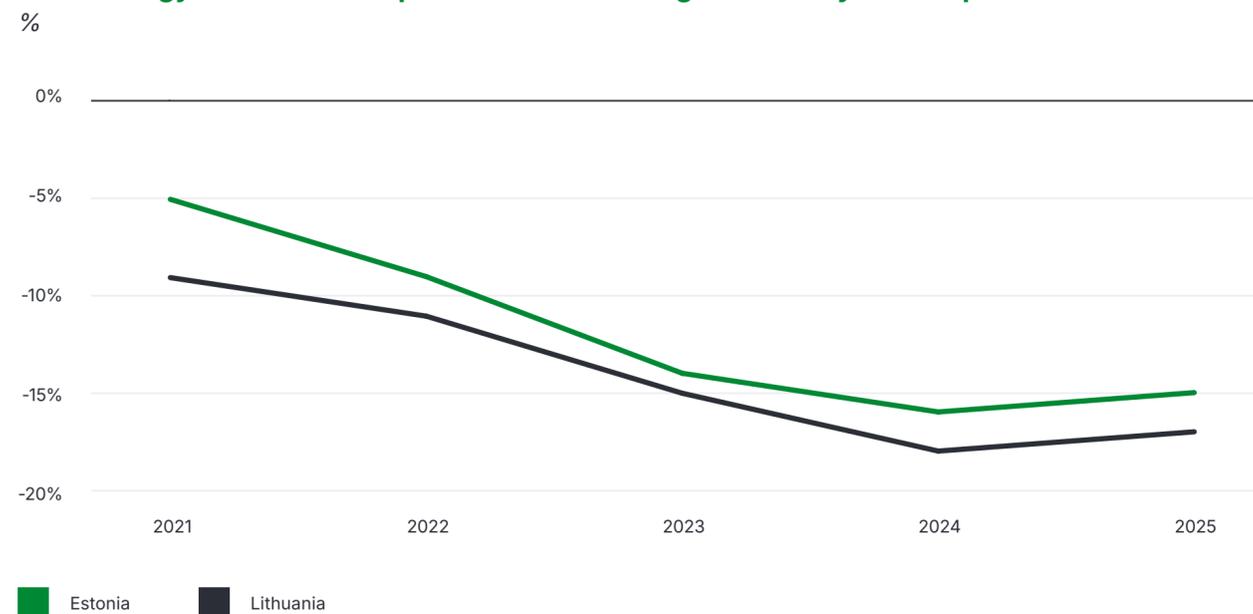
In 2025, electricity prices in the Baltic countries continued to converge, with price levels in Estonia, Latvia, and Lithuania remaining very similar for most of the year. This reflects the close integration of the regional market, in which prices are determined by the source of production that ensures market balance. Intraday price fluctuations are determined by the production units that ensure market balance at any given moment. Prices peak when more expensive oil shale and gas-fired power plants are used, more moderate price levels are reached with the support of hydropower in Latvia, and the lowest prices are achieved when there is strong solar and wind energy production in Estonia and Lithuania.

Against the backdrop of daily price fluctuations and the growing role of renewable energy, a new challenge has emerged in the electricity market: zero and negative prices. These arise mainly from temporary overproduction of renewable energy and limited export or storage capacity. Zero and negative prices indicate that the balancing mechanisms of the electricity market are changing and that supply-driven price fluctuations are intensifying. While they encourage the consumption of renewable energy, they also make the competitive environment considerably more challenging for electricity companies. In an environment of rapid and significant price fluctuations, producers have to invest in flexible production and storage solutions to avoid unprofitable periods, improve their portfolio balancing capabilities and ensure stable production volumes in a situation where prices can fluctuate from negative values to expensive peak rates within a single day.

The rapid growth of renewable energy production volumes in recent years has increased the effect of renewable energy discounts. Renewable energy producers earn an hourly production-weighted average market price, which differs from the arithmetic average of hourly prices. Since renewable energy output fluctuates and electricity prices are generally lower during hours of high production, the price earned by renewable producers typically ends up being lower than the overall market price. The renewable energy discount expresses the percentage difference between the price earned by renewable producers and the market price.

Over the last three years, the realized prices for renewable energy producers in the Baltic electricity markets have continued to decline. The main reason is the sharp increase in renewable energy production volumes, which has boosted supply and put downward pressure on prices. The impact has been most pronounced in the case of solar energy, where rapidly increasing output has often exceeded market demand during peak hours.

### Wind energy discounts compared with the average electricity market price



The wind energy discount averaged -16% in the Baltic markets in 2025, remaining close to previous years (2024: -17.5%; 2023: -14.5%). This reflects a relatively stable pricing environment, although wind production volumes fluctuate significantly throughout the year. In winter, the discount is typically larger due to stronger wind production, while in summer it is lower. In Estonia, the wind energy discount has remained more moderate compared to the other Baltic states, thanks to the regional price environment and a more balanced production profile.

The solar energy discount deepened significantly in 2025, reaching -42% (2024: -25%), the highest level observed to date. This was driven by the sharp increase in solar energy availability both in the Baltic region and the Nordics, which considerably boosted supply during peak hours. During such hours, market prices frequently dropped close to zero, which in turn increased the solar energy discount and exerted substantial pressure on producers' realized revenues.



### Natural gas price

€/MWh



Source: Intercontinental Exchange

#### The price of natural gas started 2025 on an upward trend, but later stabilised

In early 2025, the European natural gas market faced significant price pressures due to an unusually cold winter, reduced renewable energy production and increased heating demand. The start of the year was also impacted by the termination of Russian gas transit through Ukraine on 1 January, which led to greater reliance on LNG at a time when supplies were limited and competition with Asia was intense. Price volatility was exacerbated by ongoing geopolitical tensions and discussions about possible sanctions on Russian LNG. However, the Council of the European Union eased gas storage requirements in the summer, which reduced speculative pressure on the market and stabilised price movements. During the summer, price pressure eased due to warmer weather, higher renewable energy production, and more stable LNG supplies. Although a heatwave in southern Europe and geopolitical events caused temporary price increases, their impact was short-lived, and the overall price level remained lower than at the start of the year.

The second half of 2025 saw a more stable pricing environment, supported by relaxed storage requirements within the European Union and robust LNG supply. The price of natural gas ranged from €27/MWh to €36/MWh during this period and also remained stable at the start of winter due to the absence of supply-related market pressures.

The average price of natural gas traded on the Title Transfer Facility (TTF) market in 2025 was €36.4/MWh (+€2.6/MWh; +7.7% compared to 2024). The moderate price increase compared to the prior year was primarily driven by strong price pressures caused by cold weather and supply disruptions at the start of the year, as well as Europe's growing reliance on LNG following the end of Russian gas transit through Ukraine.

#### CO<sub>2</sub> emission allowance prices increased compared to the prior year

The European Union's Emissions Trading System is one of the key climate policy instruments aimed at reducing CO<sub>2</sub> emissions and encouraging energy producers to use more modern and efficient production technologies. The price of CO<sub>2</sub> emission allowances has a strong impact on the cost of electricity produced by the direct combustion of oil shale, particularly at older, more CO<sub>2</sub>-intensive production facilities.

In the first quarter of 2025, the price of CO<sub>2</sub> emission allowances showed a clear upward trend. This was primarily driven by market expectations of a substantial reduction in the supply of emission allowances from 2026 onwards, due to the Fit for 55 measures and the end of the sale of extra allowances made available under the REPowerEU initiative. Although there were price fluctuations during the quarter due to weather and political factors, the overall price level remained high. At the start of the second quarter, the price of CO<sub>2</sub> emission allowances declined due to economic uncertainty, trade tensions with the US and favourable weather conditions, which reduced the need for fossil fuel-based production. However, by the end of the first half of 2025, the market had stabilised.

In the second half of the year, CO<sub>2</sub> emission allowance prices came under short-term downward pressure due to growth in renewable energy production, which reduced fossil fuel-based electricity production and consequently the need for allowances. As autumn arrived, the market saw a slight price increase, which continued into the final quarter of the year. By mid-December, the price of CO<sub>2</sub> emission



### Prices of CO<sub>2</sub> emission allowances



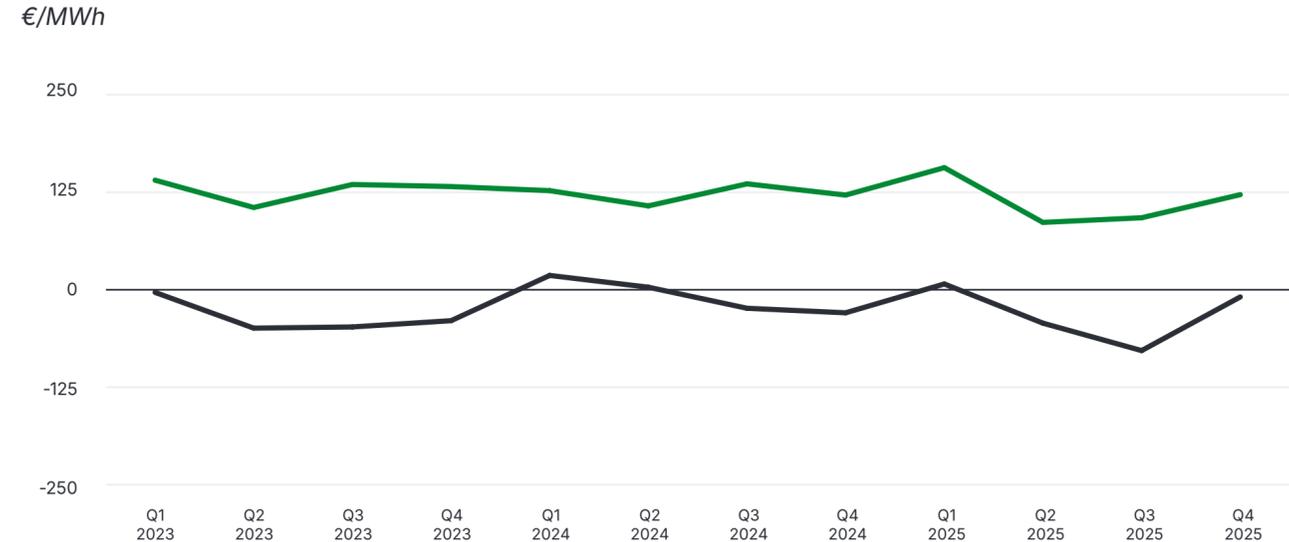
Source: Intercontinental Exchange

allowances had risen to €85.0/t, reaching its highest level of the year. The increase was primarily driven by market expectations of stricter climate targets, including the European Union’s new 2040 emissions reduction goal and further tightening of the supply of emission allowances by 2030. These developments increased demand for allowances and strengthened upward pressure on the price.

Throughout the year, the market remained sensitive to economic and regulatory signals. Market participants’ expectations are increasingly shaped by structural changes in European climate policy, such as the expected decline in supply from 2026 and the end of the sale of additional REPowerEU allowances, which could increase pressure on the price in the coming years.

In 2025, the average price of CO<sub>2</sub> emission allowances was €74.3/t, 11.7% (+€7.8/t) higher than in 2024. While there was greater price volatility at the beginning of the year, the price remained relatively stable for the remainder of the year, showing an overall upward trend.

### Eesti Energia's Clean Dark Spread relation to the Estonian electricity price



■ Estonian average electricity price ■ Clean Dark Spread

Source: Nord Pool, Eesti Energia

The Clean Dark Spread reflects the estimated gross margin per MWh of a fossil-fuel-based electricity producer, representing the portion of the electricity market price that remains after deducting fuel and CO<sub>2</sub> costs.

In 2025, Eesti Energia’s CDS was -€22.5/MWh (-€15.0/MWh compared to 2024). When the Clean Dark Spread is negative, producing electricity from oil shale is not competitive because the direct production costs exceed the average market price of electricity. As a result, the fixed costs and the cost of capital associated with production also remain uncovered.



**World market prices for oil products decreased**

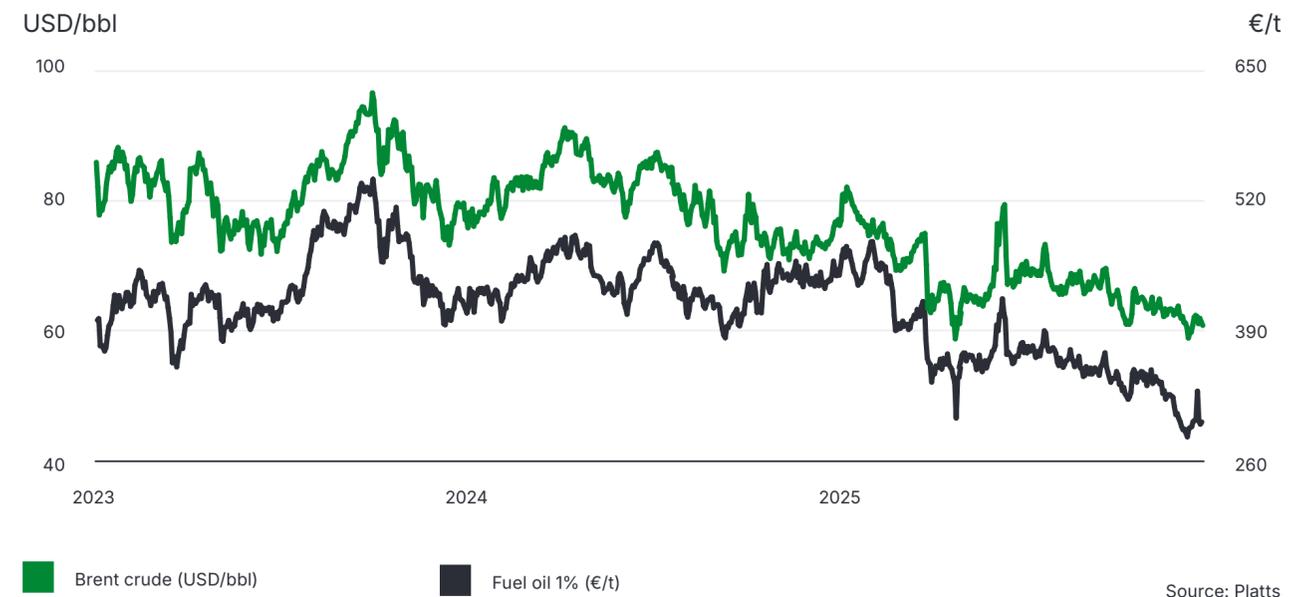
A widely traded oil product most similar to our shale oil is 1% sulphur fuel oil, whose price mainly depends on the price of Brent crude oil. The sales price of shale oil sold by Eesti Energia is influenced by crude oil and fuel oil prices.

In 2025, the price of Brent crude oil was relatively volatile, ranging from USD 59 to USD 82 per barrel. The average price was USD 68.2/bbl, 14.6% (-USD 11.7/bbl) lower than in 2024. In the first half of the year, prices were influenced by OPEC+'s decision to begin relaxing earlier production cuts, which increased the global oil supply from spring onwards and put downward pressure on prices. At the same time, demand remained weak – global economic growth slowed, Chinese oil consumption was lower than expected and growth in LNG use further reduced liquid fuel consumption. Another factor contributing to the price decline was the unusually high level of oil inventories in the US and other OECD countries, which indicated an oversupply in the market. The second half of the year was characterised by continued growth in supply compared to the pace of demand recovery, as well as by geopolitical tensions and structural changes in energy economics, including increased use of LNG. The combined effect of these factors kept liquid fuel prices below 2024 levels.

In 2025, the average price of 1% sulphur fuel oil was €369.9/t, 15.3% (-€66.7/t) lower than in 2024.

**Liquid fuels prices**

USD/bbl, €/t





# Key Events in 2025

# Electricity Business

## Creating an integrated electricity business

### RECLAIMING CONTROL OF ENEFIT GREEN

In April 2025, Eesti Energia made a voluntary takeover bid to the minority shareholders of Enefit Green in order to regain full ownership of the subsidiary. Priced at €3.4 per share, the bid which closed on 12 May increased the parent company's stake in Enefit Green to 97.2%, thereby creating a basis for building an integrated electricity business.

This was followed by the acquisition of the remaining shares for cash compensation and full reintegration of Enefit Green into the Group.

The takeover bid was one of the largest in the history of the Baltic capital market, particularly given Enefit Green's extensive retail investor base.

### BUILDING AN INTEGRATED ELECTRICITY BUSINESS

The next logical step after regaining full ownership of Enefit Green is to consolidate the electricity business into a single entity.

From 2026 onwards, all areas of the electricity business – including retail, renewable energy generation, energy trading, and development activities – were incorporated into a single subsidiary: Enefit. This will strengthen the Group's competitiveness and streamline its management. In 2026, Enefit Green and Enefit will also merge into a single company called Enefit in Latvia, Lithuania and Poland.

The new Enefit electricity company will have over 560,000 retail customers and over 1,000 MW of renewable energy generation capacity across Estonia, Latvia, Lithuania and Poland. Its portfolio will also include the Auvere battery storage facility, the Iru cogeneration plant and any future generation and storage facilities.





## Electricity production

### RENEWABLE ENERGY

At the end of 2025, the Eesti Energia Group had 872 MW of wind energy production assets and 172 MW of solar energy production assets. During the year, 335 MW of new wind and 91 MW of new solar assets were added.

#### Opening of the Sopi-Tootsi green energy site

We opened the Sopi-Tootsi green energy site, which was built on the former Tootsi peat field in the northern part of Pärnu County. The site comprises the Sopi-Tootsi wind farm and the Sopi solar farm. Together, they produce enough electricity to meet around a tenth of Estonia's annual consumption.

The completion of the Sopi-Tootsi wind farm and the Sopi solar farm is important for the entire region. The former peat bog has been given a new lease of life, which will also directly benefit the local community.

Renewable energy generation helps make Estonia greener and strengthens local governments by attracting investment, creating jobs and supporting community development. It is a prime example of how smart solutions and environmental protection can align with local well-being.

The Sopi-Tootsi wind farm generates electricity using 38 Nordex wind turbines, each 241 metres high and with a nominal capacity of 6.7 MW. It is the largest wind farm in Estonia and one of the largest in the Baltic region.

The Sopi solar farm covers an area of around 95 hectares and comprises approximately 112,000 Risen solar panels, each with a nominal capacity of 660 W.

### New wind and solar farms in Latvia and Lithuania

In 2025, our main focus was on completing the construction of our new wind and solar farms and ensuring their stable operation.

In Lithuania, we finished building the Kelmė I wind farm (80 MW). At Kelmė II, we erected wind turbines and began generating electricity (87 MW).

In Latvia, we completed the construction of the Carnikava Dzērves and Carnikava Austrum solar farms, which have a combined capacity of 17 MW.

### Construction of the largest solar farm in Poland

In Poland, we made an investment decision and started to build the 45 MW Strzałkowo solar farm. This will be one of our largest solar farms, with an expected annual output of around 45 GWh.

The total investment in the project amounts to around €26 million. 75% of the farm's production has been covered by a 15-year indexed contract for difference (CfD), which will help mitigate price risk and ensure stable cash flow.

The Strzałkowo solar farm is a valuable addition to our Polish solar energy portfolio, which currently comprises 21 operational solar farms with a combined capacity of 33 MW.

### Sale of the Tolpanvaara wind farm in Finland

Tolpanvaara was our only wind farm in Finland. As we had no plans to expand our operations in the Finnish market, we decided to find a new owner for it. As a result, Enefit Green sold the Tolpanvaara wind farm to the TD Greystone Infrastructure Fund.

This transaction enables us to focus our efforts on our core markets in the Baltic countries and Poland, where we have a substantial production portfolio and customer base, as well as optimal conditions for developing an integrated business model.

### DISPATCHABLE POWER GENERATION

At the end of 2025, Eesti Energia's net dispatchable power generation capacity stood at 1,245 MW. The figure breaks down between the facilities operated by Enefit Power as follows: the Eesti power plant 770 MW, the Balti power plant 185 MW, the Auvere power plant 270 MW and the Enefit 280 oil plant 20 MW. In addition, Enefit (previously Enefit Green) owns the Iru cogeneration plant, which has a capacity of 17 MW.

### Island operation capability agreement helps ensure oil shale power plants will remain operational even when unable to sell output on the market

On 1 December 2025, following a public procurement process, the Estonian transmission system operator Elering and Enefit Power OÜ, a Group company, signed an agreement to ensure island operation capability. Under the agreement, Enefit Power guarantees to supply the 1,036 MW of dispatchable power required for Estonia's energy security.

### New power plant to be built at the Balti power plant site

On 18 November, Enefit Industry, Baran International Ltd and Baran Group Ltd signed a turnkey contract for the construction of a 100 MW hydrogen-ready thermal power plant at the site of the existing Balti power plant. The contract is valued at €100 million. The plant is designed for combined heat and power generation, as well as providing frequency reserves.

### DESYNCHRONISATION AND FREQUENCY MARKETS

Desynchronising from the Russian frequency area in February 2025 was a significant milestone on the path to energy independence. Since then, the Baltic countries have synchronised their electricity systems with the Continental Europe Synchronous Area, freeing themselves from reliance on the Russian grid.

Following decoupling, the need to ensure system stability in the new market environment has increased demand for grid balancing and dispatchable generation capacities. This has created a new source of revenue for flexible generation assets in the form of frequency markets.

By the end of 2025, Eesti Energia had qualified almost 1,500 MW of its generation assets, including wind and solar farms, for these markets. This shows that renewable energy assets can also be managed in line with the requirements of the electricity system.

### Auvere battery storage facility

Shortly before the Baltic electricity grids were decoupled from the Russian network, Estonia's first large-scale energy storage facility began operating. Built by Eesti Energia, the 26.5 MW battery has a storage capacity of 53.1 MWh and is located in the Auvere industrial complex in Ida-Viru County. The investment in the construction of the battery storage facility amounted to around €20 million.

The Auvere battery storage facility stabilises the region's electricity system and mitigates high peak electricity prices for consumers. It also significantly reduces the cost of balancing the Baltic countries' electricity system, consequently lowering the final price for consumers.





## Customer services and electricity sales

### NEW ELECTRICITY PACKAGE STRIKES A BALANCE BETWEEN SPOT AND FIXED PRICES

We are constantly seeking ways to provide customers with energy consumption options that suit their preferences. In 2025, we launched a new electricity package that sets a cap and floor for the exchange price. This package is ideal for those who recognise the advantages of the power exchange, but who also want some degree of price stability.

With our price-capped exchange package, customers can shift their consumption to cheaper hours, safe in the knowledge that the price of electricity will not exceed the agreed limits, even on days when the exchange price is highly volatile.

### ELECTRIC VEHICLE (EV) CHARGING INFRASTRUCTURE

Enefit's EV charging network grew by 40% in 2025, with the number of connectors at charging stations rising to over 1,600. Much of this expansion consisted of ultra-fast chargers, built with support from the Connecting Europe Facility, which enable drivers to add up to 100 kilometres of range in just 10 minutes.

Customers across the Baltics and Poland charged almost 6,000 MWh of electricity into their EVs in 2025 – around double the amount charged in 2024. This amount of electricity could power a vehicle to travel approximately 29 million kilometres.

We improved the reliability and convenience of the service by adding card payment and autocharge functionality to the charging stations. In addition, we opened the Baltics' first public charger equipped with a battery storage system in Tallinn.

In Lithuania, the number of connectors in the Enefit charging network exceeded 600 and new ultra-fast chargers were installed in Vilnius. The number of EV users has also increased in Latvia, boosted by

the Enefit EV Rally, which attracted 200 participants. In Poland, we expanded our charging service to include strategic locations such as the Riviera Gallery shopping centre.

### CUSTOMER SATISFACTION

In 2025, we took several steps to improve customer experience management in order to gain a better understanding of customer needs and respond to feedback more quickly. We primarily measure customer satisfaction through transactional surveys, in which customers provide feedback immediately after using our services. The most important indicator is the Net Promoter Score (NPS), which reflects customers' willingness to recommend our services to their friends and family. This methodology provides a clear and reliable picture of satisfaction levels, helping us identify the strengths of our services and areas for improvement.

In 2025, we introduced a new transactional survey solution that enables us to collect customer feedback continuously, rather than periodically. This has made our workflows more flexible and efficient, reduced manual steps and eliminated IT risks.

Automated processes simplify the process of contacting customers about NPS and strengthen customer relationships. A modern, mobile-friendly survey design makes providing feedback more convenient.

In 2025, the NPS result was good (> 50) in all our markets: 75 in Poland, 66 in Latvia, 59 in Estonia and 51 in Lithuania. While we significantly exceeded our targets in the household customer segment, we fell short in certain areas of the business customer segment. Therefore, our main focus in 2026 will be on improving the experience of business customers.





# Industry

## CONSOLIDATION OF INDUSTRIAL OPERATIONS

In autumn 2025, Enefit Industry AS and Enefit Solutions AS signed an agreement for the merger of the two companies. The assets, rights and obligations of Enefit Solutions AS were transferred to Enefit Industry AS, which will fulfil all contracts previously concluded by Enefit Solutions AS.

The merger establishes a strong foundation for more integrated management, the development of more efficient processes, and better coordination in the use of resources. Operating as a unified organisation enables enhanced internal cooperation, streamlined decision-making, and a more holistic utilisation of technical and operational competencies. This strengthens the company's ability to respond flexibly to industry developments and supports the continuity of day-to-day operations.

The structural integration is a deliberate step toward a long-term vision of building a stronger and more coordinated industrial unit — one capable of delivering greater value to customers, employees, and the entire Enefit industrial portfolio.

## HOT COMMISSIONING OF THE NEW SHALE OIL PLANT

In 2025, we completed the installation of equipment at the under-construction Enefit 280-2 oil plant and achieved mechanical readiness of the facility. Enefit's engineers then started the procedures required for the initial commissioning tests on the first units.

Towards the end of the year, hot commissioning of the plant began. In early December, Enefit Industry started up the start-up burners of the Enefit 280-2 CFB furnace for the first time. The test confirmed that they were working properly.

The next stages of the plant's hot commissioning will be carried out in 2026, after which the plant will be ready for operation.

# Circular economy and Environment

## Waste rock and crushed stone for Rail Baltica

Waste rock and crushed stone are valuable by-products of oil shale mining. TTK University of Applied Sciences has studied the quality of the limestone produced during mining and confirmed its suitability for road construction, including for the collector roads of the Rail Baltica project. In December 2025, we sent three trial batches of crushed stone to Pärnu for the project.

If the local product from Ida-Viru County proves suitable, 800,000 tonnes of limestone will be supplied for the construction of Rail Baltica in 2026. This would promote sustainable construction, support the achievement of Estonia's and the European Union's environmental goals, and reduce costs for end users.

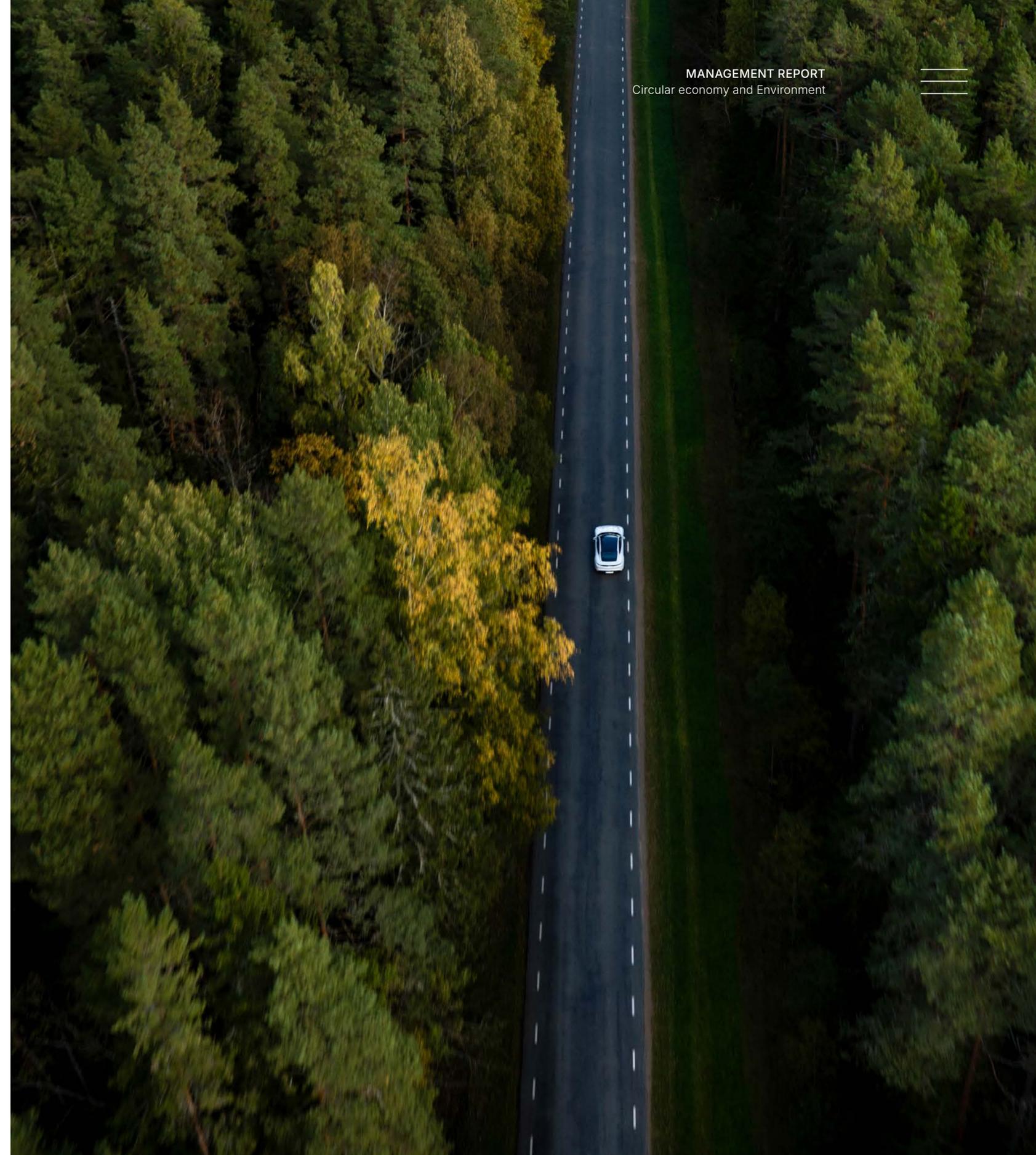
## Emission standards are under more rigorous control

The older the production equipment, the more attention must be paid to reducing emissions. Enefit Industry focused on air emissions from its oldest shale oil plant, Enefit 140. Addressing this issue was essential to ensure the continued operation of the plant and reduce its environmental footprint.

Significant work was carried out at the plant in 2025, enabling engineers to improve the technological process and adjust operating modes more effectively. This brought the main emissions into compliance with applicable requirements, and the testing program will continue in 2026.

Major work to control emissions was also carried out at Enefit Power's power plants, where operating modes were adjusted and deficiencies in monitoring were eliminated. Consequently, the Environmental Board decided not to initiate misdemeanour proceedings regarding emission exceedances and the lack of monitoring at the Eesti power plant.

A few years ago, there were dozens of incidents relating to power plant emissions to air that required the company's attention. In 2025, however, there was only one such incident. Enefit Power is working hard to ensure there are no such incidents in 2026.





# Distribution Network

## ORGANISATIONAL CHANGE

Elektrilevi has once again established in-house teams of electricians across Estonia. This enables the organisation to respond quickly to faults and carry out maintenance and repair work. Compared to the previous situation, when all of this work was outsourced, Elektrilevi is now saving several million euros per year.

By the end of 2025, most fault response and repair services had been incorporated into Elektrilevi. During the year, work also began on setting up maintenance teams and providing relevant training. The Pärnu, Paide and Võru regions already have staff in place.

The aim is to provide the teams with work and ensure that Elektrilevi has the capacity to handle faults independently. Under normal circumstances, Elektrilevi resolves 75% of faults using its own resources. However, in crisis situations, all available resources must be utilised, including those of partners.

## STRONG GROWTH IN INVESTMENTS IN SECURITY OF SUPPLY

In 2025, we built 1,300 km of weatherproof networks, comprising 810 km of new overhead lines and 490 km of underground cables, and renovated 395 substations. This was the largest construction volume in recent years. The average power line construction volume for the previous five years was 1,200 km per year.

The most significant growth in power line construction was for medium-voltage lines, which are particularly vulnerable in severe weather conditions. Additionally, we replaced around 650 km of bare conductor medium-voltage overhead lines with new weatherproof cables and underground solutions. By the end of the year, 77% of the network was weatherproof.

In 2025, we invested €182 million in network services. Of this, €103 million was invested in improving the reliability of the distribution network and €65 million in network connections.

**By the end of the year, we had completed two additional funding projects.**

- Support from the European Union's Recovery and Resilience Facility (NextGenerationEU – RePowerEU) to improve the climate resilience of the distribution network and increase free, production-oriented capacity. The amount received in the period 2023–2025 was €38 million.
- Support from the state budget to improve the climate resilience of distribution networks on Estonia's largest islands. The amount received in the period 2023–2025 was €13.7 million.

**The largest investments in 2025 were as follows:**

- A new submarine cable was installed between the islands of Saaremaa and Hiiumaa to secure Hiiumaa's electricity supply. Cost: €7.3 million.
- The high-voltage power line between Läätsa and Kihelkonna was upgraded to meet increased energy demand. Cost: €4.2 million (completion expected in 2026).
- Transformers at the Veskimetsa regional substation were replaced to meet increased energy demand. Cost: €4.5 million (completion expected in 2026).
- Transformers at the Jõgeva regional substation were replaced. Cost: €3 million.
- The high and medium-voltage network in the Pärnu-Jaagupi area was upgraded. Cost: €3.1 million (completion expected in 2026).

**SUCCESSFUL GRANT IMPLEMENTATION REDUCED FAULTS IN SAAREMAA'S MEDIUM-VOLTAGE NETWORK BY OVER 50%**

Following the snowstorm in December 2022, Elektrilevi has been working to improve the reliability of the medium-voltage network on Saaremaa island through investment and maintenance activities.

**Between 2023 and 2025, two major government grant projects were successfully implemented:**

- a €13.7 million project to increase the weather resistance of electricity networks on Estonia's two largest islands; and

- a €76 million project (including €38 million of self-financing) to improve the weather resistance of the entire Estonian electricity network and enable micro-generators to connect to the grid. This is the largest foreign investment in the Elektrilevi network to date. The project was successfully implemented thanks to accelerated processes and close collaboration between internal and external partners over a two-year period.

Despite the short timeframe and challenging market conditions, the company was able to implement the grants in full without a significant increase in costs. The result is a more weatherproof and reliable distribution network with greater capacity, which supports the development of renewable energy and Estonia's energy security.

Thanks to these activities, the number of faults in Saaremaa's medium-voltage network has decreased by over 50%.

**ELEKTRILEVI'S CRISIS RESERVE**

In recent years, Estonia has been hit by several severe storms, which have caused widespread power outages. Around 15,000 km of the distribution network is located in forest areas, where fallen trees and branches can damage the lines during storms.

Elektrilevi aims to resolve all faults within 12 hours. However, this is extremely difficult to achieve in a crisis situation, given that electricians are a limited resource. To resolve widespread power outages more effectively, Elektrilevi has created a voluntary crisis reserve comprising employees who will be assigned to non-routine tasks during a crisis.

Over 600 employees have expressed their willingness to join the reserve. To date, 200 employees have completed training and crisis exercises, and the reserve currently comprises 150 field electricians, 20 low-voltage network service managers and 30 customer service specialists.

During a crisis in 2025, 30 teams of electricians, 6 low-voltage network service managers and 8 customer service specialists were deployed from the crisis reserve.



### EVERY CENT OF NETWORK CHARGES INVESTED IN STRENGTHENING THE ELECTRICITY DISTRIBUTION NETWORK

Elektrilevi is an essential service provider whose operations influence the well-being of everyone in Estonia. It is therefore important that the company's activities are sustainable, with costs and investments covered by network charges.

The Competition Authority approved changes to Elektrilevi's network charges on 22 April 2025. In connection with this, Elektrilevi updated its price list.

On 1 August, Elektrilevi increased its network charges by around 2.6%. This was necessary to offset a shortfall in distribution service revenue caused by an increase in transmission service charges from the transmission network operator, Elering, and a decline in distribution service volumes.

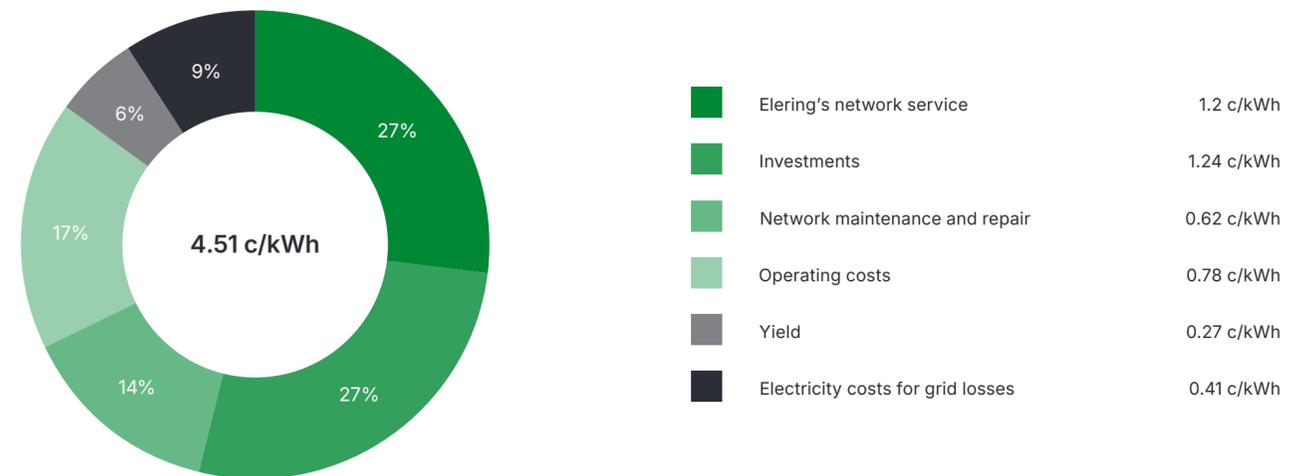
Only the monthly fee and the distribution network capacity charge components of the network charge were affected. All kWh-based prices remained unchanged. The prices of regulated additional services and reactive power charges also remained unchanged.

The impact of the change on the average household is less than 50 cents per month. The monthly fee and any changes to it depend on the chosen network package and the size of the main fuse.

Over the past two years, Elektrilevi has invested a total of €300 million in the distribution network, including connections, of which €70 million was covered by network charges. Most of these investments were funded by taking out loans and not paying dividends to the owner. This is not sustainable in the long term.

### Distribution of Elektrilevi's network fee (effective from August 2025)

c/kWh





### SMALL GENERATORS' GROWING CONTRIBUTION TO POWER PRODUCTION

In 2025, distribution network investments totalled €182 million, of which €103 million were allocated to network reliability investments and €65 million to network connection investments.

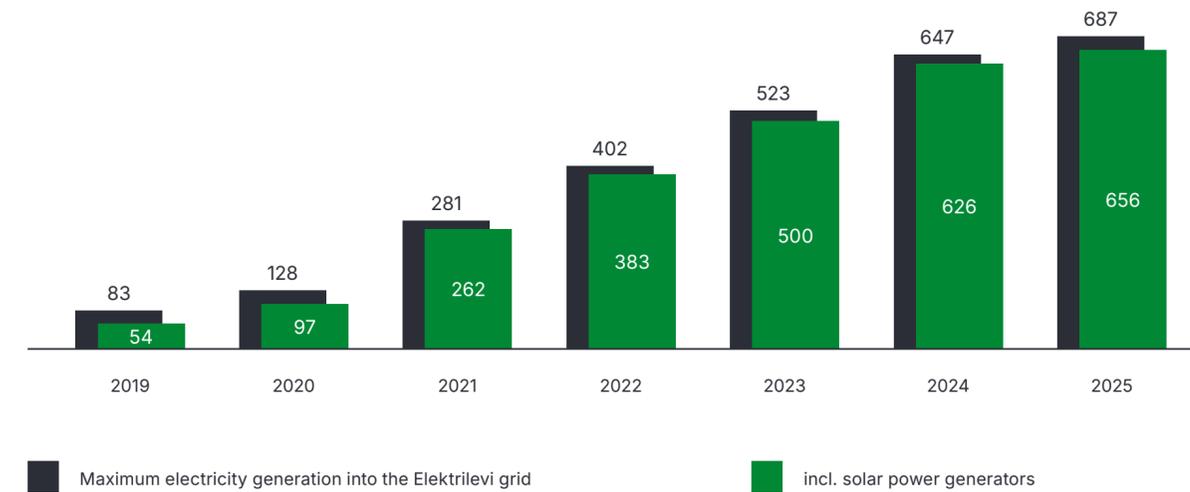
By the end of the year, a total of 23,900 electricity generators, with a combined capacity of 1,021 MW, had been connected to the network. A total of 1,453 generators with a combined capacity of 74 MW were added to the Elektrilevi network in 2025.

By the end of 2025, 1,507 storage facilities with a total capacity of 74.1 MW had been connected to the Elektrilevi network.

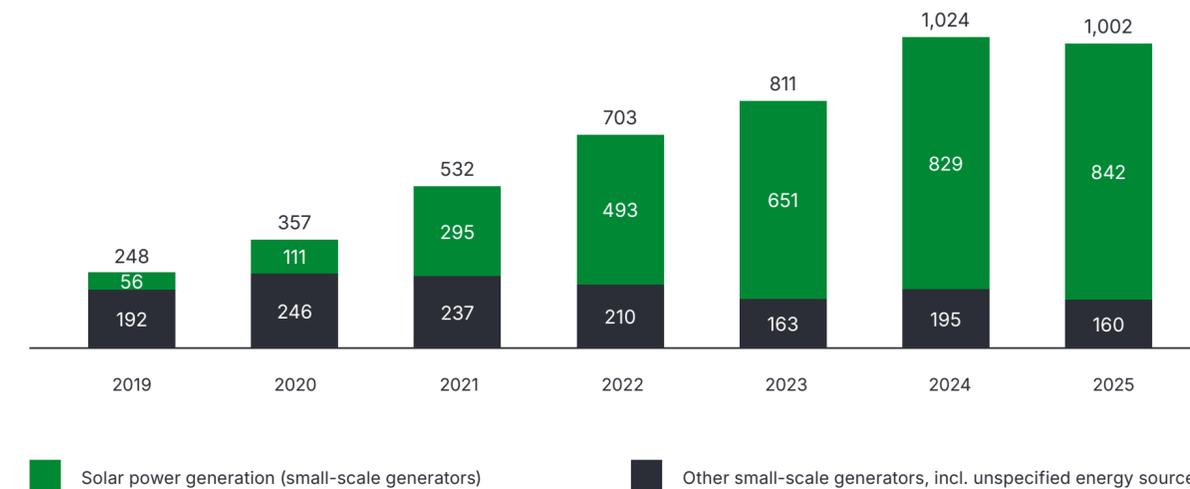
In 2025, solar power plants supplied the largest amount of electricity to the grid on 19 May, when their capacity reached almost 656 MW. This was 30 MW higher than in 2024, when the maximum solar power production in the grid was 626 MW. In the second half of 2025, the maximum capacity supplied to the grid did not increase further.

In 2025, the amount of electricity supplied to the Elektrilevi network by connected generators decreased by almost 22 GWh (-2% compared to 2024), reaching 1,002 GWh. There was less sunshine and wind speeds were more moderate than in the previous year. Furthermore, negative electricity prices were recorded at times during the production period, which reduced the incentive to feed electricity into the grid.

**Maximum power generated in Elektrilevi's grids**  
MW (hourly average)

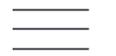


**Electricity generated to Elektrilevi's grid**  
GWh





# Value-Based Organisational Culture and Dedicated Employees



## Organisational culture is a story created together

Culture starts with people and shared values that shape everyday work practices and decisions. We want every employee to have their own personal story with Eesti Energia – a meaningful experience that they can share with others. When we feel that our contribution matters, we are happier and create an environment that attracts new talent.

Our responsible approach is confirmed by a candidate Net Promoter Score (cNPS) of 79. This demonstrates that our recruitment process is well designed and reliable.

In 2025, our focus was on implementing internal changes while preserving traditions. At the Enefit gala, we recognised the top performers and achievements of the year. Our management conference addressed self-management and organisational development, and ViruFest celebrated Miners' Day with a vibrant community event.

### OUR EMPLOYEE ENGAGEMENT EXCEEDS THE ESTONIAN AVERAGE

According to a Kantar Emor survey, our engagement index increased to 76 points, compared to 72 points in 2024 and 75 points in 2023. This exceeds both the Estonian average (68) and the average for manufacturing companies (61).

The 93% response rate indicates that our employees are willing to voice their opinions. Employees highlighted clear goals and inclusive management, a supportive and caring team, flexible working arrangements, and additional benefits included in the motivation package as positive aspects.

However, areas requiring attention were also identified, including change management, explaining management decisions and goals, customer focus within the organisation, innovation and resource use, organisation of day-to-day work, information flow and career development opportunities.

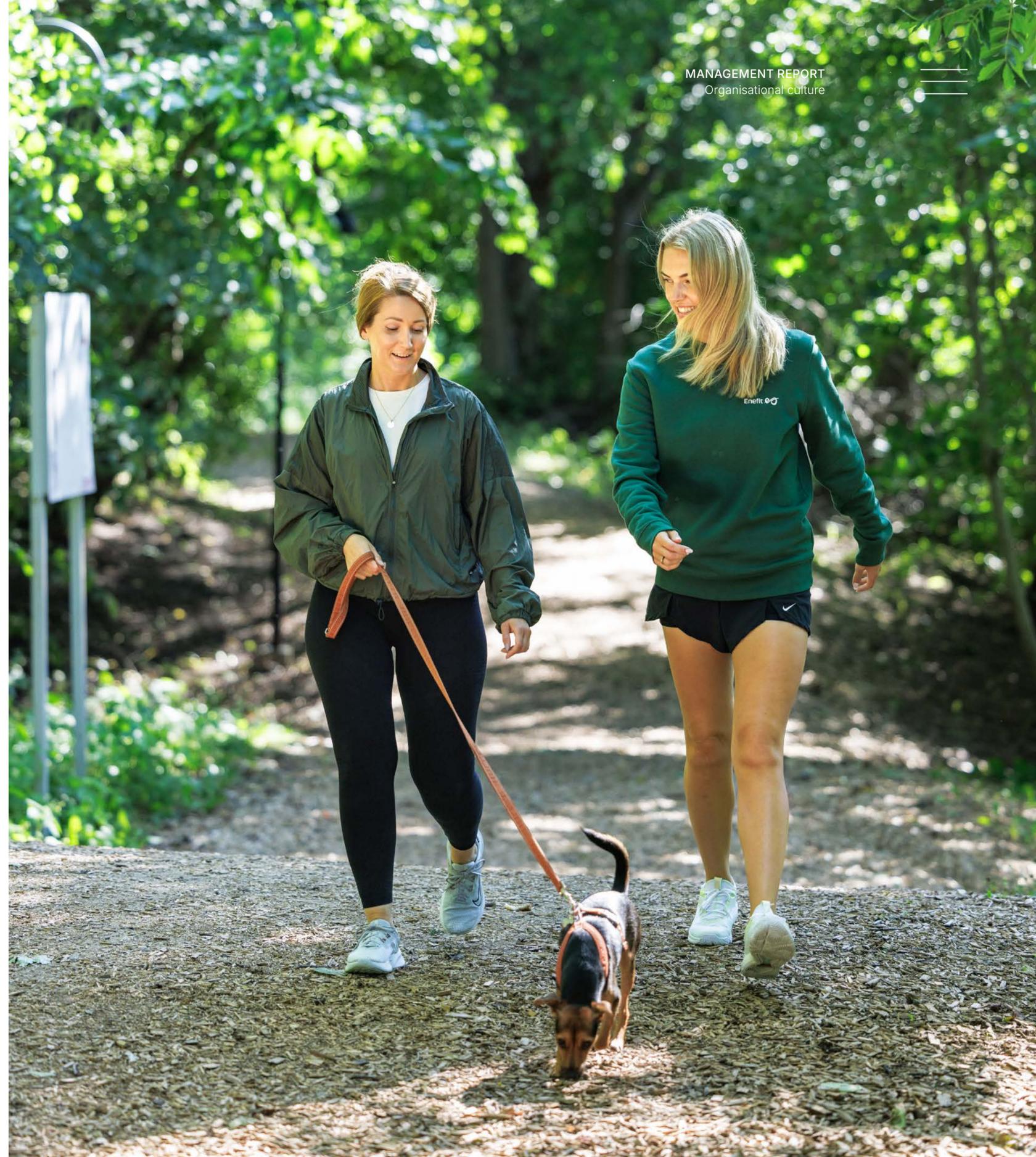
### HEALTHY EMPLOYEES, HEALTHY MINDS

We support our employees and provide opportunities to help them maintain a healthy work-life balance. Employees in the Estonian market can choose from three wellness packages, which include employer-paid health insurance and/or Stebby credits. These packages offer faster access to medical services and cover the cost of sports activities and wellness services.

Throughout the year, we organised various initiatives to promote exercise and well-being. The summer wellness day brought people together to enjoy outdoor activities, while the autumn health forum focused on mental and physical well-being. The Energiasport series kept us active all year round, and we came third in the Firmasport series, which recognises the most athletic companies in Estonia.

We celebrated the twentieth anniversary of Estonian Health Trails together with Merko and Swedbank. Throughout the year, we organised free training sessions and campaigns to encourage people to exercise outdoors.

We also installed the first EV chargers at the health trails, so that people could recharge themselves and their vehicles at the same time.





## Education and innovation

We promoted interest in engineering and science through various initiatives. Eesti Energia study grants were awarded to 25 vocational and higher education students. In collaboration with the Ida-Viru County Association of Local Authorities, we awarded 51 scholarships from the Energy Fund for Young Talent.

We took on 207 interns and were named the best internship provider in 2025 by the Estonian Employers' Confederation.

We continued to support the 'Lae End' ('Charge Yourself') education programme. In its fourth year, the programme was completed by 20 mathematics and chemistry teachers. We provided participating schools with teaching materials and awarded the teachers a thirteenth-month salary. President Alar Karis attended the closing ceremony.

We continued for the third consecutive year with the "Enefit Mission Possible: Save STEM" programme, which aims to ease the shortage of STEM teachers in Latvia and encourage young people to choose science and technology-related fields. In 2025, 14 new teachers joined the programme, and the goal for 2026 is to involve 30 teachers. In cooperation with the NGO Iespējamā misija, the programme also offers specialists without a pedagogical background the opportunity to start working in schools immediately while developing their teaching and leadership skills.

At the Energy Discovery Centre in Tallinn, a permanent exhibition on solar energy opened, and the EnerHUB incubator was established to support technology-focused student companies and research projects. The centre was visited over 42,000 times during the year.

We supported the Positron festival for young people, as well as the TV science show Rakett 69, which was watched by 84,000 people. We also contributed to a solar car project run by young Estonian engineers – their Solaride III Enefit took second place in the Bridgestone World Solar Challenge in Australia.

We continued our collaboration with Tallinn University of Technology and TTK University of Applied Sciences and introduced the subject of energy to around 2,700 visitors.



Solaride III  
Photo: Miina Muru



# Safety culture

To ensure that safety culture remains a priority at the highest level of management, a safety committee was established at the beginning of the year. The committee comprises the managers of the Group's subsidiaries and its work is coordinated by a member of Eesti Energia's management board.

Through the commitment and example of top management, we create conditions that enable us to continuously improve our safety culture. Safety managers and occupational health and safety specialists from all business units also participate in activities initiated by the safety committee.

The safety committee led the process of adopting the principles that underpin the Group's safety culture. Presentations and workshops were organised to help employees implement the principles.

## The principles of Eesti Energia's safety culture are as follows

1. Managers play a key role in creating a safety climate and ensuring the safety of employees.
2. Each employee is responsible for their own safety.
3. We talk openly about safety and encourage others to do the same.
4. We identify and reduce safety risks.
5. We work with internal and external partners and ensure that information is exchanged promptly.
6. We create a safe environment based on knowledge and skills.
7. Every employee deserves recognition for their contribution to developing and maintaining the safety culture.

In 2025, the safety committee initiated the process of updating the safety framework. This involves implementing safety culture principles and reviewing group-wide safety documents in order to harmonise them, make them more universal and reduce their number. This work will continue in 2026.

The integration of safety training into the employee development process is also underway to ensure consistent acquisition of safety knowledge and competencies. This is particularly necessary in view of the establishment of the new business lines: electricity, industry, and distribution network.

## ACCIDENTS AT WORK IN 2025

During the year, there were 5 workplace accidents without loss of working time and 7 with loss of working time at companies belonging to the Eesti Energia Group.



# Eesti Energia Begins 2026 with a Stronger Structure and Clearer Focus



Eesti Energia started 2026 with a new management structure designed to support its goal of becoming the region's leading energy company. The Group's core business operations are now conducted through three subsidiaries: the electricity company Enefit, the industrial company Enefit Industry and the distribution network operator Elektrilevi.

Streamlining the management model and strengthening the subsidiaries will enable the Group to respond more flexibly to market changes and develop solutions that support both customer expectations and the Estonian energy policy goals. Investments totalling over €2 billion in recent years create clear expectations for the management board to increase the Group's competitiveness and asset productivity, and to restore its investment capacity.

The Group's electricity retail, renewable energy production, energy trading and development functions have been transferred to a single subsidiary: Enefit. This will increase the Group's competitiveness and streamline management in the rapidly evolving electricity market.

Our priorities are to increase profitability and investor confidence, and to ensure the Group's ability to make strategic investments in dispatchable and renewable production capacities, as well as energy storage solutions that support price stability and security of supply.

In the industry business line, we incorporated our design, production and maintenance expertise into Enefit Industry, a company that produces shale oil and operates mines. We also made Enefit Power, a company that operates reserve power plants, into a subsidiary of Enefit Industry. This has clarified responsibilities and should generate better synergies in the management of the business line.

The restructuring did not affect Elektrilevi, an independent distribution network operator within the Group.





# Governance

# Transparent management decisions

The sole owner of Eesti Energia is the Republic of Estonia. The Republic of Estonia owns Eesti Energia to ensure an energy supply that generates income for the owner and supports the sustainability of the economy in line with the European Union's energy and climate policy objectives. The owner expects the company to be profitable and provide continuous dividend income that grows over time. The expected dividend is 50–100% of the consolidated net profit attributable to the owner of the parent company, averaged over a five-year period and taking into account the company's capital structure and investment needs.

## MANAGEMENT PRINCIPLES

The management and supervisory boards manage Eesti Energia in line with the owner's expectations and the Group's ambitions, strategic goals and values. The Group's strategic goals are set out in a strategy document, which is updated regularly and takes a sufficiently long-term view of the future. We keep our employees informed of the organisation's objectives and how they are being implemented through our internal communication channels.

Eesti Energia presents and comments on its financial results four times a year and publishes the presentation materials on its website. We provide a safe working environment and foster a strong work culture. We pay our employees competitive salaries and recognise and reward their achievements.

## CODE OF ETHICS

Eesti Energia has adopted a Code of Ethics which states, among other things, that our organisational culture does not tolerate discrimination, harassment, bullying, abuse or any other form of inappropriate behaviour. All employees must be treated fairly and equally, regardless of their ethnicity, age, race, gender, language, origin, skin colour, religion, disability, sexual orientation, or political or other beliefs.

Leaders play a key role in shaping an ethical culture by setting an example and encouraging employees to adhere to high ethical standards. Eesti Energia has also established an ethics committee, which plays an important role in shaping organisational culture.

Further information on the Group's Code of Ethics and business conduct can be found in the Business Conduct section of the Sustainability Report included in this annual report.

## Organisational structure and governing bodies

**The governing bodies of Eesti Energia, the Group's parent company, are the general meeting, the supervisory board and the management board.**

### GENERAL MEETING

**The owner is represented at the general meeting by the Minister of Finance.**

**Eesti Energia's highest governing body is the general meeting of shareholders. Among other things, it decides on:**

- setting the owner's expectations, which determine the strategic and financial goals;
- electing and removing members of the supervisory board, including the chairman;
- making significant investments;
- appointing the auditor;
- approving the annual report;
- establishing and acquiring new subsidiaries.

Annual general meetings are held within six months after the end of the Group's financial year, at a time and place determined by the management board.

## SUPERVISORY BOARD

The supervisory board is a governing body with the following main responsibilities:

- approving and overseeing the implementation of the Group's strategy;
- adopting key strategic decisions;
- overseeing the activities of the management board.

The supervisory board reports on its oversight activities to the owner.

The supervisory board of Eesti Energia consists of six to eight members. They are appointed by the Minister of Finance, who represents the owner, taking into account the proposals made by the nomination committee for members of the supervisory boards of companies in which the state is a shareholder.

The supervisory board is headed by a chairman. The requirements and expectations for members of the supervisory board are set out in the Commercial Code and the State Assets Act of the Republic of Estonia. The supervisory board is also guided by Eesti Energia's articles of association and its own rules of procedure.

### Composition and remuneration of the supervisory board

Anne Mere continued as chairman and Kristi Klaas and Kaur Kajak continued as members of the supervisory board. Einari Kisel, Andres Liinat, Meelis Einstein and Allan Niidu were also members of the supervisory board until they were removed by the general meeting on 11 May 2025. The general meeting then appointed Anna Ebers Broughel, Priit Rohumaa and Jevgeni Kabanov as new members of the supervisory board for a period of three years, effective from 11 May. Jevgeni Kabanov was removed from the supervisory board on 16 December 2025 at his own request. The nomination committee will propose a new sixth member of the supervisory board to the Minister of Finance.

The remuneration of the members of the supervisory board of Eesti Energia is regulated by the State Assets Act, according to which the amount of the remuneration and the payment procedure are determined by the owner. Based on the proposal of the nomination committee for members of the supervisory boards of companies in which the state is a shareholder, the remuneration for the chairman and each member of the supervisory board is €2,000 and €1,000 per month, respectively. The members of the supervisory board are not entitled to termination benefits or additional remuneration.

The remuneration paid to members of the supervisory board is also based on their participation in meetings of the supervisory board and its committees. Meetings of the supervisory board are generally held once a month, except in July. In 2025, there were 16 supervisory board meetings: ten regular and six extraordinary.

In 2025, the supervisory board's legal adviser was Sven Papp, an attorney from the law firm Ellex Raidla.

### Attendance at meetings and remuneration of members of the supervisory board

	Meeting attendance 2025	Total remuneration 2025 (€)	Total remuneration 2024 (€)
Anne Mere	16	24,000	24,000
Einari Kisel	6	4,286	12,000
Andres Liinat	6	4,286	12,000
Meelis Einstein	6	4,286	12,000
Allan Niidu	5	4,286	12,000
Kaur Kajak	16	12,000	12,000
Kristi Klaas	15	12,000	11,318
Anna Broughel	10	7,714	0
Priit Rohumaa	10	7,714	0
Jevgeni Kabanov	7	7,714	0

### Conflicts of interest

Members of the supervisory board avoid conflicts of interest and do not exploit business opportunities intended for the company for personal gain. They act in the best interests of the Group and its owner, the Republic of Estonia. They do not engage in business activities in the same field as the company.



Supervisory board  
As at 31 December 2025



**Anne Mere**  
Chairman

Beginning of term of office: 12 May 2022  
Chairman since: 12 May 2022  
End of term of office: 11 May 2028



**Anna Ebers Broughel**  
Member

Beginning of term of office: 12 May 2025  
End of term of office: 12 May 2028



**Priit Rohumaa**  
Member

Beginning of term of office: 12 May 2025  
End of term of office: 12 May 2028



**Kaur Kajak**  
Member

Beginning of term of office: 3 April 2023  
End of term of office: 2 April 2026



**Kristi Klaas**  
Member

Beginning of term of office: 23 January 2024  
End of term of office: 23 January 2027

## Committees of the supervisory board

### AUDIT COMMITTEE

The audit committee is a body established by the supervisory board of Eesti Energia. It advises the supervisory board on matters relating to oversight, such as accounting, external auditing, risk management, internal control and auditing, and budgeting.

Members of the audit committee are appointed by the supervisory board for a period of three years. The committee consists of three to four members. At least half of the members are selected from among the members of the supervisory board. The members elect one of their number as the chairman. The chairman is responsible for coordinating the work of the committee.

The audit committee meets at least once every two months in accordance with its agreed action plan. It submits its report to the supervisory board once a year, before the board approves the Group's annual report.

Until 27 May 2025, the audit committee consisted of Mait Palts (chairman) and Einari Kisel, Andres Liinat and Tarmo Porgand (members). On 27 May, the supervisory board removed all four members and appointed a new committee for a three-year term, consisting of Kristi Klaas, Mait Palts, Tarmo Porgand and Priit Rohumaa. Mait Palts continued as chairman of the audit committee.

The remuneration of an independent member of the audit committee is €500 per month and the remuneration of a member of the supervisory board serving on the audit committee is €250 per month. In 2025, the audit committee held 12 meetings.

### Attendance at meetings and remuneration of members of the audit committee

	Meeting attendance 2025	Total remuneration 2025 (€)
Mait Palts	12	6,000
Tarmo Porgand	12	6,000
Andres Liinat*	5	1,500
Einari Kisel*	5	1,500
Kristi Klaas	7	1,750
Priit Rohumaa	7	1,750

\* Member of the supervisory board until 12 May 2025, thereafter an independent member until 27 May 2025



**Audit committee**

As at 31 December 2025



**Mait Palts**  
Audit Committee Chair

Beginning of term of office: 27 May 2025  
End of term of office: 26 May 2028



**Kristi Klaas**  
Audit Committee Member

Beginning of term of office: 27 May 2025  
End of term of office: 26 May 2028



**Tarmo Porgand**  
Audit Committee Member

Beginning of term of office: 27 May 2025  
End of term of office: 26 May 2028



**Priit Rohumaa**  
Audit Committee Member

Beginning of term of office: 27 May 2025  
End of term of office: 26 May 2028

## REMUNERATION COMMITTEE

The supervisory board of Eesti Energia has formed a remuneration committee. The purpose of this advisory body is to support the supervisory board in matters relating to the management board of Eesti Energia, including its composition, goal-setting, remuneration, succession planning and changes to membership.

The remuneration committee consists of three to five members. The chairman and members of the remuneration committee are appointed by the supervisory board for a period of three years.

The remuneration committee holds regular meetings as necessary, but at least twice a year. It reviews the remuneration plans, performance indicators and succession planning principles once a year and conducts an annual compliance check on the implementation of the remuneration principles.

Until 27 May 2025, the remuneration committee consisted of Meelis Einstein (chairman), Ahti Kuningas and Anne Mere (members). On 27 May, the supervisory board removed all three members of the remuneration committee and appointed a new committee for a three-year term, consisting of Anne Mere (chairman) and Anna Ebers Broughel and Kaur Kajak (members).

The members of the remuneration committee do not receive separate remuneration for their participation in the committee.

## MANAGEMENT BOARD

The day-to-day management of the Group is the responsibility of Eesti Energia's management board, which manages the company in accordance with the instructions and guidance of the supervisory board, the owner's expectations and the Group's strategy that has been approved by the supervisory board.

The chairman of the management board is appointed by the supervisory board. The members of the management board are approved by the supervisory board, taking into account the proposals of the chairman of the management board regarding the composition of the management board.

Andrus Durejko continued as chairman and Raido Ivalo, Lauri Karp, Marlen Tamm, Kelli Toss-Kaasik and Kristjan Kuhi continued as members of the management board of Eesti Energia. Changes were made to the composition of the management board: on 27 November 2025, Kristjan Kuhi was removed from the management board, and on 31 December 2025, Kelli Toss-Kaasik and Raido Ivalo were also removed.

The remuneration of the members of Eesti Energia's management board is regulated by the State Assets Act. The amount of remuneration is decided by the supervisory board, taking into account the proposals of the remuneration committee set up by the supervisory board. A member of the management board may receive additional remuneration.

Management board member Lauri Karp also fulfils the role of chairman of the management board of Enefit Industry. His fee for serving on the management board is specified in his service contract with Enefit Industry and he does not receive any additional remuneration for serving on the management board of Eesti Energia.

The total amount of additional remuneration paid to a member of Eesti Energia's management board during a financial year may not exceed four times the member's average monthly remuneration in the previous financial year. Any additional remuneration must be justified and consistent with the Group's performance, value creation and market position. Termination benefits may only be paid if the supervisory board removes a management board member on its own initiative before the end of their term of office, and the amount must not exceed that member's remuneration for three months.

The management board usually meets once a week. If necessary, electronic votes are held without convening a meeting.

### Remuneration of members of the management board

	Total remuneration 2025 (€)*	Total remuneration 2024 (€)
Andrus Durejko	273,720	232,289
Kristjan Kuhi**	221,679	174,720
Marlen Tamm	199,760	174,720
Kelli Toss-Kaasik**	240,020	174,720
Raido Ivalo	178,555	117,000
Lauri Karp	209,939	58,895

\* Remuneration comprises the service fee, holiday pay and performance-related remuneration

\*\* Remuneration also includes termination benefits

### Conflicts of interest

Members of the management board do not make decisions based on personal interests and do not exploit business opportunities intended for the company for personal gain. Any conflict of interest must be disclosed to the supervisory board and the other members of the management board before a contract is concluded, and immediately upon its subsequent occurrence.

The avoidance of conflicts of interest by members of the management board is governed by the principles set out in their contracts. They must also adhere to the principles for managing conflicts of interest approved by the supervisory board of Eesti Energia.





Management Board

As at 31 December 2025



**Andrus Durejko**  
Chairman

Beginning of term of office: 1 April 2023  
End of term of office: 31 March 2029



**Kelli Toss-Kaasik**  
Member, Chairman of the Management Board of Enefit AS

Beginning of term of office: 1 April 2023  
End of term of office: 31 December 2025



**Lauri Karp**  
Member, Chairman of the Management Board of Enefit Industry

Beginning of term of office: 7 September 2024  
End of term of office: 7 September 2027



**Marlen Tamm**  
Member, CFO

Beginning of term of office: 1 April 2023  
End of term of office: 31 March 2029



**Raido Ivalo**  
Member in the field of business IT

Beginning of term of office: 1 April 2024  
End of term of office: 31 December 2025

PREVIOUS CAREER

- Ericsson Estonia: Chairman of the Board; Program Director in the Nordic and Baltic Countries; Head of Digital Services in Sweden, Finland and the Baltics; Director of Technology; Project Manager
- Chairman of the Board, CEO at Ericsson Latvia
- Director of Technology at Reveko Telekom
- Project Manager at Baltcom

PREVIOUS CAREER

- Eesti Energia: Head of Customer Experience; Leading HR Partner; Training and Development Manager
- Eesti Post: Development Department's Training Coordinator

PREVIOUS CAREER

- Silmet Grupp: Member of the Board of Directors
- Molycorp Silmet: Member of the Board of Directors
- KFPD GmbH: Director
- State Salzburg Austria: Member of Advisory Board
- Springer AG Management Consultants: Senior Consultant Derivatives
- Swedbank: Head of Banking Division
- Deutsche Bank: Sovereign Debt Restructuring

PREVIOUS CAREER

- Eesti Energia: Head of Management Accounting; Head of Group Controlling; Head of Financial Controllers in Management Accounting; Leading Financial Controller
- Swedbank: Head of the Financial Unit at Swedbank IT in the Baltics; Controller of Services at Swedbank IT; accountant

PREVIOUS CAREER

- Twilio Estonia: Engineering Manager
- Ericsson Eesti: Head of IoT Technical Operations, Head of ADM and MSIT Finland and Baltics, Head of Emergency handling RECA
- ERC Europe in Budapest: Acting Head of ERC Europe

EDUCATION

- **Estonian Business School** MBA
- **Estonian University of Life Sciences, Electroenergetics**, Master's studies

EDUCATION

- **Tallinn University**, Master of Education
- **Tallinn University of Pedagogy**, Bachelor of Andragogy

EDUCATION

- **Heidelberg University**, Master of Arts - MA | Economics, Monetary Policy and Financial Markets
- **University of Tartu**, Microdegree, Renewable Energy and Hydrogen Economy

EDUCATION

- **Estonian Business School**, Economics/ Business Administration, Master of Science, *cum laude*
- **Tallinn University of Technology**, Economics/ Business administration, Bachelor's degree

EDUCATION

- **Tallinn University of Technology**, MBA in International Business Administration
- **Tallinn University of Technology**, M.Sc. Telecommunication

## DIFFERENCES APPLYING TO THE MANAGEMENT OF DISTRIBUTION NETWORK OPERATORS ELEKTRILEVI OÜ AND IMATRA ELEKTER AS

According to the Electricity Market Act and the common rules for the internal electricity market, distribution network operators Elektrilevi and Imatra Elekter must ensure, among other things, that all market participants are treated equally and that the network operator's information is protected. In accordance with the law and best practice, we have introduced differences in the management of Elektrilevi and Imatra Elekter to ensure that they are independent when making investment decisions, carrying out procurements and maintaining the confidentiality of information relating to market participants and contracts with customers.

## SUPERVISORY BOARDS OF SUBSIDIARIES AND ASSOCIATES

The supervisory boards of Eesti Energia's subsidiaries and associates generally consist of members of Eesti Energia's management board and management team.

Due to its large customer base, distribution network operator Elektrilevi has an additional obligation to ensure the full independence of its management and supervisory boards. Members of Elektrilevi's governing body or management cannot be members of the governing body or management of another Group company. However, the governing bodies of Elektrilevi and its subsidiary Imatra Elekter may have overlapping members if this does not pose a risk to the network operator's independence.

Proposals regarding members of Elektrilevi's supervisory board are made by the nomination committee for members of the supervisory boards of companies in which the state is a shareholder.

Meetings of the supervisory boards of subsidiaries and associates are held as required and in compliance with legal requirements. Meetings are convened in accordance with the Group's internal regulations, the articles of association of the subsidiary or associate, applicable laws and agreements with co-owners.

## GROUP STRUCTURE

By April 2025, Enefit Power AS (new business name Enefit Industry AS) had been split into two companies (division by separation) so that the business consisting of the Eesti power plant, the Balti power plant and the Auvere power plant was transferred to a new company, Enefit Power OÜ, which became a subsidiary of Eesti Energia AS. On 30 December 2025, Enefit Industry AS acquired a 100% stake in Enefit Power OÜ from Eesti Energia AS. On 1 January 2026, Eesti Energia AS transferred the business consisting of the provision of advisory services to the industry business line to Enefit Industry AS. As the sole owner of both entities, Eesti Energia AS decided to merge Enefit Solutions AS with Enefit Industry AS at the end of 2025. The merger was entered in the commercial register on 2 January 2026. On 8 January 2026, Enefit Industry AS was transformed from an AS (a limited company defined as 'aktsiaselts' under Estonian law) into an OÜ (a limited company defined as 'osaühing' under Estonian law).

In April 2025, Eesti Energia AS made a voluntary takeover bid for the shares in Enefit Green AS which were listed on the stock exchange. As a result, it gained ownership of 97.2% of the shares. By 1 August 2025, Eesti Energia AS had acquired 100% of the shares in Enefit Green AS.

On 27 August 2025, Enefit Wind Purtse AS and Tootsi Windpark OÜ merged with Enefit Wind OÜ. In early December 2025, Enefit Green AS sold Tolpanvaara Wind Farm Oy to the TD Greystone Infrastructure Fund.

With effect from 1 January 2026, Eesti Energia AS transferred the business consisting of the provision of advisory services to the electricity business line to Enefit Green AS. As the sole owner of both companies, Eesti Energia AS decided to merge Enefit AS with Enefit Green AS at the end of 2025. The merger was entered in the commercial register on 2 January 2026 (merger balance sheet date 1 October 2025). On 12 January 2026, Enefit AS (previous business name Enefit Green AS) was transformed from an AS (a limited company defined as 'aktsiaselts' under Estonian law) into an OÜ (a limited company defined as 'osaühing' under Estonian law).

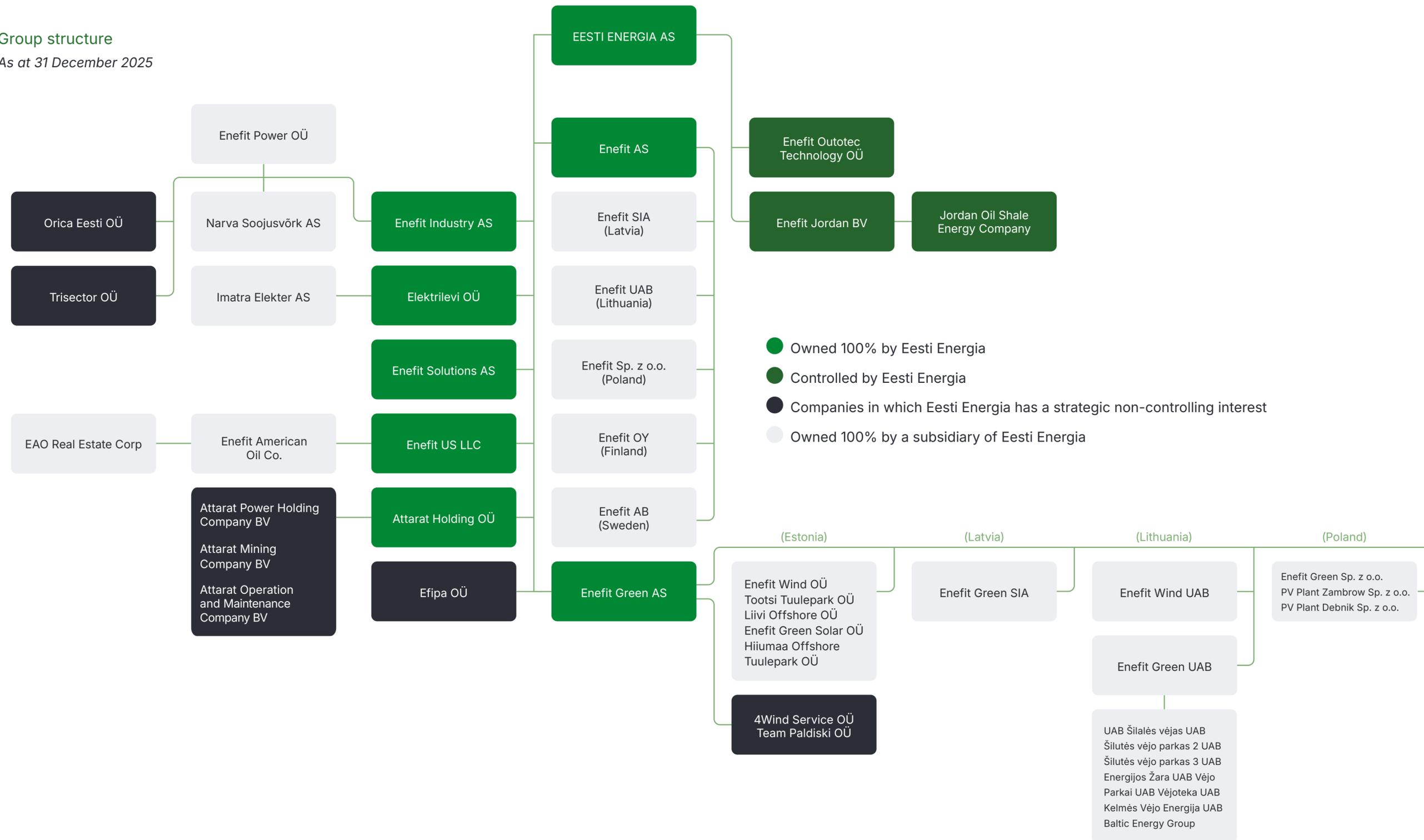
Further intragroup restructuring is planned for the first half of 2026, including the merger of the Enefit Green and the Enefit businesses in Latvia, Lithuania and Poland.

The liquidation of Enefit AB, a legal entity owned by Enefit OÜ, is underway in Sweden.

Elektrilevi OÜ plans to complete the merger of Imatra Elekter AS and Elektrilevi OÜ by the end of 2026.



Group structure  
As at 31 December 2025





## REPORTING PRINCIPLES

Timely and reliable information is key to quality management decisions. We have established reporting processes to monitor our key performance indicators and other important metrics on a weekly, monthly, quarterly and annual basis. Once a month, we compare our results against the budget and the latest forecast. We update our action plan for the remainder of the year on a quarterly basis, adjusting our business as necessary to reflect current market conditions. We update the Group's five-year strategic action plan once a year.

We have approved principles for the Group's key performance indicators to ensure that the activities of all levels of management are aligned with the Group's main goals. We share information on an ongoing basis to implement more effective performance measures.

The Group's management accounting tool is Tableau, a business intelligence and analytics software. Modern management information dashboards allow us to obtain feedback on our results quickly, conveniently and interactively, and to make better and faster management decisions.

In addition to various reports submitted to Statistics Estonia, we publish annual and quarterly reports. The consolidated financial statements are prepared in accordance with International Financial Reporting Standards. The annual report is audited and subsequently approved by the Group's supervisory board. The annual report, together with the report of the supervisory board, is submitted to the general meeting for final approval.

Quarterly and annual results are presented at a press conference and a detailed overview of the results is also made available to employees.

## AUDITOR OF THE FINANCIAL STATEMENTS

The financial statements of Eesti Energia are audited in accordance with International Standards on Auditing. According to the company's articles of association, the auditor is appointed by the general meeting. The general meeting has appointed the audit firm PricewaterhouseCoopers (PwC) as the auditor of the financial statements for 2025.

The person authorised to sign the independent auditor's report depends on the country of incorporation of the Group company. The auditors responsible for the audit of the consolidated financial statements are certified public accountants Iiris Embrich and Lauri Past.

In 2025, the total cost of the audit of the financial statements provided by PricewaterhouseCoopers was €568 thousand (2024: €504 thousand).



# Risk Management



# Risk management

The management board is ultimately responsible for the Group’s risk management. The Group’s supervisory board, audit committee and internal audit department are responsible for overseeing risk management activities and processes to ensure they are functioning properly.

The purpose of our risk management activities is to:

- support the development and implementation of the strategy;
- contribute to the achievement of the Group’s financial and operational objectives;
- identify potential opportunities;
- prevent undesirable events.

The managers of Group companies and units are responsible for implementing the risk management process and addressing the risks inherent in the Group’s operations that affect its performance.

The Group’s risk appetite is defined in its strategy and reflected in its budget. The Group’s risk tolerance is determined by Group-wide policies, thresholds and limits, as well as legal and regulatory requirements and permits. We have established risk management mandates, limits and thresholds, for example for managing financial risks (including price risk relating to production assets, counterparty credit risk and liquidity risk), as well as environmental risks.

## RISK MANAGEMENT FRAMEWORK AND ORGANISATION

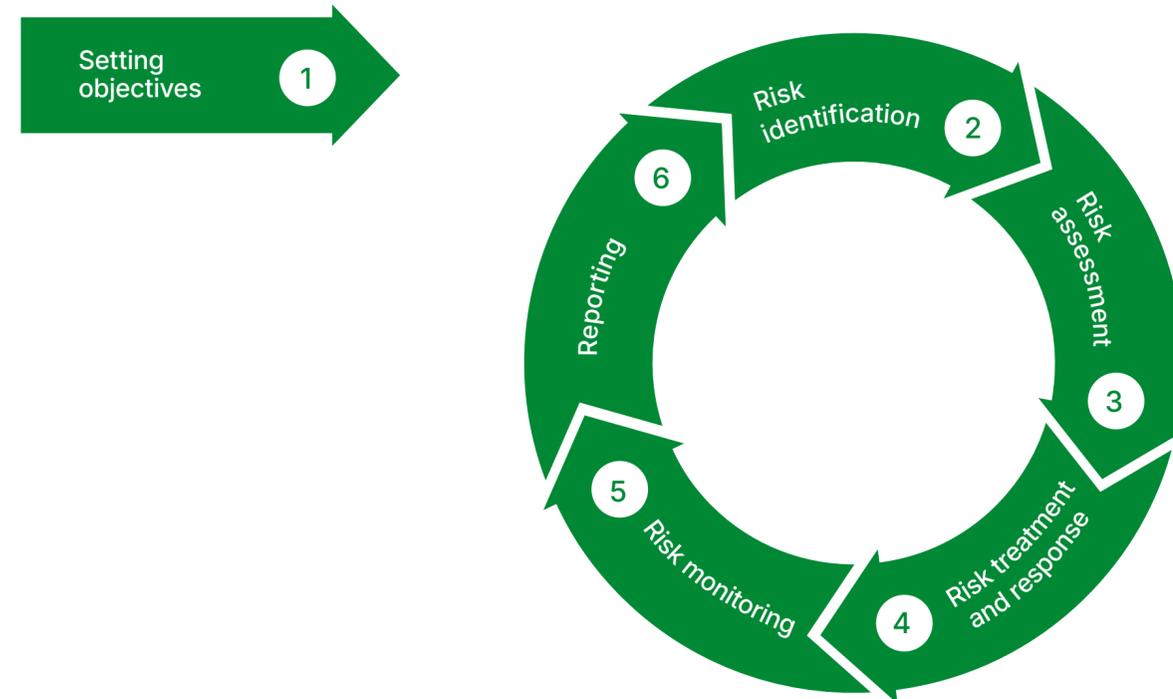
Our risk management framework comprises risk management principles and policies that have been approved by the Group’s supervisory board. These principles and policies describe the risk

management process and the roles and responsibilities of those involved. They also set out the principles and policies for managing the main risks that could prevent the Group from achieving its objectives. When developing these principles and policies, we are guided by international standards and best practice.

We have implemented risk management measures to prevent risks from materialising. The measures are regularly updated to reflect changes in the Group’s strategy, activities and organisational structure.

The risks associated with and affecting our activities are identified and assessed, and losses are prevented through the Group’s governance and control processes.

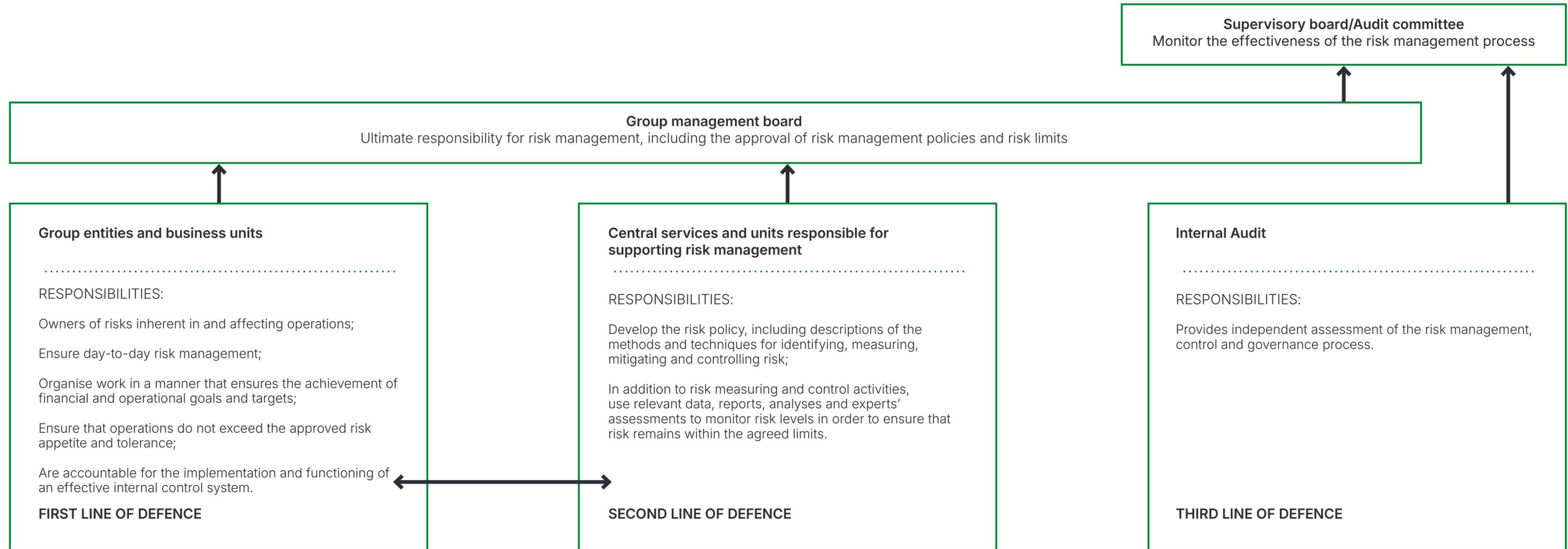
## RISK MANAGEMENT PROCESS





**RISK MANAGEMENT SYSTEM**

Arrows indicate lines of information exchange and reporting.





## RISK PROFILE

Our risk profile describes the risks with the greatest potential impact on our business and operations. These include strategic risk, financial risk (including market, credit, liquidity, interest rate and currency risks), technological and technical risk, legal risk, compliance risk, environmental risk, occupational health and safety risk, security and fire risk, tax risk, regulatory risk, third-party risk, information security risk, fraud risk, human resources risk, reputational risk, and personal data protection risk.

Assessing and updating the risk profile is part of our daily management activities. We assess the risks associated with both existing activities and those under development.

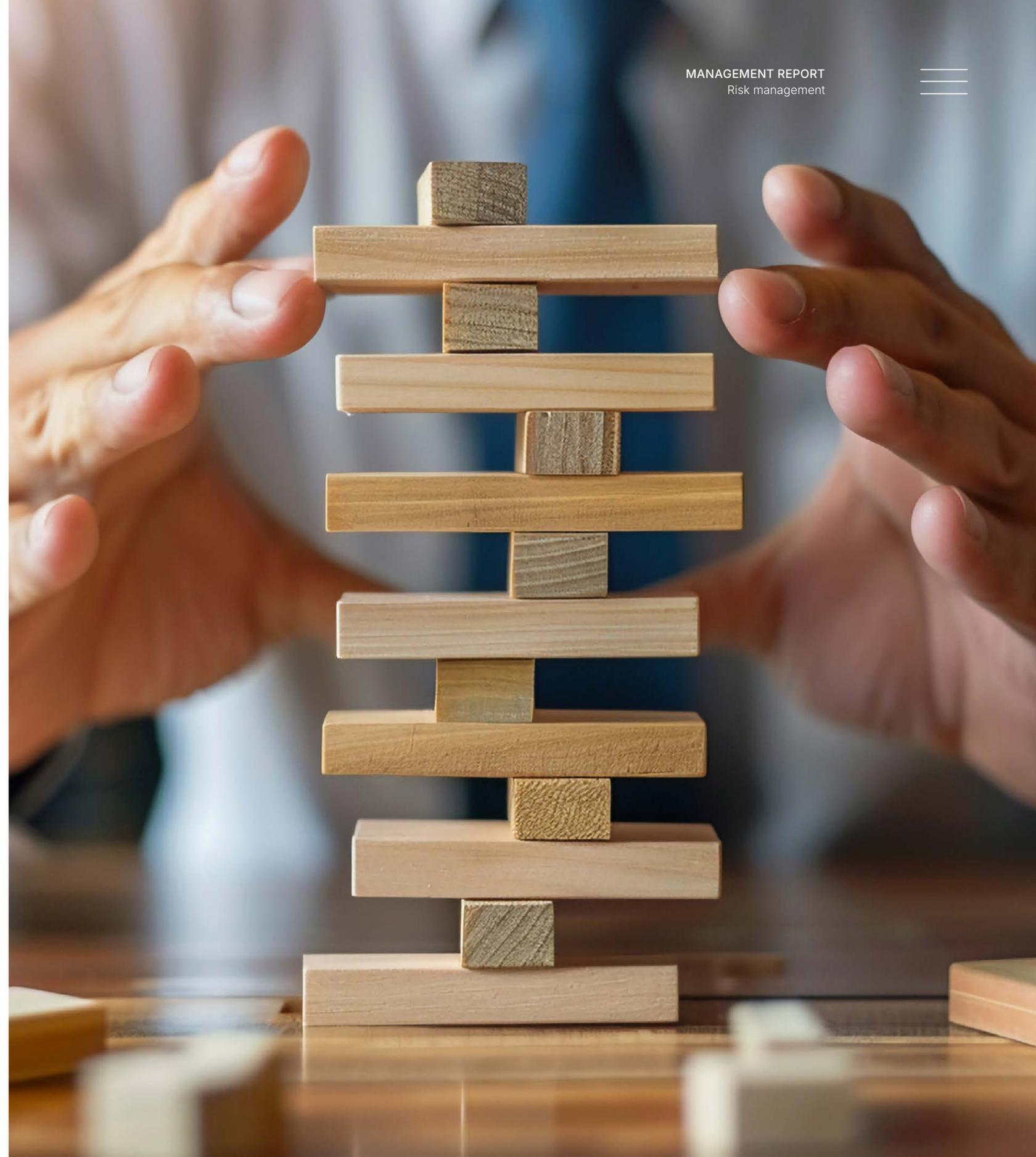
## SIGNIFICANT RISKS AND THEIR MITIGATION

Significant risks that could impact our ability to achieve our objectives include financial risks such as liquidity risk, market risk, regulatory risk, environmental risk, information security risk, technological and technical risk, and operational risks. We pay close attention to ensuring the continuity and resilience of essential services and business-critical operations, as well as to data protection and occupational safety.

## RISK REPORTING

The Group's risk reporting and information-sharing processes ensure that risk-related information reaches all relevant stakeholders. We measure the success of our risk management processes and activities, as well as the achievement of our risk management objectives, using key performance indicators (KPIs) and other metrics. We validate these by assessing the maturity of risk management.

Any risks that could significantly impact the achievement of the Group's objectives and targets are reported regularly to management teams, the management board, the audit committee and the supervisory board. Management and other relevant parties are promptly informed of any significant events, as well as of any potential or actual changes to the Group's risk profile.





Risks	Key risk management activities
<p><b>Financial risk: Liquidity risk</b></p> <p>Liquidity risk is the risk that the Group will not have sufficient cash or other sources of liquidity to meet its obligations and to implement its strategy.</p>	<ul style="list-style-type: none"> <li>• The Group's objective is to keep the liquidity coverage ratio above 1.2. To achieve this, the Group maintains sufficient revolving credit facilities (RCFs) and/or raises additional funds.</li> <li>• In 2025, we extended several RCF agreements.</li> <li>• We entered into a new long-term loan agreement of €150 million.</li> <li>• We issued bonds totalling €50 million on the Nasdaq Baltic market.</li> </ul>
<p><b>Financial risk: Market risk</b></p> <p>Market risk is defined as the risk of financial loss resulting from fluctuations in financial markets due to changes in commodity prices. The Group's main market risks relate to changes in the prices of electricity, liquid fuels, CO<sub>2</sub> and natural gas.</p>	<ul style="list-style-type: none"> <li>• We introduced a new, dynamic methodology for hedging the market risk associated with liquid fuels.</li> <li>• We developed a new, integrated, portfolio-based approach to hedging market risk in electricity generation and sales.</li> </ul>
<p><b>Regulatory risk</b></p> <p>The Group's operations are significantly influenced by the requirements established in its main markets and within the European Union. Regulatory risk primarily arises from political and regulatory decisions, as well as how the competent authorities interpret and apply legal requirements. These factors may impact the Group's business conditions and financial results.</p>	<ul style="list-style-type: none"> <li>• We monitor developments in the regulatory environment and planned legislative changes in the Group's core business areas.</li> <li>• We actively participate in consultations and discussions to represent the Group's interests when legal changes are being drafted.</li> <li>• We ensure that the Group's activities comply with all applicable legislation and legal requirements.</li> <li>• We have mitigated the regulatory risk associated with the negative margin of the capacity reserve service provided by Enefit Power to Elering by signing an agreement to ensure island operation capability – a measure that guarantees the costs of providing the service are covered.</li> </ul>
<p><b>Environmental risk</b></p> <p>The strategic objective is to reduce the Group's environmental footprint, particularly industrial emissions. Environmental risk arises when the Group's actions or inactions cause environmental damage that is not in line with agreed objectives.</p>	<ul style="list-style-type: none"> <li>• We increase efficiency by operating our facilities and equipment optimally, as well as by implementing new technological solutions and circular economy principles.</li> <li>• We control, manage and reduce our environmental impact by applying an environmental management system that complies with ISO 14001 and the Eco-Management and Audit Scheme (EMAS).</li> <li>• We operate in accordance with applicable environmental legislation and the requirements of the environmental permits issued to us.</li> <li>• We systematically collect and analyse monitoring data, initiate additional studies where necessary, and implement preventive measures based on the information obtained.</li> <li>• When combining or applying for environmental permits, we conduct a risk analysis, plan activities and start communicating and cooperating with the relevant officials as early as possible in order to prevent problems.</li> </ul>
<p><b>Information security risk</b></p> <p>Information security risk is defined as the possibility that a Group company will be unable to achieve its business objectives due to deficiencies in the use of IT solutions. The main risks are information system failure and loss of data (including customer data) integrity or confidentiality.</p>	<ul style="list-style-type: none"> <li>• We conduct and update risk analyses for essential and business-critical activities.</li> <li>• We increase employee awareness of information and cyber security through training and seminars.</li> <li>• We regularly monitor cyber security incidents.</li> </ul>
<p><b>Technological and technical risk</b></p> <p>Technological and technical risk is defined as the possibility that technological solutions will not meet strategic expectations, or that technical systems or control, management and/or security systems will fail or be subject to attacks that disrupt their operation and services, resulting in service and/or production interruption, accidents with a significant impact and/or extensive loss or damage (including environmental damage).</p>	<ul style="list-style-type: none"> <li>• We collaborate with research institutions and technology developers to find solutions that are more reliable, environmentally friendly and efficient.</li> <li>• We apply the principles of the ISO 55001 asset management standard.</li> <li>• We implement additional cybersecurity solutions.</li> <li>• We analyse the root cause of every significant incident and develop measures to reduce the likelihood of similar events occurring, as well as their potential negative impact.</li> </ul>
<p><b>Business continuity risk</b></p> <p>The ultimate goal of business continuity is to make Group companies or units that provide essential, business-critical or continuity-critical services resilient to adverse circumstances, so that the Group can fulfil its obligations and achieve its business objectives.</p>	<ul style="list-style-type: none"> <li>• We regularly update our business continuity risk analyses and plans in line with changes in the external environment and within the Group.</li> <li>• We organise training exercises to test recovery plans at individual units and across the Group.</li> <li>• We establish crisis committees at subsidiaries.</li> <li>• We identify business-critical services and review them regularly.</li> </ul>



# Financial Results



# Revenue and EBITDA

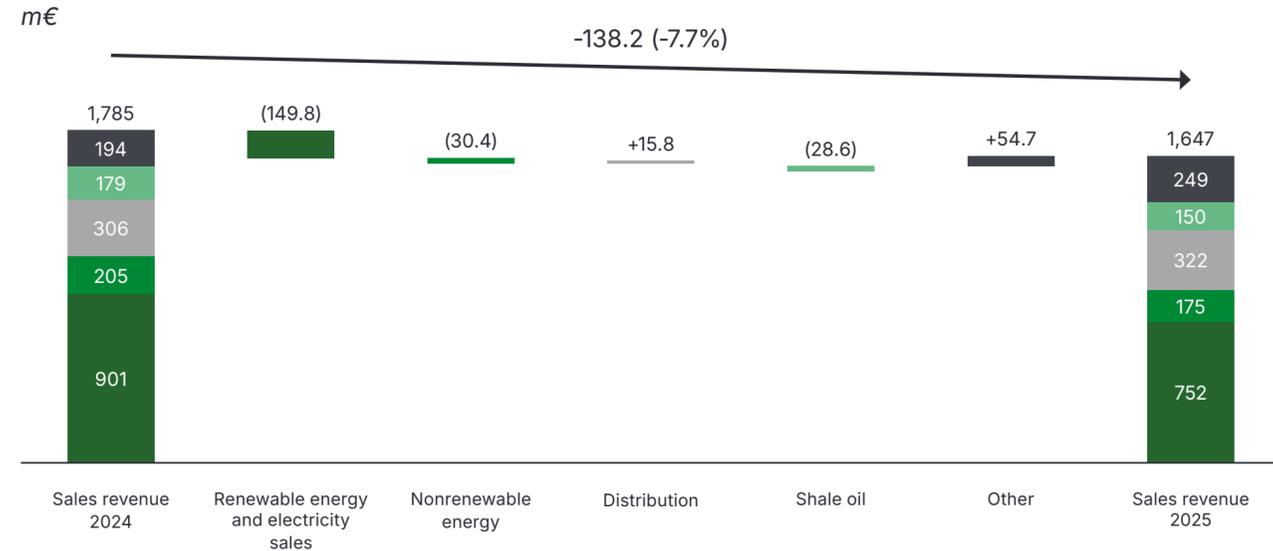
Eesti Energia’s revenue for 2025 was €1,646.9 million, 8% (€138.2 million) lower than in 2024. Most of the decrease came from electricity-related segments: revenue from renewable energy and electricity sales dropped by 17% (€149.8 million) and revenue from non-renewable electricity production declined by 15% (€30.4 million). In both cases, the main reason was a significant year-on-year decrease in the average sales price.

## EBITDA for the year was €317.2 million, 20% (€81.0 million) lower than in 2024:

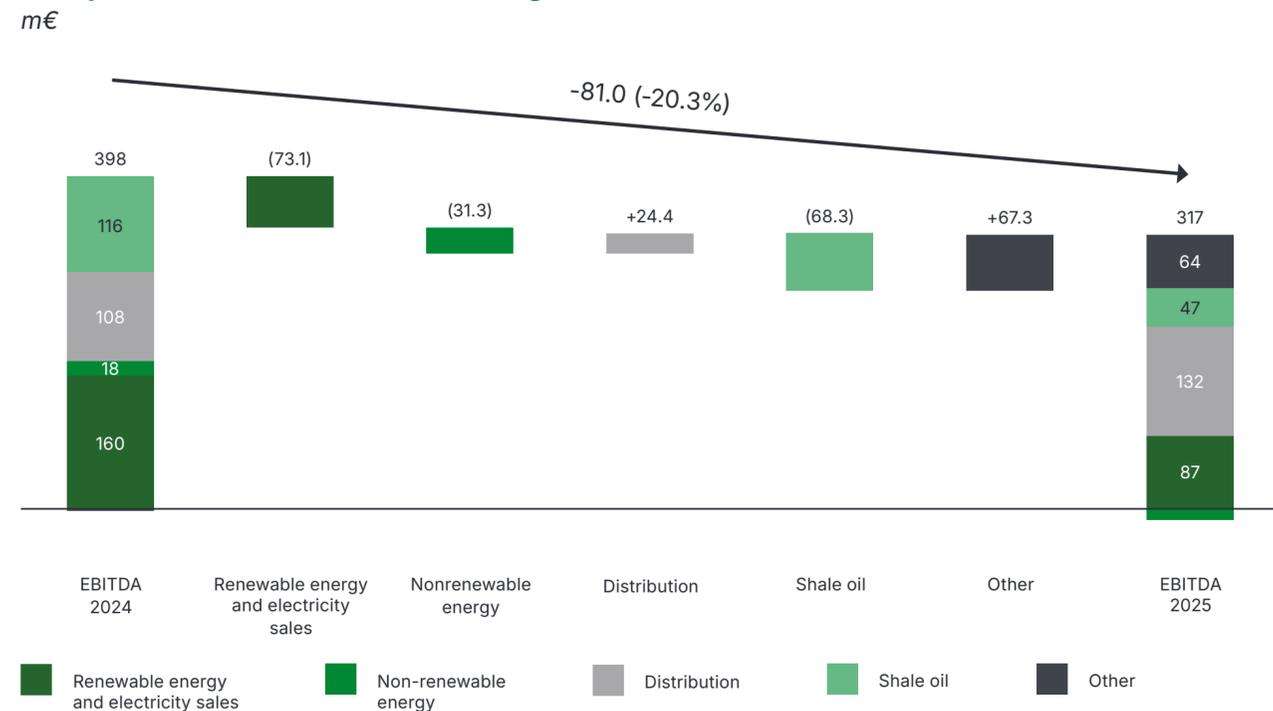
- EBITDA from renewable energy and electricity sales and non-renewable electricity production fell, mainly due to lower average sales prices.
- Distribution EBITDA increased, driven by a higher margin and lower fixed costs.
- Shale oil EBITDA declined, because the figure for the previous year was improved by a one-off gain from the use of additional CO2 emission allowances allocated free of charge. Excluding the impact of this exceptional item, the segment’s EBITDA remained comparable to 2024.
- EBITDA from other products and services increased by €67.3 million, primarily through higher revenue from flexibility services

Net loss for 2025 was €82.6 million (€95.5 million lower than in 2024). Net loss for the reporting period includes losses from asset impairments of €197.6 million, of which €194.5 million were related to oil shale assets.

## Group's sales revenue breakdown and change



## Group's EBITDA breakdown and change





# Renewable Energy Production and Electricity Sales

The renewable energy production and electricity sales segment reflects the results of renewable energy generation and electricity sales and tradingsi.

## REVENUE

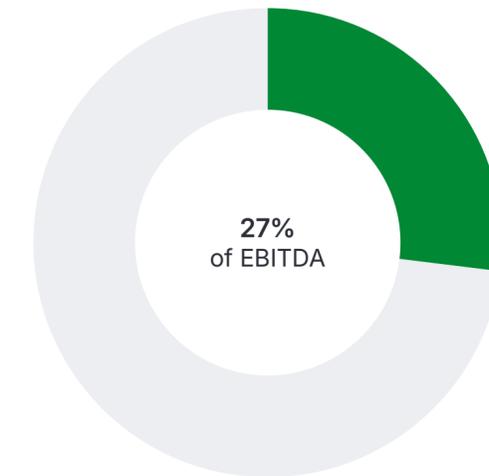
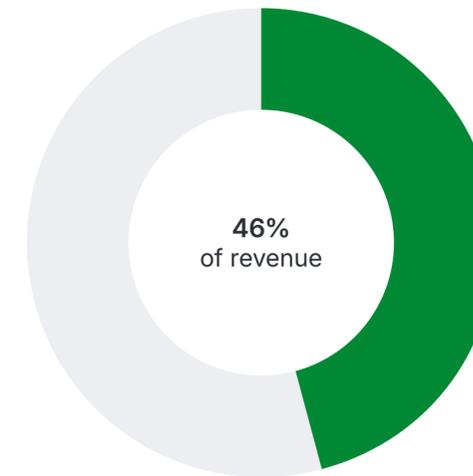
The sales price of electricity decreased and sales volume remained stable compared to 2024. As a result, the segment's revenue for 2025 was €751.5 million, 17% (€149.8 million) lower than in the prior year.

## RENEWABLE ENERGY PRODUCTION VOLUME

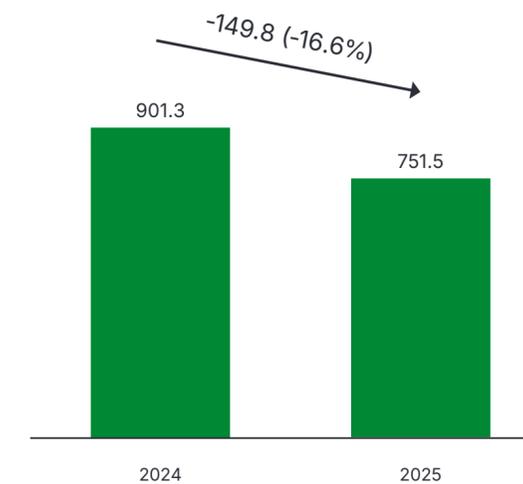
The Group's renewable energy generation grew by 128 GWh (6%) to 2,257 GWh in 2025. The largest share of renewable energy came from wind farms, which produced 1,809 GWh of electricity (+8%, +128 GWh). The main growth drivers were Sopi-Tootsi in Estonia and Kelmė I and Kelmė II in Lithuania, which contributed 704 GWh of wind power during the year (+503 GWh).

	2025	2024	Change
<b>Renewable energy production, GWh</b>	<b>2,257</b>	<b>2,129</b>	<b>+128</b>
incl. Estonia	1,323	1,178	+146
incl. Lithuania	798	737	+60
incl. Latvia	14	2	+12
incl. Poland	33	32	+1
incl. Finland	89	180	-91
<b>Renewable energy production, GWh</b>	<b>2,257</b>	<b>2,129</b>	<b>+128</b>
incl. existing assets	1,464	1,744	-281
incl. sold assets	89	184	-95
incl. new wind and solar farms	704	201	+503

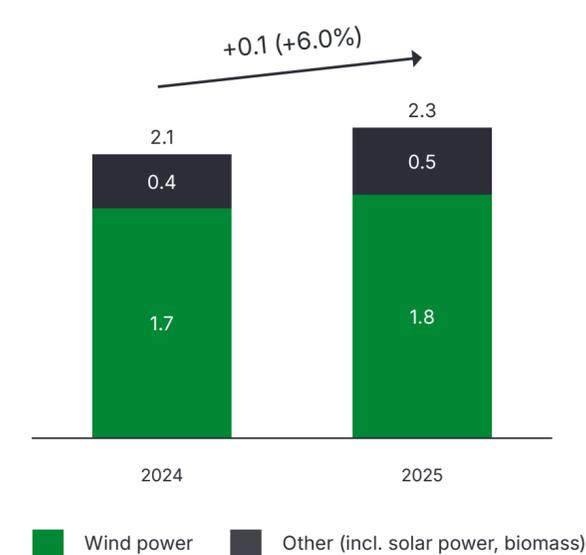
Share of renewable energy production and electricity sales in Group's sales revenue and EBITDA %



Sales revenue  
m€



Production  
TWh





The Sopi-Tootsi green energy site, which opened in 2025, is one of the most significant renewable energy development projects in Estonia in recent years. Built on a former peat field, the wind and solar farm produces enough electricity to meet around a tenth of Estonia’s annual consumption. The Kelmé I and II wind farms in Lithuania, with a combined capacity of 167 MW, have also significantly increased the region’s renewable energy production capacity.

### SALES VOLUME AND EESTI ENERGIA'S MARKET SHARE

Compared to 2024, retail sales of electricity decreased by 478 GWh (5%) to 9,361 GWh. Retail sales by market were as follows: Estonia 3,183 GWh (-237 GWh), Latvia 1,610 GWh (-14 GWh), Lithuania 2,631 GWh (-77 GWh) and Poland 1,902 GWh (-148 GWh).

In terms of customers’ electricity consumption, Eesti Energia’s market share in Estonia was 44% in 2025, 3 percentage points lower than in the prior year. The decrease is mainly attributable to stiff competition in the electricity market. Eesti Energia’s market shares in Latvia and Lithuania were 22% and 23%, respectively. Compared to 2024, we lost 4 percentage points of market share in Latvia, but gained 1 percentage point in Lithuania.

### Key indicators for renewable energy and electricity sales

		2025	2024
EBITDA per sales volume	€/MWh	9.9	18.3
EBITDA per assets	%	4.2	8.0

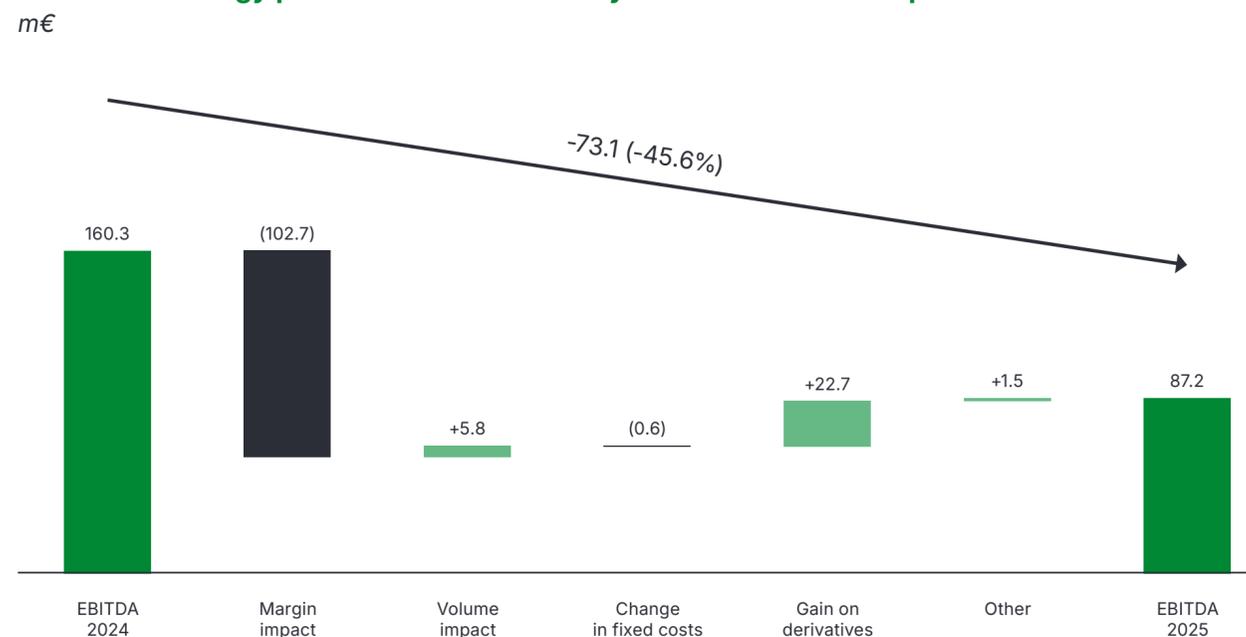
### EBITDA FROM RENEWABLE ENERGY PRODUCTION AND ELECTRICITY SALES

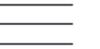
EBITDA from renewable energy production and electricity sales amounted to €87.2 million in 2025 (-46%, -€73.1 million). The key factor was a lower margin, which reduced EBITDA by €102.6 million (€12/MWh) compared to 2024. Average revenue decreased by €21/MWh, while average variable costs declined by €9/MWh due to lower electricity purchase costs.

EBITDA was positively impacted by realised derivative transactions (+22.7 million) and growth in sales volume (+€5.8 million). Although retail sales of electricity decreased, the quantities sold on the power exchange increased year on year.

Other impacts of +€1.5 million mainly reflect changes in the values of derivative transactions, including +€4.4 million from the change in the value of long-term PPAs.

### Renewable energy production and electricity sales EBITDA development





# Non-renewable Electricity Production

The non-renewable electricity production segment reflects the results of electricity generation from oil shale and other non-renewable sources.

## REVENUE

In 2025, the segment's revenue decreased by €30.4 million (15%) to €174.8 million, mainly due to the decrease in production volume.

## NON-RENEWABLE ELECTRICITY PRODUCTION VOLUME

Although the production of renewable electricity has increased across the Baltics, reducing the need for fossil fuel power plants, these plants still play a vital role in ensuring the availability of dispatchable power in the region.

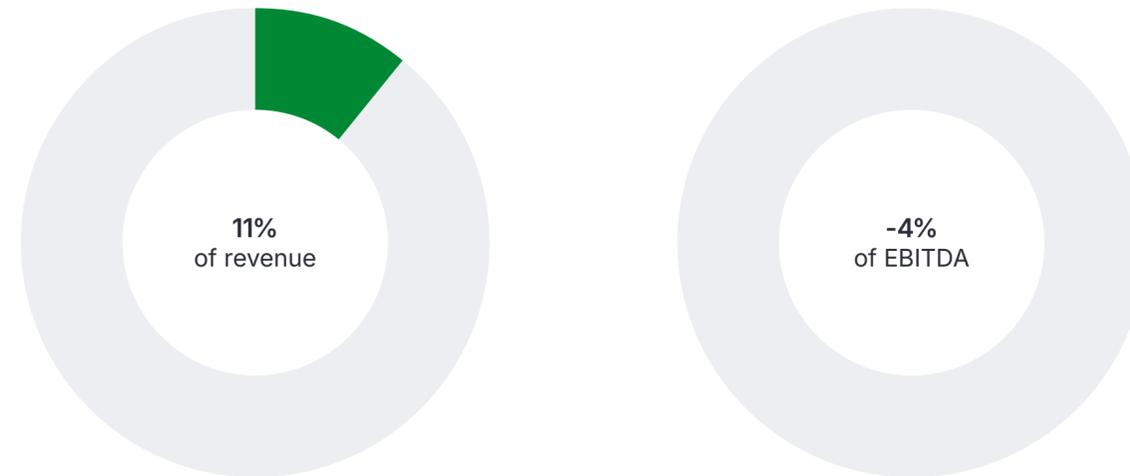
In 2025, we produced 1,366 GWh of non-renewable electricity, 18% (295 GWh) less than in 2024. The decline resulted from a major overhaul carried out at the Auvere power plant in the third quarter and at the Balti power plant in the fourth quarter, as well as lower market prices.

Since our oil-shale-based power plants primarily serve as reserve capacity within our portfolio, we operate them mainly according to market and system needs. In periods of low market prices, this also results in significantly lower production volumes

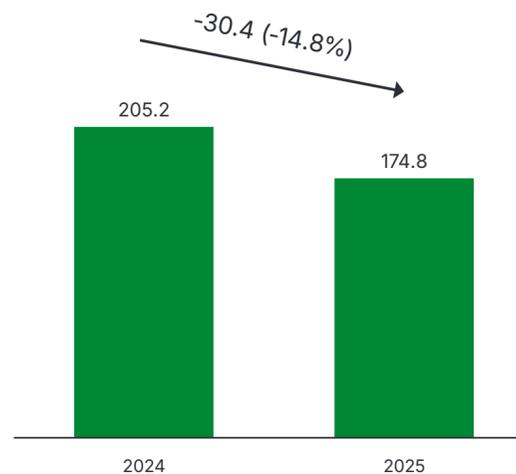
## EBITDA FROM NON-RENEWABLE ELECTRICITY PRODUCTION

The non-renewable electricity production segment's EBITDA for 2025 was negative at €13.3 million (€31.3 million). This was mainly due to a lower margin, which reduced EBITDA by €22.3 million (-€12/MWh) compared to 2024. Average variable costs remained stable and the margin decrease resulted from a fall in the average sales price.

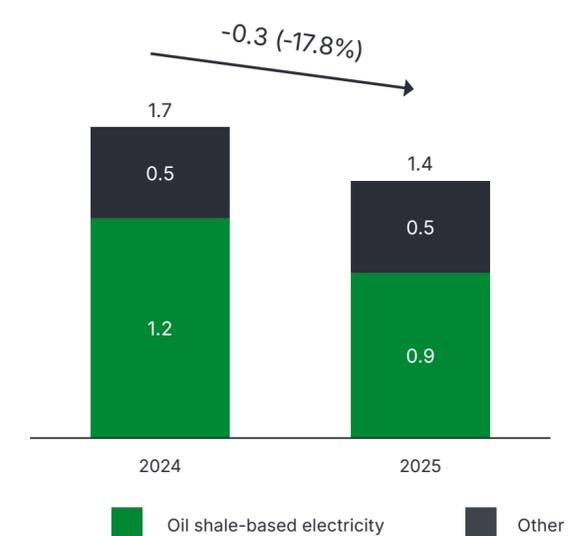
Share of non-renewable electricity production in the Group's revenue and EBITDA %



Sales revenue  
m€



Production  
TWh



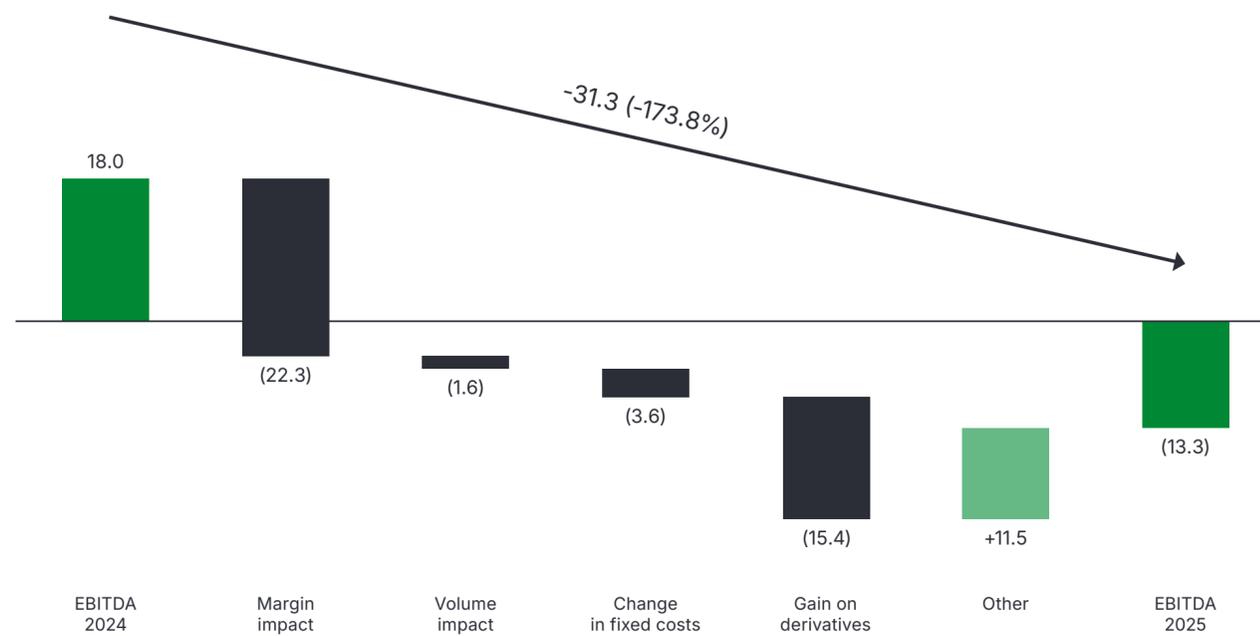
The decrease in realised gain on derivative transactions lowered EBITDA by a further €15.4 million (realised gain was €22.6 million for 2024 and €7.2 million for 2025).

Other impacts of +€11.5 million mainly reflect changes in the values of unrealised derivative transactions (an impact of +€8.0 million compared to 2024) and the recognition of environmental provisions (an impact of +€4.3 million).

Key indicators for non-renewable electricity production

		2025	2024
EBITDA per sales volume	€/MWh	(7.4)	10.8
EBITDA per assets	%	(6.4)	6.8

Non-renewable energy production EBITDA development  
m€





# Distribution

## DISTRIBUTION REVENUE, SALES VOLUME AND PRICE

In 2025, distribution service revenue increased by 5% to €321.5 million (+€15.8 million), while sales volume remained stable (+0.6%), amounting to 6,598 GWh (+41 GWh). The slight growth in sales volume was driven by an improvement in the economic environment, which boosted sales to corporate customers (+0.9%).

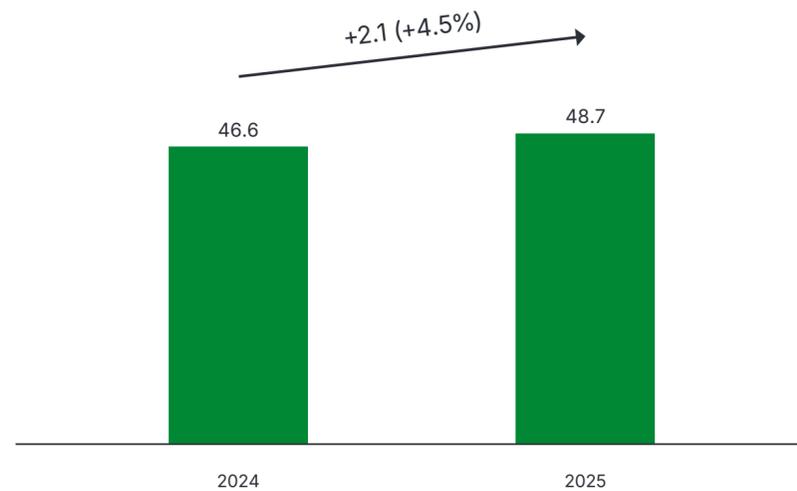
The average price of the distribution service was €48.7/MWh (+4.5%), reflecting an increase of €2.1/ MWh compared to 2024 due to changes in network charges.

## Share of distribution product in Group's sales revenue and EBITDA



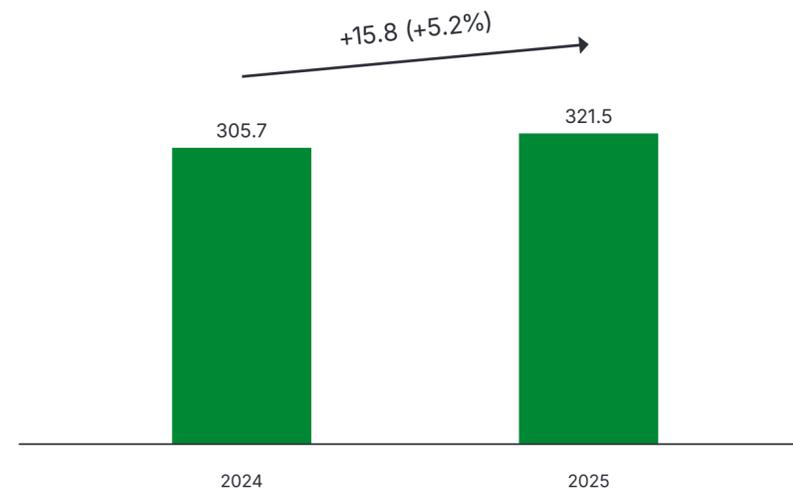
### Average distribution sales price

€/MWh



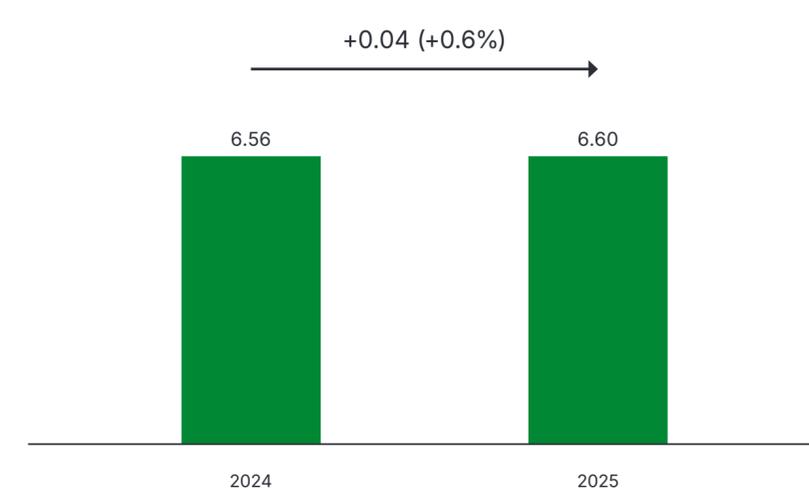
### Distribution sales revenues

m€



### Distribution volume

TWh





### SUPPLY INTERRUPTIONS

In 2025, the average duration of unplanned supply interruptions was 179.5 minutes (2024: 142.2 minutes). Due to adverse weather conditions, the number of unplanned interruptions was the highest in July.

The average duration of planned supply interruptions was 91.0 minutes (2024: 86.0 minutes). The duration of planned supply interruptions depends on the extent of planned network maintenance and renewal.

Power outages can be reduced by replacing bare conductors with weatherproof cables. At the end of 2025, 97.5% of our low-voltage distribution network and 48.1% of our medium-voltage distribution network was weatherproof.

#### Key indicators for distribution

		2025	2024
Distribution losses	GWh	300.3	312.6
SAIFI	index	2.2	1.5
SAIDI (unplanned)	index	179.5	142.2
SAIDI (planned)	index	91.0	86.0
EBITDA per assets	%	7.7	6.9

### DISTRIBUTION LOSSES

Distribution losses amounted to 300.3 GWh, i.e. 4.1% in 2025. The amount of distribution losses decreased by 12.3 GWh and the rate of distribution losses declined by 0.2 percentage points compared to 2024.

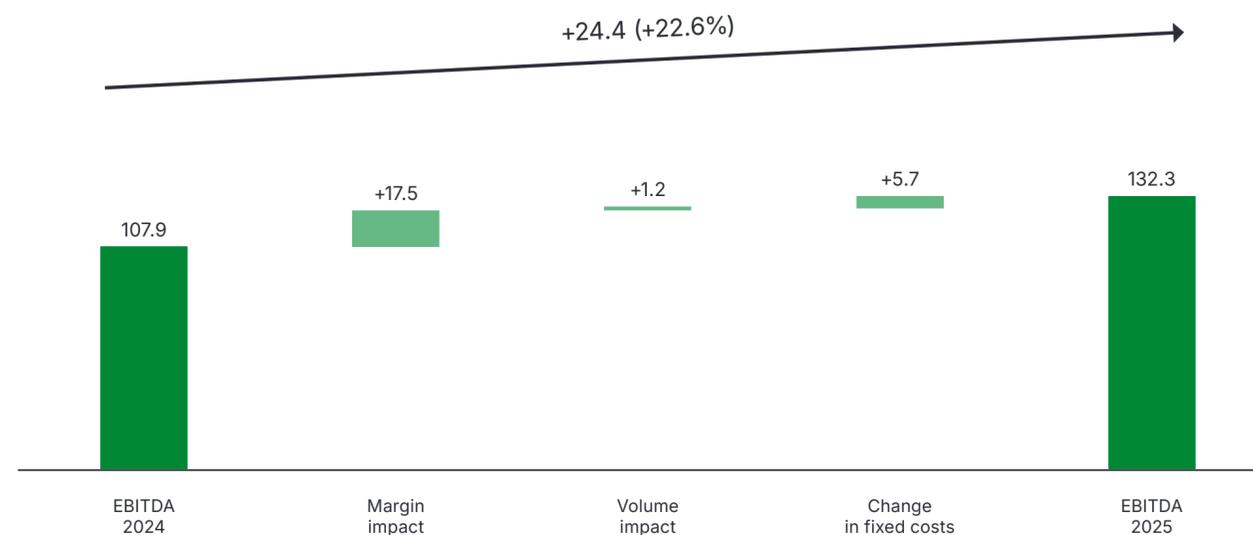
### DISTRIBUTION EBITDA

Distribution EBITDA for 2025 was €132.3 million (+23%, +€24.4 million). EBITDA increased, driven by a higher margin, which improved EBITDA by €17.5 million. Average revenue grew by €2.1/MWh and average variable costs decreased by €0.5/MWh. The decline in variable costs resulted from reduced spending on electricity purchased to cover network losses. The positive effect came from a decrease in both distribution losses and the market price of electricity.

EBITDA was also improved by a decrease in fixed costs (impact: +€5.7 million). The impact is mainly related to lower repair and maintenance costs: we have reduced the amount of work we outsource and increased our own employees' involvement in the repair and maintenance of the distribution network, which has increased efficiency.

#### Distribution EBITDA development

m€





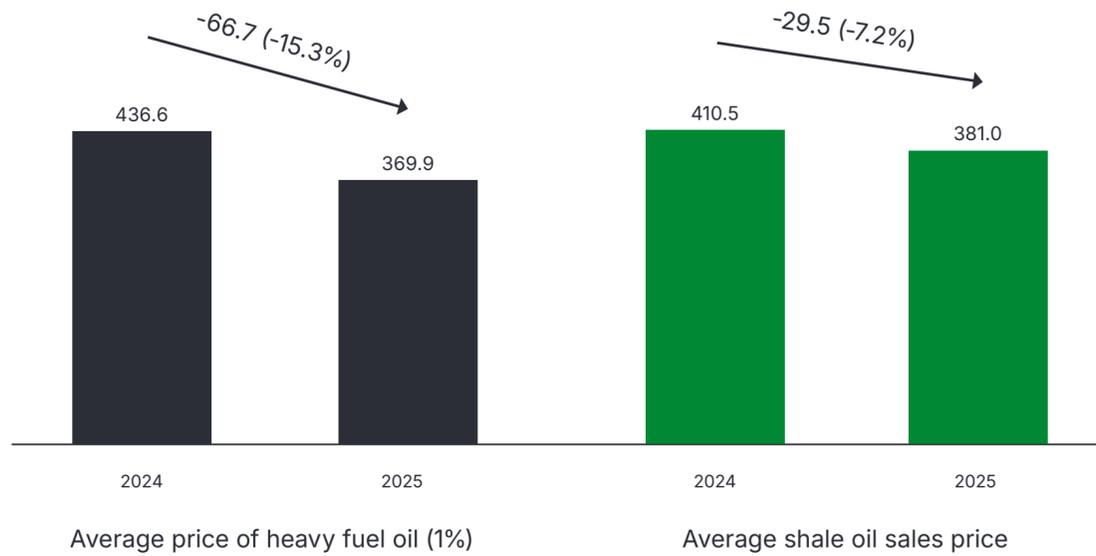
# Shale Oil

## SHALE OIL REVENUE AND SALES VOLUME

We sold 393.8 thousand tonnes of shale oil in 2025, which generated revenue of €150.0 million. Shale oil revenue decreased by 16% (€28.6 million) year on year. Shale oil sales volume declined by 9% (41.3 thousand tonnes) compared to 2024, primarily due to long-term repairs carried out at the oil plants, which reduced shale oil output as well as sales opportunities.

### Average shale oil sales price

€/t



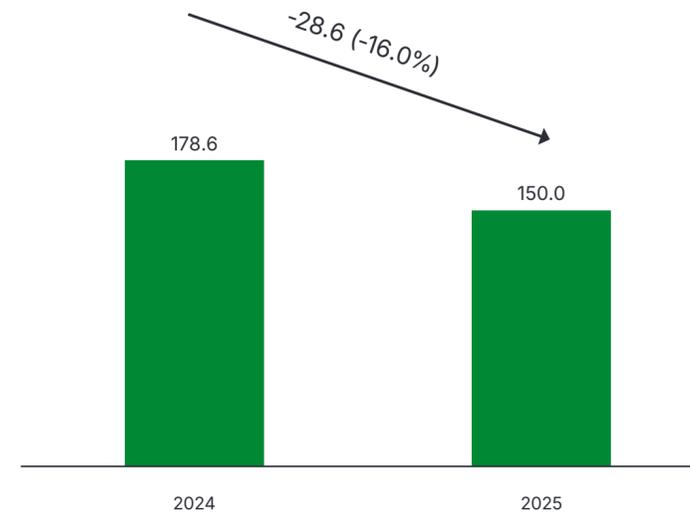
### Share of shale oil product in Group's sales revenue and EBITDA

%



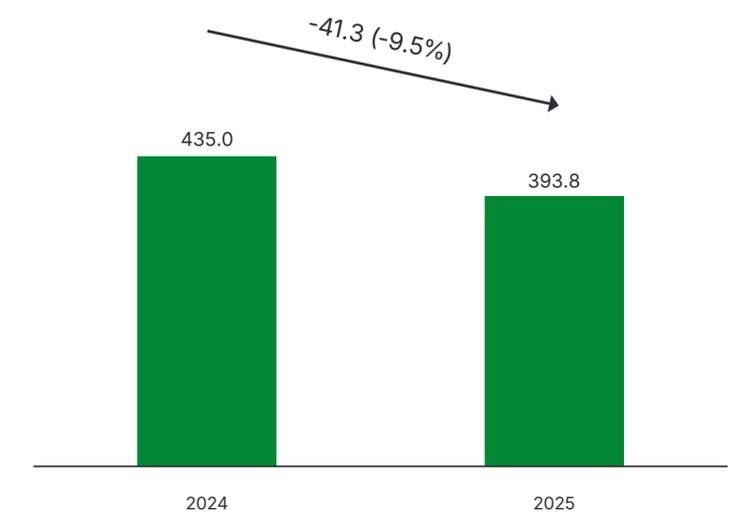
### Shale oil sales revenue

m€



### Shale oil sales volume

'000 tonnes





### SHALE OIL PRICE

The average sales price of shale oil including the impact of derivative transactions was €381.0/t (-7%, -€29.5/t compared to 2024). The average sales price of shale oil (excluding the impact of derivative transactions) decreased by 17% year on year to €360.9/t (-75.1 €/t). Derivative transactions resulted in a gain of €20.1/t (2024: a loss of €25.5/t).

### SHALE OIL PRODUCTION VOLUME

We produced 378.4 thousand tonnes of shale oil in 2025, which is 16% (73.0 thousand tonnes) less than in 2024. The decline in production volume is attributable to restrictions on the use of retort gas at the power plants as well as a general overhaul at the Enefit 280-1 oil plant.

#### Key indicators for shale oil

		2025	2024
EBITDA per sales volume	€/t	120.0	265.6
EBITDA per assets	%	8.4	16.3

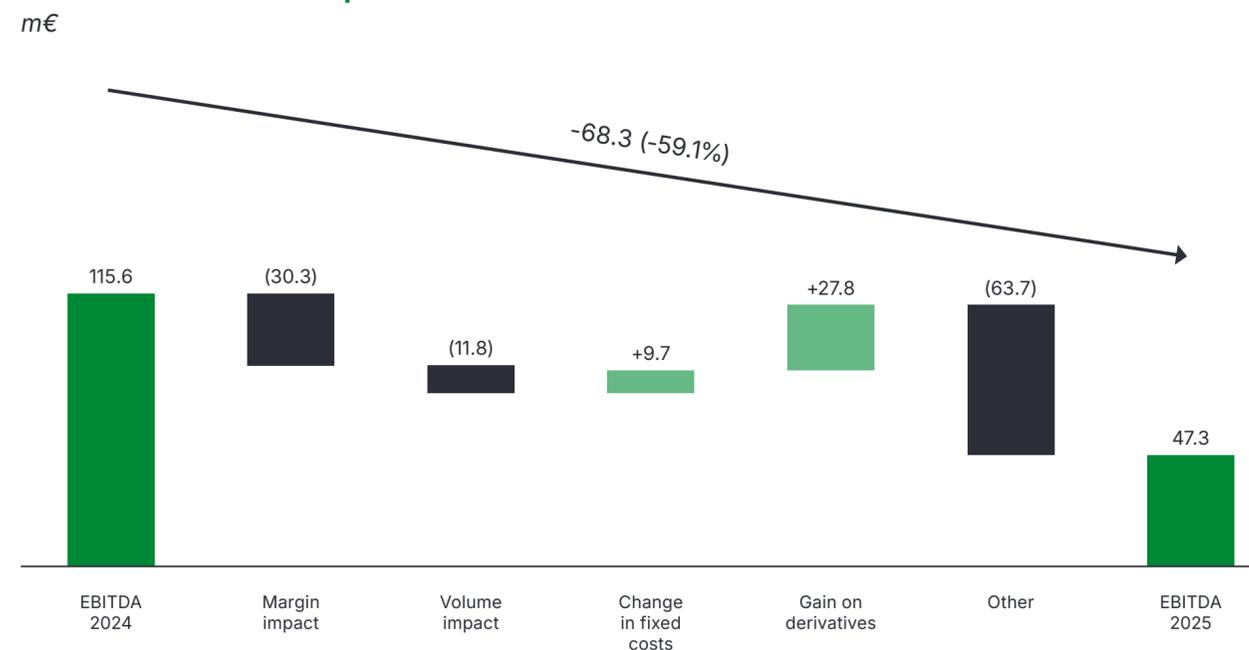
### SHALE OIL EBITDA

Shale oil EBITDA for 2025 was €47.3 million (-59%, -€68.3 million). A key factor was a decrease in the margin, caused by a lower sales price (average revenue decreased by €75/t compared to 2024), which reduced EBITDA by €30.3 million (-€77/t). The decrease in shale oil sales volume by 41 thousand tonnes (9%) to 394 thousand tonnes reduced EBITDA by €11.8 million compared to 2024.

The change in realised gain on derivative transactions and the decrease in fixed costs had a positive impact, improving EBITDA by €27.8 million and €9.7 million, respectively. The segment's fixed costs have decreased due to a decline in the payroll costs of the units involved in oil shale mining and repair and maintenance operations.

Other impacts of -€63.7 million mainly reflect the effect of a one-off transaction in the comparative period: shale oil EBITDA for 2024 was increased by the use of additional CO2 emission allowances allocated free of charge, which had an impact of +€64.8 million.

#### Shale Oil EBITDA development





# Other Products and Services

The segment of other products and services includes the sale of natural gas, heat, industrial equipment, and solar and charging solutions. The impact of one-off transactions, the Group's participation in system services (frequency markets), and some of the Group's central development and fixed costs are also reported in this segment.

## REVENUE FROM THE SALE OF OTHER PRODUCTS AND SERVICES

In 2025, revenue from the sale of other products and services amounted to €249.1 million. Compared to 2024, revenue increased by 28% (€54.7 million).

Revenue growth was driven by flexibility services, which generated revenue of €54.3 million in 2025 (+€45.3 million). Revenue from the sale of natural gas decreased by €16.2 million, while revenue from the sale of heat increased by €4.2 million.

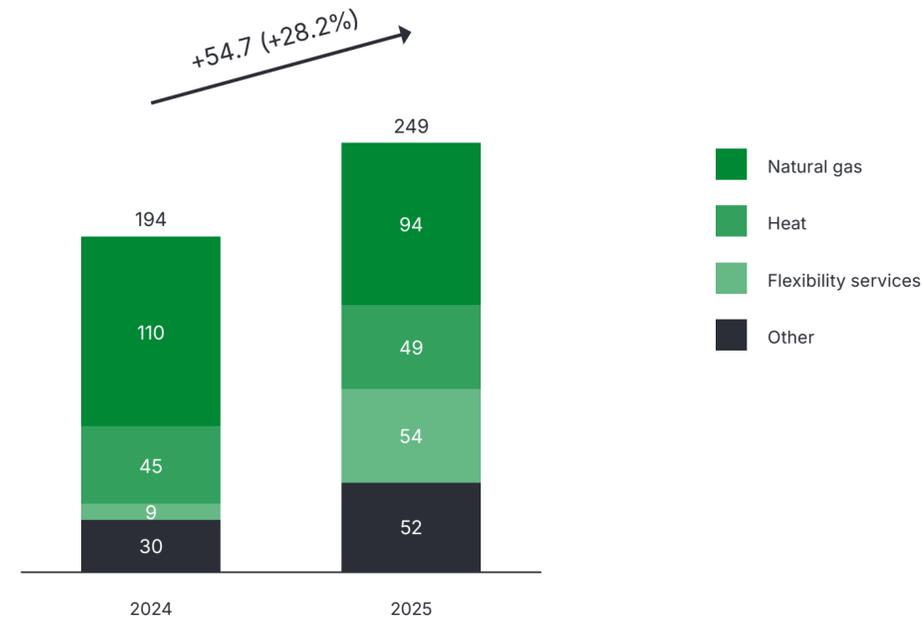
## EBITDA FROM OTHER PRODUCTS AND SERVICES

In 2025, EBITDA from other products and services increased by €67.3 million to €63.7 million. The main growth driver was flexibility services (+€57.0 million). The profitability of flexibility services was significantly impacted by the exceptional market situation in the first half of the year, primarily due to the connection of the transmission network to the continental European grid. In the second half of the year, the flexibility services market stabilised.

Share of other products and services in Group's sales revenue and EBITDA  
%



Sales revenue from other products and services  
m€

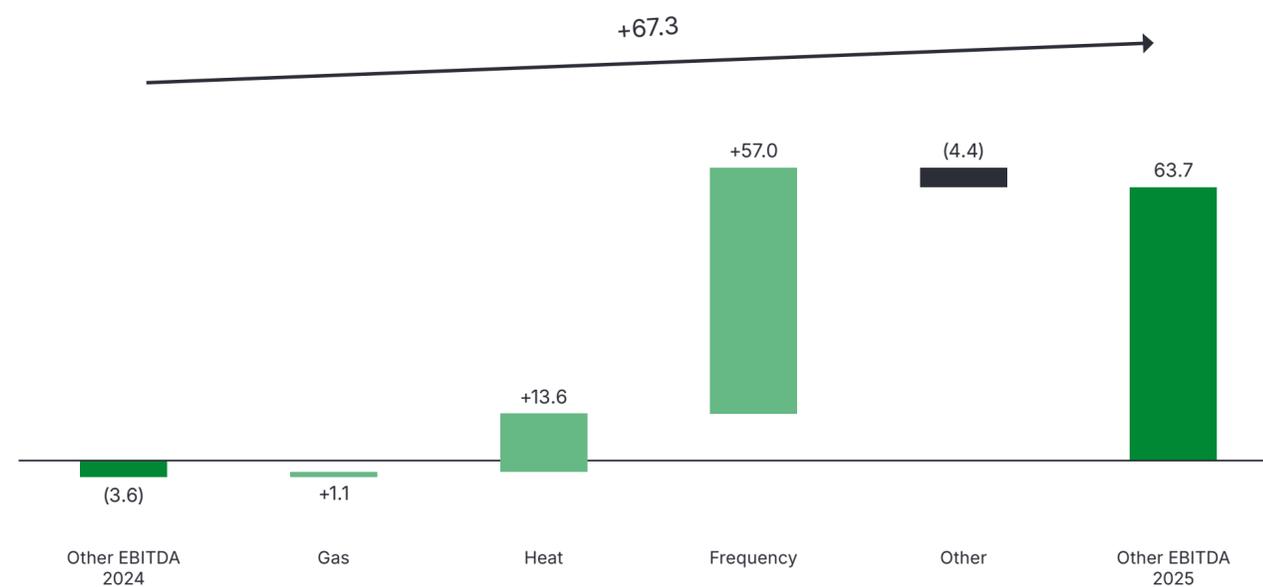




Heat EBITDA increased by €13.6 million compared to 2024, supported by revenue growth and lower fuel and greenhouse gas emission costs.

Natural gas EBITDA increased by €1.1 million. Despite a 15% decrease in revenue, profitability remained stable.

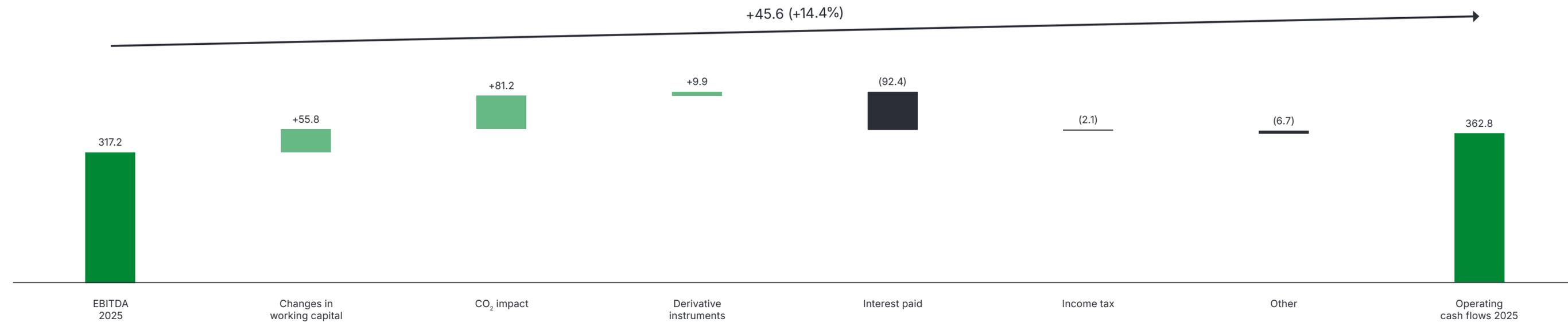
**Other products and services EBITDA development**  
m€





# Cash Flows

### EBITDA to operating cash flow development m€



The Group's net operating cash flow for 2025 was €362.8 million, 14.4% (€45.6 million) higher than its EBITDA, which amounted to €317.2 million.

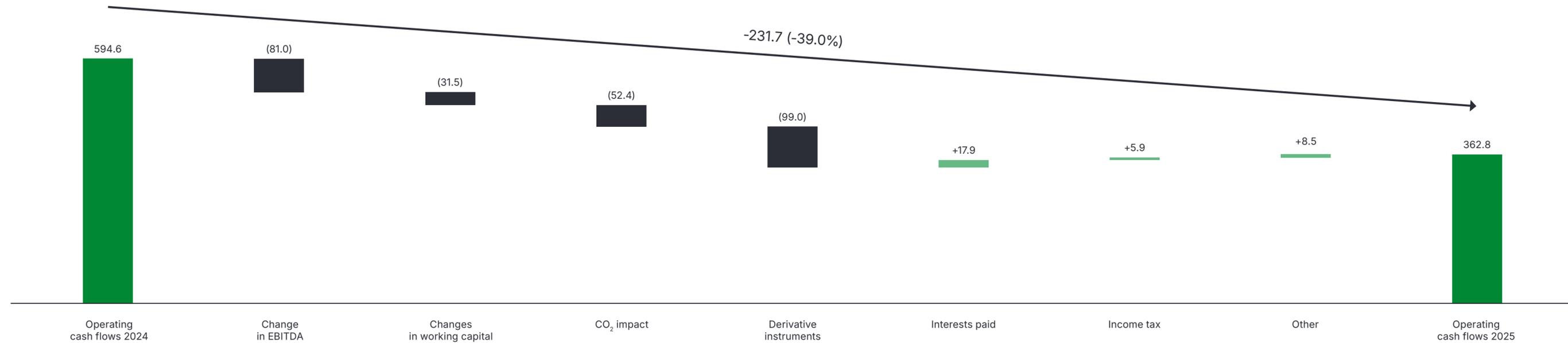
Changes in working capital increased operating cash flows by €55.8 million relative to EBITDA. The decrease in electricity prices temporarily reduced current receivables, which had a positive impact of +€18.7 million, and an increase in current liabilities had a positive impact of +€26.4 million on working capital. A decrease in inventories, which mainly resulted from a decline in natural gas inventories (+€23.6 million), increased working capital by €13.7 million.

Settlements relating to CO<sub>2</sub> emission allowances increased operating cash flows by €81.2 million compared to EBITDA. Purchasing part of the required CO<sub>2</sub> emission allowances on longer payment terms had the biggest positive impact on cash flows.

The impact of derivative financial instruments (excluding CO<sub>2</sub> instruments) on operating cash flows was +€9.9 million. The figure includes the impacts of electricity derivatives of +€12.4 million, shale oil derivatives of -€4.9 million, and gas and other derivatives of +€2.4 million. These impacts from derivative transactions are in addition to those already included in EBITDA.

Interest paid on borrowings reduced operating cash flows by €92.4 million compared to EBITDA. Income tax paid in 2025 amounted to €2.1 million. Other impacts on operating cash flows totalled -€6.7 million, most of which resulted from the amortisation of connection fees, which had an impact of -€16.9 million.

### Operating cash flow changes m€



#### Net operating cash flow decreased by €231.7 million compared to 2024.

The item with the strongest impact on the change in net operating cash flow compared to 2024 was the change in EBITDA. The main reasons for the decrease in EBITDA were lower market prices for electricity and shale oil.

Changes in working capital had a positive impact on operating cash flows in both 2024 and 2025. However, this positive impact decreased by €31.5 million year on year.

The impact of settlements relating to CO<sub>2</sub> emission allowances on operating cash flows was -€52.4 million. This was primarily due to the effect of a one-off transaction in 2024: the implementation of additional emission allowances totalling €64.8 million, which were allocated to the Group free of charge.

The impact of derivative financial instruments (excluding CO<sub>2</sub> instruments) on operating cash flows was -€99.0 million. The figure comprises the impacts of electricity derivatives of -€106.6 million, shale oil derivatives of -€1.8 million and other derivatives of +€9.4 million. In 2024, the collateral fees for derivative financial instruments were released, which increased operating cash flows at the time as well as the reference base for 2025.

Items with a positive impact on net operating cash flow were income tax and interest payments, which decreased by €17.9 million and €5.9 million compared to 2024. Other impacts on operating cash flows totalled +€8.5 million.



# Investment



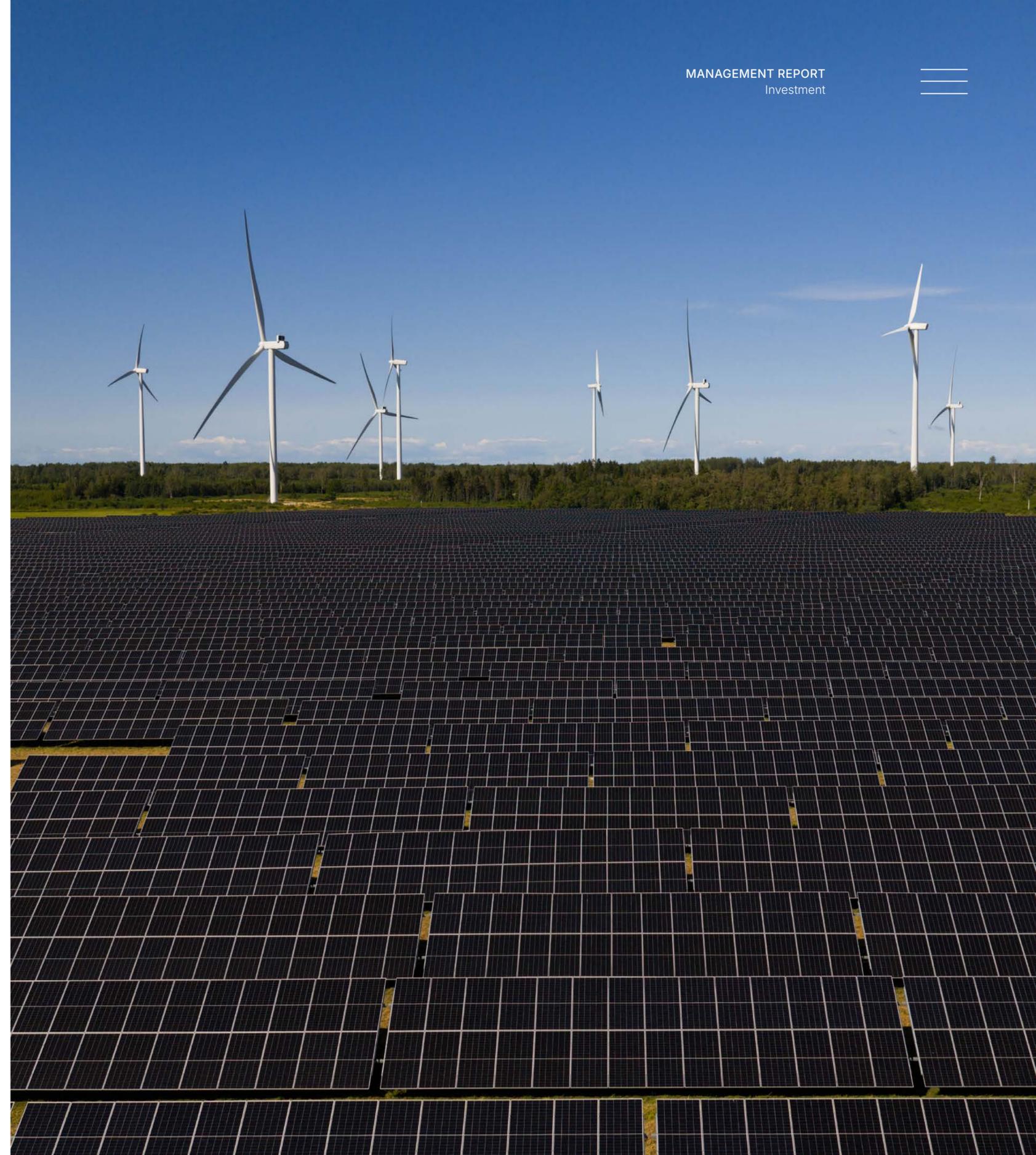
# Investment

In 2025, we invested €459.2 million, 37% (€264.4 million) less than in 2024. Investments in renewable energy totalled €144.8 million (-€244.8 million, -63%).

## RENEWABLE ENERGY

To increase our renewable energy production capacity, we invested in the development of wind farms in 2025: €85.8 million in Lithuania, €12.6 million in Estonia, €2.9 million in Poland and €2.5 million in Finland. The largest investments were made in the Kelmė II wind farm in Lithuania, which is expected to be fully operational in the first quarter of 2026, and the Sopi-Tootsi wind farm in Estonia, which is already operating at full capacity.

The largest investment in solar energy development was €18.0 million for the Strzałkowo project in Poland, which is expected to be completed in summer 2026.



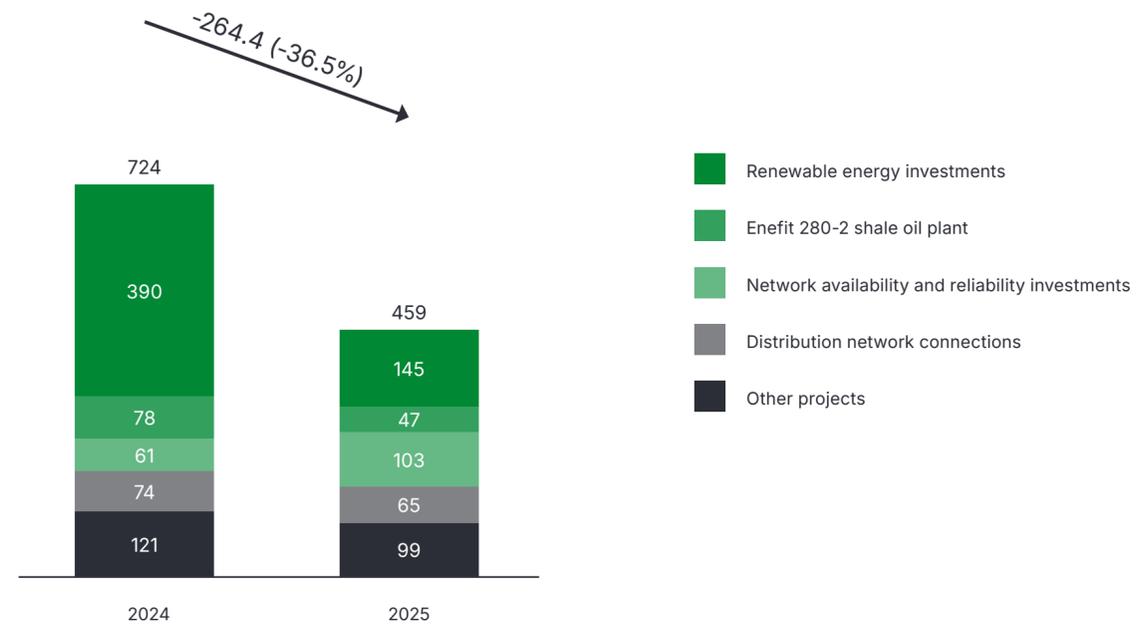


### DISTRIBUTION SERVICE

In 2025, we allocated €102.6 million of our distribution investments to improving network reliability and €65.2 million to distribution network connections. We built 395 substations and 1,299 km of power lines (2024: 363 substations and 1,237 km of power lines).

At the end of 2025, 97.5% of Elektrilevi’s low-voltage distribution network was weatherproof (2024: 96.4%). During the year, the weatherproof low-voltage overhead network increased by 279 km, while the bare conductor network decreased by 371 km. By the end of 2025, 77.1% of Elektrilevi’s total low- and medium-voltage distribution network was weatherproof (2024: 75.7%).

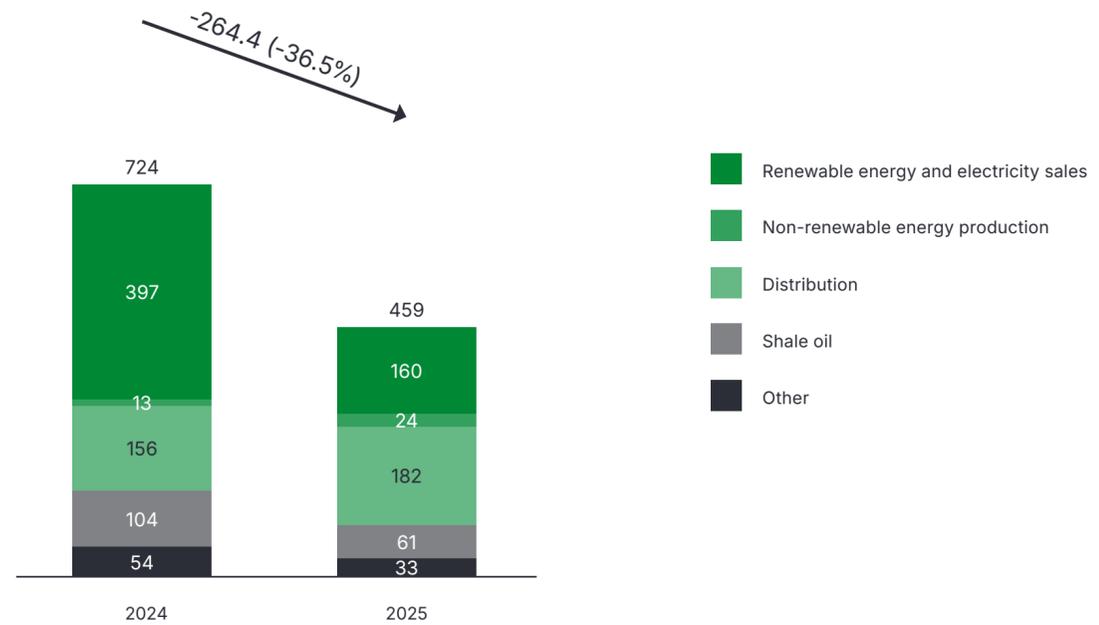
#### Capex breakdown by projects m€



### SHALE OIL

We invested €47.5 million in building a new shale oil plant in 2025. Construction is nearing completion – the equipment has been installed and the plant has reached mechanical readiness. Once operational, the plant will provide employment for around 150 people.

#### Investment breakdown by segments m€





# Financing

# Financing

Development activities in the energy sector are capital-intensive. The company's own resources are not always sufficient to build new production units or significantly expand the business. We therefore raise debt in the market to finance major development projects.

Financing decisions are made in accordance with the Group's financial policy, which outlines the financing principles, the permitted debt ratio and the sources of debt financing. According to the policy, Eesti Energia's objective is to keep the net debt to EBITDA ratio below 3.5 in the long term (the ceiling may be exceeded in the short term in the event of major investments or acquisitions).

Our main sources of debt are senior unsecured bonds and investment loans from the European Investment Bank (EIB), the European Bank for Reconstruction and Development (EBRD), the Nordic Investment Bank (NIB) and commercial banks. Eesti Energia has issued a hybrid bond of €400 million and a Baltic retail bond of €50 million. The company also uses revolving credit and guarantee facilities provided by regional banks.



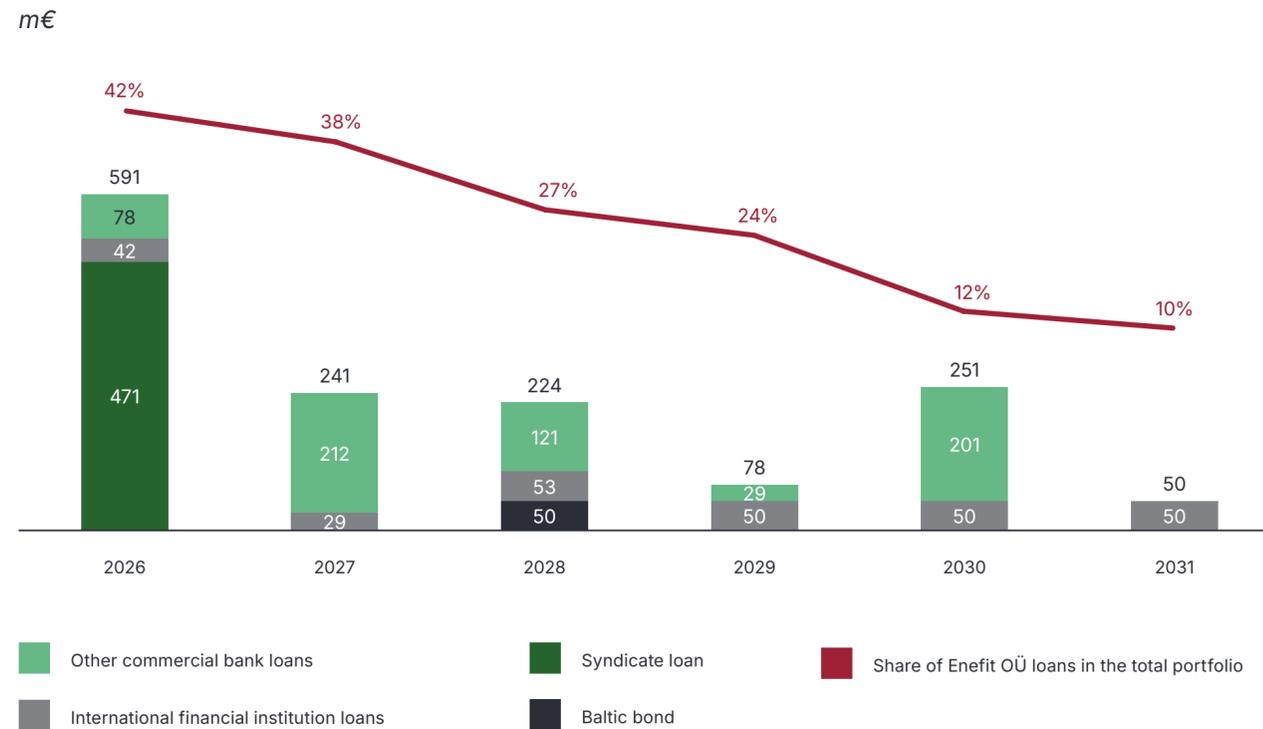


### BORROWINGS

The Group's borrowings amounted to €1,612 million at the end of 2025 (compared to €1,670 at the end of 2024).

At the reporting date, liabilities related to long-term investment loans and bonds totalled €1,590 million. There were no short-term revolving credit liabilities. The Group's borrowings consisted of borrowings of the parent company of €865 million and those of the subsidiary Enefit OÜ (formerly Enefit Green AS) of €726 million.

#### Debt maturity

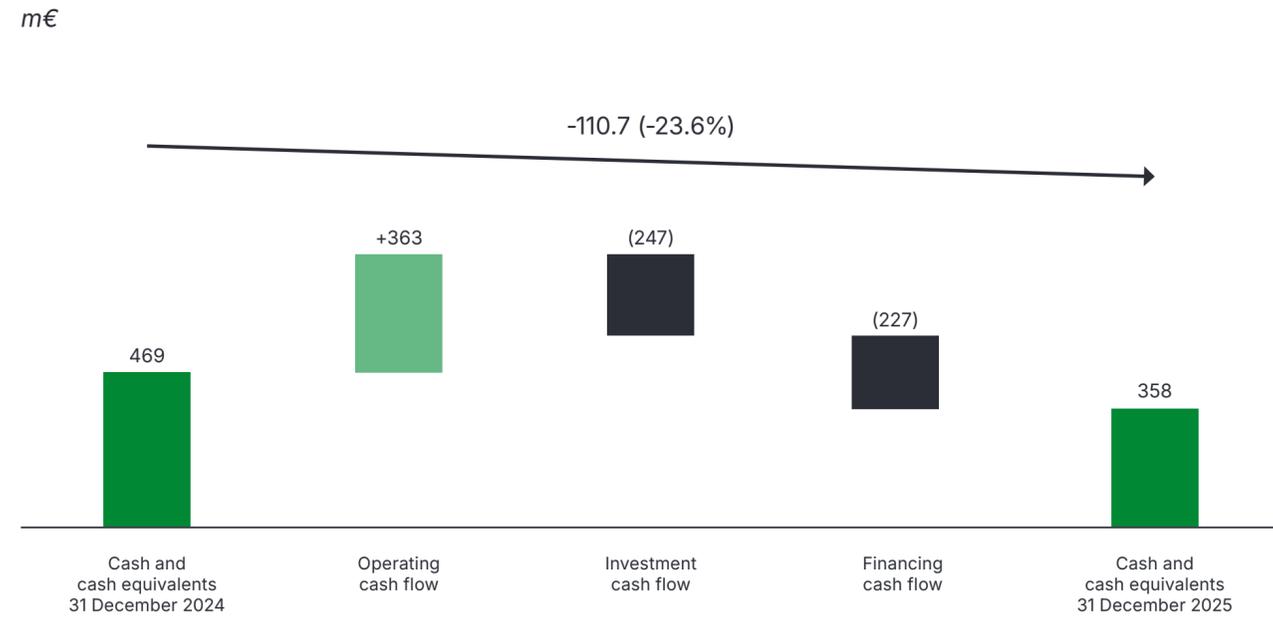


### LIQUID FUNDS

At the end of 2025, the Group had liquid assets (cash and cash equivalents) of €358 million. In addition, the Group had undrawn loans of €520 million, of which €370 million was attributable to the parent company and €150 million to the subsidiary Enefit OÜ (formerly Enefit Green AS).

At the reporting date, the Group had access to undrawn revolving credit facilities totalling €320 million. Of this amount, €270 million was available to the parent company and €50 million was available to the subsidiary Enefit OÜ (formerly Enefit Green AS).

#### Liquidity development in 2025





### INTEREST RATES

At the end of 2025, the weighted average interest rate of Eesti Energia's borrowings was 4.96%.

The Group had fixed-rate borrowings of €131 million and floating-rate borrowings of €1,459 million at the end of 2025 (compared to fixed-rate borrowings of €167 million and floating-rate borrowings of €1,477 million at the end of 2024).

### EQUITY AND FINANCIAL RATIOS

The Group's equity stood at €1,993 million at the end of 2025. Eesti Energia's sole shareholder is the Republic of Estonia.

At the reporting date, the Group's net debt amounted to €1,254 million (compared to €1,201 million at the end of 2024) and the net debt to EBITDA ratio was 3.95 (2024: 3.02), exceeding the target level set out in the financial policy. The long-term goal is to maintain the ratio below 3.5, as required by the Group's financing principles.

### CREDIT RATING

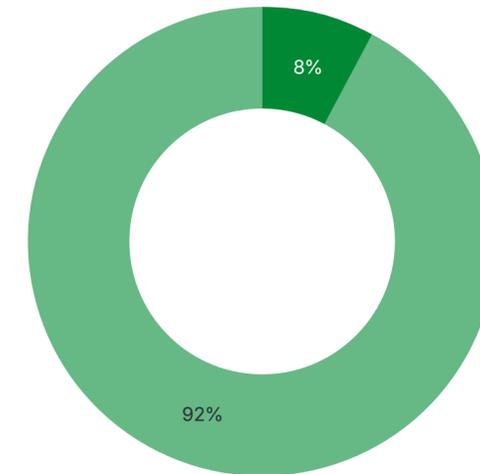
Eesti Energia's current credit ratings are as follows:

- Moody's: Baa3, outlook negative;
- Fitch: BBB-, outlook stable.

Eesti Energia's financial policy aims to maintain an investment-grade credit rating in the long term.

### Loans by interest rates

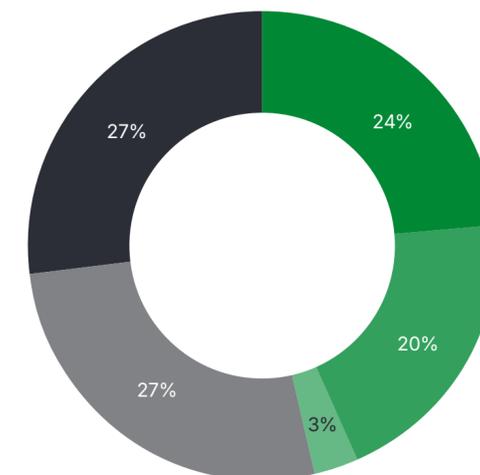
%



Fixed	8%
Variable	92%

### Debt capital provider

%



Syndicate loan	24%
Hybrid bond	20%
Baltic bond	3%
International financial institution loans	27%
Other bank loans	27%



# Outlook for 2026



## Outlook for 2026

In 2025, the Baltic energy sector experienced significant developments and challenges that had a major impact on energy security and prices, as well as the region's transition to a climate-neutral energy system. One of the most notable changes was the synchronisation of the Baltic countries' electricity system with the Continental Europe Synchronous Area, a vital step towards achieving energy independence. Following this, frequency markets opened in the region, shaping the new market situation and increasing the need for grid balancing and dispatchable generation capacities. To ensure a reliable energy supply across the region, a greater focus on system stability and energy security will also be required in 2026.

In 2025, the state confirmed its expectations as the owner of Eesti Energia, emphasising the importance of ensuring the availability of dispatchable production capacities and the reliability of the electricity network. Clear guidelines were provided for strengthening energy security and moving towards climate neutrality. Eesti Energia is operating in line with these objectives, with a focus on completing existing development projects, ensuring security of supply and enhancing the reliability and flexibility of electricity networks. The company also continues to comply with current European Union market organisation requirements regarding 15-minute intervals in electricity trading and settlement. This requires greater accuracy in balance management and supports increased system flexibility.

In addition, discussions are ongoing at the European Union level regarding the 2040 climate target and the design of the post-2030 climate framework, both of which will have a long-term impact on Eesti Energia's investment and production portfolio, as well as the framework for risks related to greenhouse gas emissions.

Eesti Energia's financial performance in 2026 will continue to be impacted by changes in the energy markets, potential regulatory developments, the broader economic landscape in Estonia and abroad, and geopolitical events. While the external environment remains volatile, renewable energy projects in our core markets and portfolio growth will strengthen the company's long-term performance and increase the proportion of production assets with low variable costs.

Following an extensive investment period, in 2026 Eesti Energia will prioritise completing existing development projects and ensuring system reliability. While the volume of investments will be lower than in previous years, improving customer experience will remain a key priority in order to support customers in using energy more efficiently and strengthen the value proposition of our services. This focus is supported by a renewed management structure implemented at the beginning of the year, which distinguishes core activities more clearly and streamlines management processes, enabling us to achieve the objectives set by the owner more effectively.



# Condensed Consolidated Interim Financial Statements

# Condensed Consolidated Interim Income Statement

<i>in million EUR</i>	1 JANUARY - 31 DECEMBER		Note
	2025	2024	
Revenue	1 646.9	1,785.2	4
Other operating income	192.4	107.5	5
Change in inventories of finished goods and work in progress	6.4	14.5	
Raw materials and consumables used	(1,110.3)	(1,180.8)	6
Payroll expenses	(190.6)	(197.1)	
Depreciation, amortization and impairment	(363.8)	(328.5)	8
Other operating expenses	(227.6)	(131.1)	7
<b>OPERATING PROFIT/(LOSS)</b>	<b>(46.6)</b>	<b>69.7</b>	
Finance income	8.4	15.4	
Finance costs	(60.8)	(48.4)	
<b>Net finance costs</b>	<b>(52.4)</b>	<b>(33.0)</b>	
Profit from associates under the equity method	0.9	1.9	
<b>PROFIT/(LOSS) BEFORE TAX</b>	<b>(98.1)</b>	<b>38.6</b>	
Corporate income tax expense	15.5	(25.7)	
<b>PROFIT/(LOSS) FOR THE PERIOD</b>	<b>(82.6)</b>	<b>12.9</b>	
<b>PROFIT/(LOSS) FOR THE PERIOD ATTRIBUTABLE TO:</b>			
Equity holder of the Parent Company	(89.2)	(4.3)	
Non-controlling interest	6.6	17.2	

# Condensed Consolidated Interim Statement of Comprehensive Income

in million EUR	1 JANUARY - 31 DECEMBER		Note
	2025	2024	
<b>PROFIT/(LOSS) FOR THE PERIOD</b>	<b>(82.6)</b>	<b>12.9</b>	
<b>Other comprehensive income/(loss)</b>			
<b>Items that may be reclassified subsequently to profit or loss:</b>			
Revaluation of hedging instruments net of reclassifications to profit or loss	(63.0)	4.0	13
<i>of which share of non-controlling interest</i>	(0.1)	-	13
Impact of comprehensive income/(loss) of associates	(1.1)	(0.9)	13
Exchange differences on the transactions of foreign operations	(1.7)	2.0	13
<i>of which share of non-controlling interest</i>	(0.1)	(0.1)	
<b>Other comprehensive income/(-loss) for the period</b>	<b>(65.8)</b>	<b>5.1</b>	
<b>TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD</b>	<b>(148.4)</b>	<b>18.0</b>	
<b>ATTRIBUTABLE TO:</b>			
<b>Equity holder of the Parent Company</b>	<b>(154.8)</b>	<b>0.9</b>	
<b>Non-controlling interest</b>	<b>6.4</b>	<b>17.1</b>	

# Condensed Consolidated Interim Statement of Financial Position

in million EUR	31 DECEMBER		Note
	2025	2024	
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3,585.9	3,563.8	8
Right-of-use assets	24.0	27.9	
Intangible assets	95.0	93.5	
Prepayments for non-current assets	35.3	61.1	8
Deferred tax assets	18.6	4.2	
Derivative financial instruments	113.6	213.3	9
Investments in associates	65.9	74.9	
Other shares and holdings	0.3	0.3	
Non-current receivables	1.1	3.3	
<b>Total non-current assets</b>	<b>3,939.7</b>	<b>4,042.3</b>	
<b>Current assets</b>			
Inventories	150.8	172.0	
Greenhouse gas allowances and certificates of origin	37.2	74.5	
Trade and other receivables	251.7	282.2	
Derivative financial instruments	43.9	90.0	9
Cash and cash equivalents	358.2	468.9	
<b>Total current assets</b>	<b>841.8</b>	<b>1,087.6</b>	
<b>Total assets</b>	<b>4,781.5</b>	<b>5,129.9</b>	<b>3</b>

in million EUR	31 DECEMBER		Note
	2025	2024	
<b>EQUITY</b>			
<b>Total equity and reserves attributable to equity holder of the parent</b>			
Share capital	846.6	746.6	10
Share premium	259.8	259.8	
Statutory reserve capital	75.0	75.0	
Hybrid bonds	398.5	398.5	
Other reserves	97.4	160.2	13
Retained earnings	313.1	565.5	
<b>Total equity and reserves attributable to equity holder of the parent</b>	<b>1,990.4</b>	<b>2,205.6</b>	
<b>Non-controlling interest</b>	<b>2.2</b>	<b>177.8</b>	
<b>Total equity</b>	<b>1,992.6</b>	<b>2,383.4</b>	
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Borrowings and lease liabilities	1,404.7	1,498.7	11
Deferred tax liabilities	18.5	28.0	
Other payables	6.1	8.0	
Derivative financial instruments	4.9	4.4	9
Contract liabilities and government grants	534.7	467.9	
Provisions	38.4	39.0	12
<b>Total non-current liabilities</b>	<b>2,007.3</b>	<b>2,046.0</b>	
<b>Current liabilities</b>			
Borrowings and lease liabilities	226.6	197.0	11
Payables for EUA transactions	131.2	79.8	
Trade and other payables	292.3	267.5	
Derivative financial instruments	11.4	22.6	9
Contract liabilities and government grants	3.5	2.0	
Provisions	116.6	131.6	12
<b>Total current liabilities</b>	<b>781.6</b>	<b>700.5</b>	
<b>Total liabilities</b>	<b>2,788.9</b>	<b>2,746.5</b>	
<b>Total liabilities and equity</b>	<b>4,781.5</b>	<b>5,129.9</b>	

# Condensed Consolidated Interim Statement of Cash Flows

in million EUR	1 JANUARY - 31 DECEMBER		Note
	2025	2024	
<b>Cash flows from operating activities</b>			
Cash generated from operations	446.7	703.7	14
Interest and loan fees paid	(92.4)	(102.3)	
Interest received	10.6	9.1	
Corporate income tax paid	(2.1)	(8.0)	
<b>Net cash generated from operating activities</b>	<b>362.8</b>	<b>602.5</b>	
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment and intangible assets	(365.9)	(661.6)	
Proceeds from grants related to property, plant and equipment	25.2	38.6	
Proceeds from sale of property, plant and equipment	1.9	1.3	
Dividends received from associates	8.9	4.5	
Loans granted	-	(0.1)	
Repayment of loans granted	0.1	0.3	
Proceeds from sale of shares of subsidiary, net of cash disposed	83.1	17.4	16
Acquisition of financial investments	-	-0,3	
<b>Net cash used in investing activities</b>	<b>(246.7)</b>	<b>(599.9)</b>	

in million EUR	1 JANUARY - 31 DECEMBER		Note
	2025	2024	
<b>Cash flows from financing activities</b>			
Issued bonds (net of bond issuance costs)	49.3	391.7	11
Loans received	126.2	385.0	11
Repayments of bank loans	(230.2)	(400.5)	11
Principal elements of lease liabilities	(2.5)	(2.1)	11
Contribution to the share capital	100.0	-	10
Payment for acquisition of non-controlling interest in a subsidiary	(205.6)	-	15
Dividends paid	(35.0)	(78.7)	10
Coupons on hybrid bonds paid	(31.5)	(7.9)	
Proceeds from realisation of interest rate swaps	2.5	4.3	
<b>Net cash generated from/ (used in) financing activities</b>	<b>(226.8)</b>	<b>291.8</b>	
<b>Net cash flows</b>			
Cash and cash equivalents at the beginning of the period	468.9	174.5	
Cash and cash equivalents at the end of the period	358.2	468.9	
<b>Net change in cash and cash equivalents</b>	<b>(110.7)</b>	<b>294.4</b>	

# Condensed Consolidated Interim Statement of Changes in Equity

ATTRIBUTABLE TO EQUITY HOLDER OF THE COMPANY

<i>in million EUR</i>	Share capital	Share premium	Statutory reserve capital	Hybrid bonds	Other reserves	Retained earnings	Total	Non-controlling interest	Total equity	Note
<b>Equity as at 31 December 2023</b>	<b>746.6</b>	<b>259.8</b>	<b>75.0</b>	-	<b>155.0</b>	<b>656.5</b>	<b>1,892.9</b>	<b>167.2</b>	<b>2,060.1</b>	
(Loss)/profit for the year	-	-	-	-	-	(4.3)	(4.3)	17.2	12.9	
Other comprehensive income/(loss) for the year	-	-	-	-	5.2	-	5.2	(0.1)	5.1	
<b>Total comprehensive income/(loss) for the year</b>	-	-	-	-	<b>5.2</b>	<b>(4.3)</b>	<b>0.9</b>	<b>17.1</b>	<b>18.0</b>	
Hybrid bonds	-	-	-	391.7	-	-	391.7	-	391.7	
Coupons on bonds	-	-	-	6.8	-	(14.7)	(7.9)	-	(7.9)	
Dividends paid	-	-	-	-	-	(72.0)	(72.0)	(6.5)	(78.5)	10
<b>Total distributions to owners of the company, recognised directly in equity</b>	-	-	-	<b>398.5</b>	-	<b>(86.7)</b>	<b>311.8</b>	<b>(6.5)</b>	<b>305.3</b>	
<b>Equity as at 31 December 2024</b>	<b>746.6</b>	<b>259.8</b>	<b>75.0</b>	<b>398.5</b>	<b>160.2</b>	<b>565.5</b>	<b>2,205.6</b>	<b>177.8</b>	<b>2,383.4</b>	
(Loss)/profit for the year	-	-	-	-	-	(89.2)	(89.2)	6.6	(82.6)	
Total comprehensive loss for the year	-	-	-	-	(65.6)	-	(65.6)	(0.2)	(65.8)	
<b>Total comprehensive income/(loss) for the year</b>	-	-	-	-	<b>(65.6)</b>	<b>(89.2)</b>	<b>(154.8)</b>	<b>6.4</b>	<b>(148.4)</b>	
Increase of share capital	100.0	-	-	-	-	-	100.0	-	100.0	10
Acquisition of non-controlling interest of subsidiary	-	-	-	-	2.8	(27.4)	(24.6)	(181.0)	(205.6)	15
Correction of previous periods	-	-	-	-	-	(70.3)	(70.3)	-	(70.3)	9
Coupons on hybrid bonds paid	-	-	-	-	-	(31.5)	(31.5)	-	(31.5)	
Dividends paid	-	-	-	-	-	(34.0)	(34.0)	(1.0)	(35.0)	10
<b>Total distributions to owners of the company, recognised directly in equity</b>	<b>100.0</b>	-	-	-	<b>2.8</b>	<b>(163.2)</b>	<b>(60.4)</b>	<b>(182.0)</b>	<b>(242.4)</b>	
<b>Equity as at 31 December 2025</b>	<b>846.6</b>	<b>259.8</b>	<b>75.0</b>	<b>398.5</b>	<b>97.4</b>	<b>313.1</b>	<b>1,990.4</b>	<b>2.2</b>	<b>1,992.6</b>	



# Notes to the Condensed Interim Consolidated Financial Statements

## 1. Accounting policies

These condensed consolidated interim financial statements are prepared in accordance with IAS 34 Interim Financial Reporting as adopted in European Union. The condensed consolidated interim financial statements should be read in conjunction with the consolidated financial statements for the year ended 31 December 2024, which have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.

Accounting policies and presentation of information applied to this interim report were consistent with those used in the consolidated financial statements for the financial year that ended on 31 December 2024.

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. In preparing these condensed consolidated interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2024.

The information contained in the interim financial statements has not been audited.

## 2. Financial risk management

### 2.1. FINANCIAL RISKS

The Group's activities are exposed to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize adverse effects on the Group's financial performance. The Group uses derivative financial instruments to hedge certain risk exposures. The purpose of financial risk management is to mitigate financial risks and minimize the volatility of financial results. The risk and internal audit department under the Chairman of the Management Board and the Audit Committee are engaged in risk management and responsible for the development, implementation, and maintenance of the Group's risk management system. The Group's financial risks are managed in accordance with the principles established by the Management Board at the Group level. The Group's liquidity, interest rate and currency risks are managed in the finance department of the parent company.

The condensed consolidated interim financial statements do not include all financial risk management information and disclosures required in the annual financial statements; they should be read in conjunction with the Group's annual consolidated financial statements as at 31 December 2024.

### 2.2. INTEREST RATE SWAPS

Interest rate swaps usually involve the exchange of a floating interest rate for a fixed rate (or vice versa) with a purpose to hedge against the cash flow fluctuations. An economic relationship exists between the hedging instruments (interest rate swaps) and the hedged items (loan agreements), because as at 31 December 2025 the critical terms of all interest rate swaps matched the terms of the loan agreements (notional amounts, currencies, maturities, payment schedules). Future hedging transactions are entered into with a hedge ratio of one to one. The Group tests hedge effectiveness

by using the hypothetical derivative method and compares the changes in the fair value of interest rate swaps with the changes in the fair value of loan agreements.

#### Potential sources of hedge ineffectiveness are the following:

- A change in the credit risk of the Group or the counterparty of the interest rate swap. The impact of credit risk may cause an imbalance in the economic relationship between the hedged item and the hedging instrument. According to the assessment of the Group's management, it is highly unlikely that changes in credit risk would cause significant hedge ineffectiveness.

Fair value is calculated using a third-party model which is confirmed by the transaction partner. On the basis of the Group's internal calculations, the fair value of interest rate swaps is determined as the present value of the expected future cash flows based on the Euribor forward curves derived from observable market data. The fair value measurement takes into account the credit risk of the Group and the counterparty, which is calculated on the basis of credit spreads derived from credit default swaps or bond prices. The fair value of interest rate swaps qualifies as a level 2 measurement in the fair value hierarchy.

#### As at 31 December 2025, the Group had three interest rate swaps to hedge the interest rate risk of three loans: :

- An interest rate swap with a notional amount of EUR 100.0 million (31 December 2024: EUR 0 million), whereby the Group receives interest at a rate equal to 3-month EURIBOR and pays a fixed rate of interest of 2.36%. The swap is designated to hedge the exposure to the interest rate risk of a floating-rate loan that was drawn down on 4 November 2025. As at 31 December 2025, the loan had not been drawn down.
- An interest rate swap with a notional amount of EUR 40.6 million (31 December 2024: EUR 44.8 million), whereby the Group receives interest at a rate equal to 3-month EURIBOR and pays a fixed rate of interest of 1.049%. The swap is designated to hedge the exposure to the interest rate risk of a floating-rate loan that was drawn down on 24 September 2022.

- An interest rate swap with a notional amount of EUR 28.3 million (31 December 2024: EUR 31.7 million), whereby the Group receives interest at a rate equal to 6-month EURIBOR and pays a fixed rate of interest of 1.125%. The swap is designated to hedge the exposure to the interest rate risk of a floating-rate loan that was drawn down on 30 June 2022.

### 2.3. DERIVATIVES USED TO HEDGE THE RISKS ASSOCIATED WITH THE PURCHASE OF ELECTRICITY

The Group sells electricity to its customers in the retail market. Part of the customers have agreements with fixed rates. To hedge the volatility risk in electricity prices, the Group uses derivatives (futures, forward contracts and long-term power purchase agreements), which are entered into for the purchase of electricity at each hour of trading. Transactions designed to hedge the volatility risk in electricity prices are designated as hedging instruments in cash flow hedges. The underlying hedged item is the risk components of highly probable forecast electricity purchase transactions: TGE Polish base and peak load prices (Polish market) and the Nord Pool system price, and the difference between the system price and the Finnish area price i.e. the price spread (markets other than Poland). Long-term cash-settled power purchase agreements hedge the exposure to the Nord Pool Lithuanian price area. The volumes of derivative instruments entered into to hedge the purchase price risk is driven by the volumes of forecast fixed-price sales transactions. The hedge ratio of the hedging relationships is one to one.

### 2.4. DERIVATIVES USED TO HEDGE THE RISKS ASSOCIATED WITH THE SALE OF NATURAL GAS

The Group sells gas to its customers in the retail market. Part of the customers have agreements with variable rates. The Group uses derivatives (futures and forwards) to hedge the volatility risk in natural

gas prices in the Baltic market. These instruments have been designated as hedging instruments in cash flow hedges.

To hedge the price risk associated with natural gas obtained from Inčukalns at a fixed rate and sold to customers in the Baltic countries under long-term floating-price agreements, the Group enters into derivative transactions to convert the fixed price of gas obtained from Inčukalns into a floating price. The underlying hedged item is highly probable forecast gas sales transactions (purchase to warehouse for fixed price) that are priced against the TTF ICE Endex Futures which are determined by the volumes required by floating-price customers. The hedge ratio of the hedging relationships is one to one.

### 2.5. DERIVATIVES USED TO HEDGE THE RISKS ASSOCIATED WITH THE PURCHASE OF NATURAL GAS

The Group sells natural gas to its customers in the retail market. Part of the customers have agreements with fixed rates. The Group uses derivatives (futures and forwards) to hedge the volatility risk in natural gas prices in the Polish market, which are entered into for the purchase of a specific amount of gas in each month. Transactions designed to hedge the volatility risk in gas prices are designated as hedging instruments in cash flow hedges. The underlying hedged item is the risk component of highly probable forecast gas purchase transactions: the purchase price of natural gas on the Polish power exchange TGE.

The volume of derivative instruments entered into to hedge the price risk associated with the natural gas purchases in Poland depends on the natural gas sales volumes which are determined by volumes required by customers under long-term fixed-price agreements. Consistent with the Group's hedging strategy, derivative contracts are concluded for the next three years and allowed net open position is 5% of the volumes of highly probable forecast purchase transactions. The hedge ratio of the hedging relationships is one to one.

## 2.6. DERIVATIVES USED TO HEDGE THE RISKS ASSOCIATED WITH THE SALE OF SHALE OIL AND SHALE OIL GASOLINE

The Group has shale oil production facilities in Estonia and it sells the produced shale oil and shale oil gasoline in the global energy markets. The Group uses derivatives (futures and swaps) to hedge the volatility risk in the prices of shale oil and shale gasoline. In these transactions, the counterparty undertakes to pay the difference between a fixed price and the market price in a given period of time. According to the Group's hedging policy, the purpose of hedging is to secure a predefined level of revenue from future sales. Contracts are concluded for the sale of specific amounts of shale oil and shale oil gasoline in future periods and they are designated as hedging instruments in cash flow hedges. The underlying hedged item is the risk component of highly probable forecast shale oil sales transactions: heavy fuel oil with 1% sulphur content or its separately identifiable subcomponents. For shale oil gasoline, the underlying hedged item is the risk component of highly probable forecast shale gasoline sale transactions: Naphtha Cargoes CIF NWE, or its separately identifiable subcomponents. The volume of derivative transactions entered into to hedge the price risk of the sale of shale oil and shale oil gasoline depends on long-term sales contracts signed for future periods and the production plan. Consistent with the Group's hedging strategy, derivative contracts are concluded for the next two years to the extent of up to 80% of the volumes of highly probable forecast sales transactions. The percentage of hedged sales volumes is higher for the years closer to the reporting date, due to the liquidity of the derivatives and the Group's hedging strategy. The hedge ratio of the hedging relationships is one to one.

## 2.7. FAIR VALUE

The Group estimates that the fair values of financial assets and liabilities reported at amortized cost in the statement of financial position as of 31 December 2025 and 31 December 2024 do not materially differ from the carrying amounts reported in the consolidated financial statements. For disclosure purposes, the fair value of financial liabilities is determined by discounting the contractual cash flows at the market interest rate which is available for similar financial instruments of the Group.

**The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:**

- quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly (Level 2);
- inputs for the asset or liability that are not based on observable market data (Level 3).

The following tables present the Group's assets and liabilities that are measured at fair value by the level in the fair value hierarchy as at 31 December 2025 and 31 December 2024:

In million EUR									
31 DECEMBER 2025									
	ASSETS				LIABILITIES				Total
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	
<b>Cash flow hedges</b>									
Future, forward and long-term PPA contracts to purchase electricity	2.5	6.0	95.5	104.0	-	1.9	2.3	4.1	
Future and forward contracts to purchase natural gas	-	-	-	-	6.1	-	-	6.1	
Interest rate swap	-	1.5	-	1.5	-	0.2	-	0.2	
<b>Total cash flow hedges</b>	<b>2.5</b>	<b>7.5</b>	<b>95.5</b>	<b>105.5</b>	<b>6.1</b>	<b>2.1</b>	<b>2.3</b>	<b>10.4</b>	
<b>Trading derivatives</b>									
Future, forward and long-term PPA contracts to purchase electricity	0.9	1.7	39.6	42.2	-	1.1	0.5	1.6	
Future and forward contracts to purchase natural gas	-	-	-	-	0.7	-	-	0.7	
Swap and forward contracts for sale of shale oil	5.4	-	-	5.4	-	-	-	-	
Swap and forward contracts for sale of shale oil gasoline	0.3	-	-	0.3	-	-	-	-	
Guarantee of origin	-	-	4.2	4.2	-	-	3.6	3.6	
<b>Total trading derivatives</b>	<b>6.6</b>	<b>1.7</b>	<b>43.8</b>	<b>52.1</b>	<b>0.7</b>	<b>1.1</b>	<b>4.1</b>	<b>5.9</b>	
<b>Total derivative financial instruments (Notes 2.1, 2.7 and 13)</b>	<b>9.1</b>	<b>9.1</b>	<b>139.3</b>	<b>157.5</b>	<b>6.8</b>	<b>3.1</b>	<b>6.4</b>	<b>16.3</b>	

In million EUR									
31 DECEMBER 2024									
	ASSETS				LIABILITIES				Total
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	
<b>Cash flow hedges</b>									
Future, forward and long-term PPA contracts to purchase electricity	-	32.6	132.8	165.4	13.4	0.8	-	14.2	
Future and forward contracts to purchase natural gas	3.6	-	-	3.6	-	-	-	-	
Swap and forward contracts for sale of shale oil	-	-	-	-	1.9	-	-	1.9	
Interest rate swap	-	5.8	-	5.8	-	-	-	-	
<b>Total cash flow hedges</b>	<b>3.6</b>	<b>38.4</b>	<b>132.8</b>	<b>174.8</b>	<b>15.3</b>	<b>0.8</b>	<b>-</b>	<b>16.1</b>	
<b>Trading derivatives</b>									
Future, forward and long-term PPA contracts to purchase electricity	-	10.0	113.6	123.6	-	4.2	-	4.2	
Future and forward contracts to purchase natural gas	1.8	-	-	1.8	-	-	-	-	
Swap and forward contracts for sale of shale oil	0.1	-	-	0.1	0.2	-	-	0.2	
Swap and forward contracts for sale of shale oil gasoline	0.1	-	-	0.1	0.8	-	-	0.8	
Guarantees of origin	-	-	2.9	2.9	-	-	5.6	5.6	
Other derivatives	-	-	-	-	0.1	-	-	0.1	
<b>Total trading derivatives</b>	<b>2.0</b>	<b>10.0</b>	<b>116.5</b>	<b>128.5</b>	<b>1.1</b>	<b>4.2</b>	<b>5.6</b>	<b>10.9</b>	
<b>Total derivative financial instruments (Notes 2.1, 2.7 and 13)</b>	<b>5.6</b>	<b>48.4</b>	<b>249.3</b>	<b>303.3</b>	<b>16.4</b>	<b>5.0</b>	<b>5.6</b>	<b>27.0</b>	

## 2.7. FAIR VALUE, CONT.

### Financial instruments within level 1

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price. The Group's derivatives that are traded on Nasdaq OMX, ICE, Platts European Marketscani (for spot prices), TGE, Argus and EEX exchanges, are classified as Level 1 instruments. The fair values of forwards, swaps and futures are determined on the basis of their spot prices at the reporting date.

### Financial instruments within level 2

The fair value of financial instruments that are not traded in an active market are determined using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on entity specific estimates. An instrument is included in level 2 if all the significant inputs required to establish the fair value of the instrument are observable. If one or more significant inputs are not based on observable market data, an instrument is included in level 3. The values of the Group's derivatives arising from Baltic electricity and interest rate swap transactions is calculated using valuation techniques, which are based on the quotations of Nasdaq OMX and the interbank swap market at the reporting date.

### Financial instruments within level 3

The fair value of financial instruments that are not traded in an active market are determined using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on entity specific estimates. An instrument is included in level 3 if one or more significant inputs are not based on observable market data. The Group classifies derivatives over guarantees of origin (green certificates) and power purchase agreements (PPAs) as level 3 financial instruments.

The financial risk management department of the Group performs the valuations of derivative items required for financial reporting purposes, including level 3 fair values. This team reports directly to the financial risk committee who approves the valuation technique. Discussions of valuation processes and results are held between the financial risk committee and the valuation team at least once every quarter, in line with the Group's quarterly reporting periods.

### Level 3 instruments

<i>In million EUR</i>	31 DECEMBER 2025	31 DECEMBER 2024
Long-term PPAs	132.3	246.4
Concluded derivatives for Guarantees of Origin	0.6	(2.7)
<b>Total</b>	<b>132.9</b>	<b>243.7</b>

The fair value of PPAs is calculated using a valuation technique, which is based on the forecasts future period electricity prices. The technique combines market-based inputs for the Nord Pool system price and Helsinki EPAD, as quoted on Nasdaq OMX at the balance sheet date, with unobservable inputs such as actual production and consumption data of market participants, market prices of fuel inputs (CO<sub>2</sub>, gas, coal), data of plant and/ or cable outages, knowledge of future developments. The fair value calculations are made on a monthly basis.

The fair value of level 3 derivatives of guarantees of origin (GoOs) is calculated using a valuation technique, which is based on the bid and ask quotations of traders in GoOs. The fair value calculations are made on a daily basis.



### Level 3 instruments

<i>In million EUR</i>	Cash flow hedges	Derivatives held for trading
<b>Opening balance as at 1 January 2024</b>	<b>149.9</b>	<b>133.5</b>
Loss recognized in other comprehensive income	(30.9)	-
Cash settlements	13.8	-
Gains recognized in other operating income	-	14.4
Loss recognized in other operating expense	-	(37.0)
<b>Closing balance as at 31 December 2024</b>	<b>132.8</b>	<b>110.9</b>
Loss recognized in other comprehensive income	(57.7)	-
Cash settlements	17.9	-
Reclassification of ineffective portion	0.2	-
Gains recognized in other operating income	-	12.4
Loss recognized in other operating expense	-	(13.1)
Reclassification*	-	(70.5)
<b>Closing balance as at 31 December 2025</b>	<b>93.2</b>	<b>39.7</b>

\* For further information, refer to Note 9 – Derivative financial instruments.

Gains recognized in other comprehensive income are accounted for within Revaluation of hedging instruments net of reclassifications to profit or loss. Gains recognized in other income are accounted for within Gain from revaluation of derivatives.

## 2.8. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES MEASURED AT AMORTIZED COST

The bonds are denominated in euros and listed on the Baltic Bond List of the Nasdaq Tallinn Stock Exchange. In determining the market value of the bonds, inputs corresponding to level 1 of the fair value hierarchy have been used. The fair values of the bank loans with a fixed interest rate were determined based on discounted cash flows using a discount rate of 2.986% (2024: 3.110%), that are within level 2 of the fair value hierarchy. The discount rates are calculated based on interpolated interest rate swaps, considering the average length of years to the repayment date(s). Management estimates that the fair values of the loans with floating interest rates do not differ from their carrying amounts as at the end of the reporting period, as the risk margins have not changed.

### Other financial assets and liabilities of which fair value is approximate to their carrying amount:

- Trade and other receivables
- Cash and cash equivalents
- Trade and other payables.

### Fair value of bonds and bank loans:

<i>in million EUR</i>	31 DECEMBER 2025	31 DECEMBER 2024
Nominal value of bonds	50.0	-
Market value of bonds based on quoted sales price	50.9	-
Nominal value of bank loans with fixed interest rate	12.4	24.7
Fair value of bank loans with fixed interest rate	12.3	24.0
Nominal value of bank loans with floating interest rate (hedged by IRS)	68.9	142.4
Fair value of bank loans with floating interest rate (hedged by IRS)	68.9	142.4
Nominal value of bank loans with floating interest rate	1,459.5	1,473.3
Fair value of bank loans with floating interest rate	1,459.5	1,473.3

### 3. Segment reporting

For the purposes of monitoring the Group's performance and making management decisions, the Management Board uses product-based reporting. The Group has determined main products and services, i.e. value-creating units that generate external revenues and profit, and built up a methodology of allocating revenues, expenses, and assets to the products.

The Group has distinguished four main products and services, which are presented as separate reportable segments, and a number of minor products and services, which are presented together within other segments:

1. renewable energy and electricity sales (renewable electricity generation, electricity sales and energy trading);
2. non-renewable electricity production (electricity generation from non-renewable sources);
3. distribution (sale of network services in the regulated market and sale of additional services by Elektrilevi);
4. shale oil (shale oil production and sale);
5. other products and services (including sale of natural gas, heat, industrial equipment and ancillary services, other products and services sale).

The non-renewable electricity production segment includes the generation of electricity from non-renewable sources, such as oil shale and waste fuel. All other activities related to the generation and sale of electricity, including the generation of electricity from renewable sources, the sale of electricity to retail customers and the trading of electricity on the wholesale market, are included in the renewable energy and electricity sales segment.

The segment of other products and services includes by-products and services whose individual share of the Group's revenue and EBITDA is immaterial. None of these products and services meet the quantitative thresholds that would require separate reporting disclosures.

Segment revenues include revenues from external customers only, generated by the sale of respective products or services. As the segments are based on externally sellable products and services (as opposed to legal entities), there are no transactions between segments to be eliminated.

All operating expenses of the Group are allocated to the products and services to which they relate. If a product (e.g. electricity) is created by several Group entities in a vertically integrated chain, then the related expenses include the production cost of each entity involved in preparation of the product (e.g. the cost of electricity includes the cost of oil shale used for its production). Group overheads are allocated to products and services proportionally to the revenue generated in relation to these costs.

The Management Board assesses the performance of the segments primarily based on EBITDA and it also monitors operating profit. Finance income and expenses, and income tax are not allocated to the segments. EBITDA is not a defined performance measure under IFRS. The Group's definition of EBITDA may not be comparable with similarly titled performance measures and disclosures by other entities.

The Group's assets are allocated to the segments based on their purpose of use. Liabilities are not allocated to the segments as they are managed centrally by the Group's finance department.

The sales prices of network charges need to be approved by the Estonian Competition Authority as stipulated by the Electricity Market Act of Estonia. The Estonian Competition Authority has an established methodology for approving the prices that considers the costs necessary to fulfil the legal obligations and ensures justified profitability on invested capital. Generally, the Estonian Competition Authority considers the annual average carrying amount of non-current assets plus 5% of external sales revenue as invested capital. The rate for justified profitability is the Company's weighted average cost of capital (WACC). The sales prices for all other segments are not regulated by the law.

Also, according to the District Heating Act the heating undertakings which sell heat to customers or to network operators who sell heat to customers or produce heat in the process of combined generation of heat and power must obtain the approval of the Competition Authority regarding the maximum price of the heat to be sold.

## Revenue

The revenue from external customers reported to the management board of the Parent Company is measured in a manner consistent with that in the consolidated income statement.

<i>in million EUR</i>	31 DECEMBER 2025	31 DECEMBER 2024
<b>Revenue from external customers</b>		
Renewable energy and electricity sales	751.5	901.3
Non-renewable electricity production	174.8	205.2
Distribution	321.5	305.7
Shale oil	150.0	178.6
<b>Total reportable segments</b>	<b>1,397.8</b>	<b>1,590.8</b>
Other products and services	249.1	194.4
<b>Total (Note 4)</b>	<b>1,646.9</b>	<b>1,785.2</b>

## Assets

<i>in million EUR</i>	31 DECEMBER 2025	31 DECEMBER 2024
Renewable energy and electricity sales	1,972.6	2,147.0
Non-renewable electricity production	199.5	213.8
Distribution	1,775.4	1,672.3
Shale oil	471.7	656.1
<b>Total reportable segments</b>	<b>4,419.2</b>	<b>4,689.2</b>
Other products and services	362.3	440.7
<b>Total</b>	<b>4,781.5</b>	<b>5,129.9</b>

The asset impairments recognized in 2025 and 2024 were distributed across segments as follows:

<i>in million EUR</i>	1 JANUARY – 31 DECEMBER	
	2025	2024
Renewable energy and electricity sales	1.0	0.4
Non-renewable electricity production	1.1	16.8
Distribution	1.2	-
Shale oil	193.7	145.8
<b>Total reportable segments</b>	<b>197.0</b>	<b>163.0</b>
Other products and services	0.6	8.1
<b>Total</b>	<b>197.6</b>	<b>171.1</b>

## EBITDA

<i>in million EUR</i>	1 JANUARY – 31 DECEMBER	
	2025	2024
Renewable energy and electricity sales	87.2	160.3
Non-Renewable electricity production	(13.3)	18.0
Distribution	132.3	107.9
Shale oil	47.3	115.6
<b>Total reportable segments</b>	<b>253.5</b>	<b>401.8</b>
Other products and services	63.7	(3.6)
<b>Total</b>	<b>317.2</b>	<b>398.2</b>
Depreciation, amortisation and impairment	(363.8)	(328.5)
Net finance costs	(52.4)	(33.0)
Profit from associates using equity method	0.9	1.9
<b>Profit before tax</b>	<b>(98.1)</b>	<b>38.6</b>

\* EBITDA: profit before finance income and costs, profit (loss) from associates under the equity method, tax, depreciation, amortization and impairment losses

### Other profit and loss disclosures

Interest income and expenses, corporate income tax expense and profit (loss) from associates under equity method are not divided between segments and the information is not provided to the Management Board of the parent company.

<i>in million EUR</i>							
1 JANUARY – 31 DECEMBER 2025							
	Change in inventories of finished goods and work-in-progress	Raw materials and consumables used (Note 6)	Payroll expenses	Other operating expenses (Note 7)	Depreciation and amortisation (Note 8)	Recognition (+) and reversal of provisions (-) (Note 12)	
Renewable energy and electricity sales	0.2	(622.7)	(35.9)	(63.1)	(44.3)	3.8	
Non-renewable electricity production	4.3	(148.1)	(38.5)	(13.1)	(11.3)	88.4	
Distribution	-	(133.8)	(43.2)	(12.2)	(62.3)	0.1	
Shale oil	1.9	(66.8)	(37.2)	(8.4)	(215.3)	7.3	
<b>Total reportable segments</b>	<b>6.4</b>	<b>(971.4)</b>	<b>(154.8)</b>	<b>(96.8)</b>	<b>(333.2)</b>	<b>99.6</b>	
Other products and services	-	(138.9)	(35.8)	(130.8)	(30.6)	9.8	
<b>Total</b>	<b>6.4</b>	<b>(1,110.3)</b>	<b>(190.6)</b>	<b>(227.6)</b>	<b>(363.8)</b>	<b>109.4</b>	

<i>in million EUR</i>							
1 JANUARY – 31 DECEMBER 2024							
	Change in inventories of finished goods and work-in-progress	Raw materials and consumables used (Note 6)	Payroll expenses	Other operating expenses (Note 7)	Depreciation and amortisation (Note 8)	Recognition (+) and reversal of provisions (-) (Note 12)	
Renewable energy and electricity sales	-	(688.6)	(32.8)	(52.1)	(37.7)	3.8	
Non-renewable electricity production	2.2	(168.4)	(34.5)	(10.0)	(26.8)	105.1	
Distribution	-	(144.9)	(40.6)	(12.3)	(59.9)	-	
Shale oil	12.4	(13.8)	(51.9)	(19.2)	(171.9)	(52.5)	
<b>Total reportable segments</b>	<b>14.5</b>	<b>(1,015.7)</b>	<b>(159.8)</b>	<b>(93.6)</b>	<b>(296.3)</b>	<b>56.4</b>	
Other products and services	-	(165.1)	(37.3)	(37.5)	(32.2)	13.2	
<b>Total</b>	<b>14.5</b>	<b>(1,180.8)</b>	<b>(197.1)</b>	<b>(131.1)</b>	<b>(328.5)</b>	<b>69.6</b>	

## 4. Revenue

<i>in million EUR</i>	1 JANUARY – 31 DECEMBER	
	2025	2024
<b>Revenue from contracts with customers</b>		
<b>By activity</b>		
<b>Sale of goods</b>		
Shale oil	142.1	189.7
Shale rock	0.1	-
Other goods	4.4	4.3
<b>Total sale of goods</b>	<b>146.6</b>	<b>194.0</b>
<b>Sale of services</b>		
Electricity (over time)	938.1	1 113.4
Sales of services related to network (over time)	360.7	304.9
Gas energy (over time)	94.1	110.3
Heat (over time)	38.4	33.8
Waste reception and resale (in time)	14.0	15.0
Rental and maintenance income (over time)	1.0	0.9
Other services	45.6	24.0
<b>Total sale of services</b>	<b>1,491.9</b>	<b>1,602.3</b>
<b>Total revenue from contracts with customers</b>	<b>1,638.5</b>	<b>1,796.3</b>
<b>Reclassifications from other comprehensive income</b>		
Realisation of shale oil cash flow hedges	7.9	(11.1)
Realisation of electricity cash flow hedges	0.5	-
<b>Total reclassifications from other comprehensive income</b>	<b>8.4</b>	<b>(11.1)</b>
<b>Total revenue (Note 3)</b>	<b>1,646.9</b>	<b>1,785.2</b>

## 5. Other operating income

<i>in million EUR</i>	1 JANUARY – 31 DECEMBER	
	2025	2024
Sale of greenhouse gas emission allowances	99.7	-
Gain from revaluation of derivatives	66.0	56.8
Renewable energy grant	12.1	22.5
Fines, penalties and compensations	10.2	19.1
Government grants	2.7	1.8
Gain from sales of business (Note 16)	-	4.2
Gain on disposal of property, plant and equipment	1.0	0.6
Foreign exchange gain	0.2	-
Other operating income	0.5	2.5
<b>Total other operating income</b>	<b>192.4</b>	<b>107.5</b>

## 6. Raw materials and consumables used

<i>in million EUR</i>	1 JANUARY – 31 DECEMBER	
	2025	2024
Electricity	644.1	715.5
Greenhouse gases emissions expense	107.1	60.4
Gas bought for resale	85.0	103.9
Transmission services	68.0	78.6
Maintenance and repairs	56.3	63.9
Technological fuel	49.4	49.3
Materials and spare parts	37.5	34.2
Purchased works and services	24.9	25.0
Resource tax on mineral resources	16.1	22.5
Environmental pollution charges	13.5	11.6
Recognition of environmental and mining termination provisions	(1.5)	5.1
Other raw materials and consumables used	9.9	10.8
<b>Total raw materials and consumables used (Note 3)</b>	<b>1,110.3</b>	<b>1,180.8</b>

## 7. Other operating expenses

<i>in million EUR</i>	1 JANUARY – 31 DECEMBER	
	2025	2024
Sold greenhouse gas emission allowances	99.9	-
Loss from revaluation of derivatives	44.4	64.8
Miscellaneous office expenses	20.1	18.6
Consultation	9.2	8.4
Insurance	8.9	7.5
Building and structure costs	7.8	6.9
Loss on disposal of subsidiary (Note 16)	6.2	-
Rental expense	5.7	5.6
Taxes	3.6	3.4
Research and development costs	4.8	2.9
Compensations	0.4	1.4
Other operating expenses	16.6	11.6
<b>Total other operating expenses (Note 3)</b>	<b>227.6</b>	<b>131.1</b>

## 8. Property, plant and equipment

<i>in million EUR</i>	Land	Buildings	Facilities	Machinery and equipment	Other	Construction in progress	Prepayments	TOTAL
<b>Property, plant and equipment as at 31 December 2023</b>								
Cost	94.6	329.4	1,529.2	3,482.6	6.4	798.5	84.5	6,325.2
Accumulated depreciation	-	(218.6)	(690.2)	(2,175.1)	(4.8)	-	-	(3,088.7)
<b>Carrying amount at 31 December 2023</b>	<b>94.6</b>	<b>110.8</b>	<b>839.0</b>	<b>1,307.5</b>	<b>1.6</b>	<b>798.5</b>	<b>84.5</b>	<b>3,236.5</b>
<b>Changes in 2024</b>								
Additions	0.4	3.1	7.2	11.0	1.4	675.6	6.6	705.3
Refund of overpaid connection fees	-	-	-	-	-	(2.2)	-	(2.2)
Depreciation charge (Note 3)	-	(4.9)	(37.5)	(102.9)	(0.7)	-	-	(146.0)
Impairment loss (Note 3)	(2.0)	(3.2)	(11.5)	(39.7)	(0.1)	(114.2)	-	(170.7)
Disposals (at carrying amount)	(0.2)	-	-	(1.5)	-	-	-	(1.7)
Recognition of provision (Note 12)	-	-	-	2.1	-	-	-	2.1
Effects on movements in foreign exchange rates	0.2	-	-	0.3	-	0.1	-	0.6
Transfers	0.1	10.4	108.2	152.6	0.6	(240.9)	(30.0)	1.0
<b>Total changes in 2024</b>	<b>(1.5)</b>	<b>5.4</b>	<b>66.4</b>	<b>21.9</b>	<b>1.2</b>	<b>318.4</b>	<b>(23.4)</b>	<b>388.4</b>
<b>Property, plant and equipment as at 31 December 2024</b>								
Cost	93.1	342.9	1,639.1	3,638.5	8.2	1,116.9	61.1	6,899.8
Accumulated depreciation	-	(226.7)	(733.7)	(2,309.1)	(5.4)	-	-	(3,274.9)
<b>Carrying amount at 31 December 2024</b>	<b>93.1</b>	<b>116.2</b>	<b>905.4</b>	<b>1,329.4</b>	<b>2.8</b>	<b>1,116.9</b>	<b>61.1</b>	<b>3,624.9</b>
<b>Changes occurred in 2025</b>								
Additions	0.3	-	4.5	12.2	0.5	417.8	8.5	443.8
Refund of overpaid connection fees	-	-	-	-	-	(4.3)	(3.5)	(7.8)
Depreciation charge (Note 3)	-	(5.5)	(41.5)	(105.7)	(0.9)	-	-	(153.6)
Impairment loss (Note 3)	-	(27.5)	(7.4)	(40.9)	-	(121.4)	-	(197.2)
Disposals (at carrying amount)	-	-	(0.2)	(0.4)	-	-	-	(0.6)
Disposal of subsidiary (Note 16)	-	-	(12.5)	(74.8)	-	(0.3)	-	(87.6)
Effects on movements in foreign exchange rates	(0.3)	-	-	0.2	-	0.1	-	-
Other changes	-	-	(0.2)	-	-	-	-	(0.2)
Transfers	-	1.6	163.9	460.2	0.1	(595.5)	(30.8)	(0.5)
<b>Total changes occurred in 2025</b>	<b>-</b>	<b>(31.4)</b>	<b>106.6</b>	<b>250.8</b>	<b>(0.3)</b>	<b>(303.6)</b>	<b>(25.8)</b>	<b>(3.7)</b>
<b>Property, plant and equipment as at 31 December 2025</b>								
Cost	93.1	344.3	1,786.2	3,978.3	8.3	813.3	35.3	7,058.8
Accumulated depreciation	-	(259.5)	(774.2)	(2,398.1)	(5.8)	-	-	(3,437.6)
<b>Carrying amount at 31 December 2025 (Note 3)</b>	<b>93.1</b>	<b>84.8</b>	<b>1,012.0</b>	<b>1,580.2</b>	<b>2.5</b>	<b>813.3</b>	<b>35.3</b>	<b>3,621.2</b>

The Group has concluded construction and development contracts, which are not recorded on the balance sheet as a liability, and which are accounted for off-balance sheet. As of 30 December 2025, the Group had obligations arising from these agreements in the amount of EUR 156.6 million (31 December 2024: EUR 548.8 million).

#### **Impairment test performed on the assets of Eesti Energia's new Enefit 280-2 oil plant**

As at 31 December 2025, the carrying amount of the assets of the Enefit 280-2 oil plant that is under construction was EUR 219.9 million (at 31 December 2024 EUR 320.2 million). The recoverable amount of the assets was determined based on value in use. The impairment test indicated the need to recognise an impairment loss of EUR 80.5 million.

The expected future cash flows were discounted using a discount rate of 10.0% (2024: 10.9%). If the discount rate were 1 percentage point higher, the assets would have to be written down by an additional EUR 10.6 million. In performing the test, it was assumed that the useful life of the Enefit 280-2 oil plant would last until 2034 due to the fixed term integrated environmental permit issued for the plant. As a result, certain key units and structural elements will retain a useful life of at least 20 years, generating a cash inflow of EUR 107.9 million in 2035.

The recoverable amount of the oil plant is sensitive to changes in the prices of liquid fuels and emission allowances.

The market price of liquid fuels was forecast based on relevant forward prices and the assessments of third party experts. From 2026 onwards, the forecast price of middle oil (1% FO) ranges between EUR 290–537 per tonne (2024: from 2025 onwards EUR 375–531 per tonne). If the forecast middle oil price were 20% lower than the level applied in the impairment test, the carrying amount of the Enefit 280 2 oil plant's assets would need to be further written down by EUR 93.7 million.

The market price of emission allowances was forecast based on market forward prices, which were subsequently increased by inflation from 2026 onwards. If the forecast emission allowance prices were 20% higher than the level applied in the impairment test, the assets would need to be written down by an additional EUR 4.4 million.

#### **Impairment test performed on the assets of Eesti Energia's Enefit 280-1 oil plant**

As at 31 December 2025, the carrying amount of the assets of the Enefit 280-1 oil plant was EUR 147.8 million (at 31 December 2024 EUR 150.0 million). The recoverable amount of the assets was determined based on value in use. The impairment test indicated the need to recognise an impairment loss of EUR 58.5 million.

The expected future cash flows were discounted using a discount rate of 10.0% (2024: 10.9%). If the discount rate were 1 percentage point higher, the assets would have to be written down by an additional EUR 5.6 million.

## 9. Derivative financial instruments

As from 1 January 2025, the Group applied amendments issued by the IASB to IFRS 9 and IFRS 7 relating to contracts referencing nature-dependent electricity and, as a result, reassessed the accounting treatment of certain electricity purchase contracts. The amendments are effective for reporting periods beginning on or after 1 January 2026; however, early application is permitted. The amendments clarify the application of the own-use exemption for physically settled electricity contracts and simplify certain hedge accounting and related disclosure requirements.

The contracts assessed by the Group are long-term, physically settled electricity purchase agreements entered into for the purpose of meeting the Group's expected operational requirements and supplying electricity to customers. Although, due to the structure of the electricity market, limited sales of unused electricity may occur, management considers such sales to be consistent with own-use accounting, as the Group has been and is expected to remain a net purchaser of electricity.

As a result of the reassessment, management concluded that the contracts meet the criteria for the own-use exemption under the amended standards. Accordingly, from 1 January 2025 the Group no longer accounts for these contracts as derivatives measured at fair value through profit or loss, but instead accounts for them in a manner consistent with ordinary purchase contracts for commodities. As a consequence of the change in accounting policy, derivative receivables amounting to EUR 70.5 million were derecognised as at 1 January 2025, with the effect recognised in retained earnings. Comparative information has not been restated.

For further information, refer to Note 2.7 – Fair value.

in million EUR	31 DECEMBER 2025		31 DECEMBER 2024	
	Assets	Liabilities	Assets	Liabilities
<b>Cash flow hedges</b>				
Future, forward and long-term PPA contracts to purchase electricity	104.0	4.1	165.4	14.2
Future and forward contracts to purchase natural gas	-	6.1	3.6	-
Swap and forward contracts for sale of shale oil	-	-	-	1.9
Interest rate swap	1.5	0.2	5.8	-
<b>Total cash flow hedges</b>	<b>105.5</b>	<b>10.4</b>	<b>174.8</b>	<b>16.1</b>
<b>Trading derivatives</b>				
Future, forward and long-term PPA contracts to purchase electricity	42.2	1.5	123.6	4.2
Future and forward contracts to purchase natural gas	-	0.7	1.8	-
Swap and forward contracts for sale of shale oil	5.3	-	0.1	0.2
Swap and forward contracts for sale of shale oil gasoline	0.3	-	0.1	0.8
Guarantees of origin	4.2	3.6	2.9	5.6
Other derivatives	-	-	-	0.1
<b>Total trading derivatives</b>	<b>52.1</b>	<b>5.9</b>	<b>128.5</b>	<b>10.9</b>
<b>Total derivative financial instruments (Notes 2.1, 2.7 and 13)</b>	<b>157.5</b>	<b>16.3</b>	<b>303.3</b>	<b>27.0</b>
<b>Including non-current portion</b>				
Cash flow hedges	74.5	2.3	114.6	1.3
Trading derivatives	39.1	2.6	98.7	3.1
<b>Total non-current portion</b>	<b>113.6</b>	<b>4.9</b>	<b>213.3</b>	<b>4.4</b>
<b>Including current portion</b>				
Cash flow hedges	31.0	8.1	71.6	17.7
Trading derivatives	12.9	3.3	18.4	4.9
<b>Total current portion</b>	<b>43.9</b>	<b>11.4</b>	<b>90.0</b>	<b>22.6</b>



## 10. Share capital and dividends

As at 31 December 2025, Eesti Energia AS had 846 645 750 registered shares (31 December 2024: 746 645 750 registered shares). The nominal value of each share is 1 euro.

In 2025, Eesti Energia AS paid the Republic of Estonia dividends of EUR 34.0 million, i.e. EUR 0.04 per share (2024: of EUR 72.0 million dividends, i.e. EUR 0.1 per share were paid). The payment was made on 1 December 2025.

In accordance with the decision of the Government of the Republic dated 3 June 2025, the share capital of Eesti Energia AS was increased by a monetary contribution of EUR 100.0 million. The share capital was increased through the issuance of 100 million new shares with a nominal value of EUR 1 each. The share capital increase was registered with the Commercial Register on 9 July 2025.

## 11. Borrowings at amortized cost

During the reporting period, Eesti Energia AS issued bonds with a nominal value of EUR 50.0 million, maturing in 2028. The bonds bear a fixed interest rate of 5.0%. The transaction costs related to the bond issuance amounted to EUR 0.7 million.

As at 31 December 2025, the Group had undrawn loan facilities of EUR 520.0 million (31 December 2024: EUR 485.0 million).

in million EUR	Short-term borrowings			Long-term borrowings		TOTAL
	Bank loans	Lease liabilities	Bonds issued	Bank loans	Lease liabilities	
<b>Borrowings at amortised cost 31 December 2023</b>	<b>465.8</b>	<b>2.2</b>	<b>-</b>	<b>1,210.1</b>	<b>16.0</b>	<b>1,694.1</b>
<b>Changes occurred in 2024</b>						
<b>Cash movements</b>						
Borrowings received	97.5	-	-	287.5	-	<b>385.0</b>
Repayments of borrowings	(477.0)	(2.2)	-	(20.0)	-	<b>(499.2)</b>
<b>Non-Monetary movements</b>						
Initial recognition of borrowings	97.7	0.8	-	4.3	13.1	<b>115.9</b>
Transfers	10.5	1.6	-	(10.5)	(1.6)	<b>-</b>
Amortization of borrowing costs	-	-	-	0.1	-	<b>0.1</b>
Other Movements	-	0.1	-	-	(0.2)	<b>(0.1)</b>
<b>Total changes occurred in 2024</b>	<b>(271.3)</b>	<b>0.3</b>	<b>-</b>	<b>261.4</b>	<b>11.3</b>	<b>1.7</b>
<b>Borrowings at amortised cost 31 December 2024</b>	<b>194.5</b>	<b>2.5</b>	<b>-</b>	<b>1,471.5</b>	<b>27.3</b>	<b>1,695.8</b>
<b>Changes occurred in 2025</b>						
<b>Cash movements</b>						
Borrowings received	61.2	-	49.3	65.0	-	<b>175.5</b>
Repayments of borrowings	(313.5)	(2.4)	-	-	(0.8)	<b>(316.7)</b>
<b>Non-monetary movements</b>						
Initial recognition of borrowings	75.1	0.7	0.1	2.1	3.2	<b>81.2</b>
Transfers	207.0	1.5	-	(207.0)	(1.5)	<b>-</b>
Disposal of subsidiary (Note 16)	-	-	-	-	(4.2)	<b>(4.2)</b>
Terminated lease liabilities	-	-	-	-	(0.3)	<b>(0.3)</b>
<b>Total changes occurred in 2025</b>	<b>29.8</b>	<b>(0.2)</b>	<b>49.4</b>	<b>(139.9)</b>	<b>(3.6)</b>	<b>(64.5)</b>
<b>Borrowings at amortised cost 31 December 2025</b>	<b>224.3</b>	<b>2.3</b>	<b>49.4</b>	<b>1,331.6</b>	<b>23.7</b>	<b>1,631.3</b>

## 12. Provisions

<i>in million EUR</i>						Closing balance 31 December 2025	
	Opening balance 1 January 2025	Recognition and reversal of provisions (Note 3)	Interest charge	Use	Short-term provision	Long-term provision	
Environmental protection provisions	22.3	(1.5)	1.0	(0.5)	1.4	19.9	
Provision for dismantling cost of assets	14.5	-	0.8	-	-	15.3	
Provision for greenhouse gas emission allowances	125.2	107.1	-	(125.2)	107.1	-	
Provision for renewable energy certificates	2.4	2,8	-	-	5,2	-	
Other provision	6.2	1.0	0.1	(1.2)	2.9	3.2	
<b>Total provisions</b>	<b>170.6</b>	<b>109.4</b>	<b>1.9</b>	<b>(126.9)</b>	<b>116.6</b>	<b>38.4</b>	

<i>in million EUR</i>						Closing balance 31 December 2024	
	Opening balance 1 January 2024	Recognition and reversal of provisions (Note 3)	Interest charge	Use	Short-term provision	Long-term provision	
Environmental protection provisions	17.0	4.9	0.8	(0.4)	1.2	21.1	
Provision for dismantling cost of assets	11.8	2.1	0.6	-	-	14.5	
Provision for greenhouse gas emission allowances	205.1	60.3	-	(140.2)	125.2	-	
Provision for renewable energy certificates	1.8	2.4	-	(1.8)	2.4	-	
Other provision	6.0	2.0	0.1	(1.9)	2.8	3.4	
<b>Total provisions</b>	<b>241.7</b>	<b>71.7</b>	<b>1.5</b>	<b>(144.3)</b>	<b>131.6</b>	<b>39.0</b>	

## 13. Other reserves

in million EUR	31 DECEMBER	
	2025	2024
<b>Other reserves at the beginning of the period</b>	<b>160.2</b>	<b>155.0</b>
<b>of which hedge reserve at the beginning of the period</b>	<b>145.7</b>	<b>141.6</b>
electricity cash flow hedges	140.4	144.5
gas cash flow hedges	3.6	(13.5)
shale oil cash flow hedges	(1.5)	3.7
shale oil gasoline cash flow hedges	-	0,6
interest rate swap	5.8	8.9
non-controlling interest of hedging instruments	(2.6)	(2.6)
<b>of which currency translation reserve at the beginning of the period</b>	<b>9.0</b>	<b>7.0</b>
<b>of which reserve related to other comprehensive income of associates at the beginning of the period</b>	<b>5.5</b>	<b>6.4</b>
<b>Change in fair value of cash flow hedges</b>	<b>(22.7)</b>	<b>(31.8)</b>
electricity cash flow hedges	(11.0)	(18.4)
gas cash flow hedges	(8.6)	2.5
shale oil cash flow hedges	(0.3)	(16.3)
shale oil gasoline cash flow hedges	-	(0.6)
interest rate swap	(2.8)	1.0
<b>Recognized as an (increase)/decrease of revenue</b>	<b>1.3</b>	<b>11.1</b>
shale oil cash flow hedges	1.8	11.1
electricity cash flow hedges	(0.5)	-

in million EUR	31 DECEMBER	
	2025	2024
<b>Recognized as an increase/(decrease) of cost of raw materials and consumables</b>	<b>(39.8)</b>	<b>28.9</b>
electricity cash flow hedges	(38.7)	14.3
gas cash flow hedges	(1.1)	14.6
<b>Recognized as an increase/(decrease) of interest expenses</b>	<b>(1.7)</b>	<b>(4.1)</b>
<b>Currency translation differences attributable to foreign subsidiaries</b>	<b>(1.7)</b>	<b>2.0</b>
of which share of non-controlling interest	(0.1)	(0.1)
<b>Change in associates other comprehensive income</b>	<b>(1.1)</b>	<b>(0.9)</b>
<b>Buyout of a non-controlling interest</b>	<b>(2.8)</b>	<b>-</b>
of which cash flow hedge	(2.6)	-
of which currency translation reserve	(0.2)	-
<b>Other reserves at the end of the period</b>	<b>97.4</b>	<b>160.2</b>
<b>of which hedge reserve at the end of the period</b>	<b>85.4</b>	<b>145.7</b>
electricity cash flow hedges	90.2	140.4
gas cash flow hedges	(6.1)	3.6
shale oil cash flow hedges	-	(1.5)
interest rate swap	1.2	5.8
non-controlling interest of hedging instruments	-	(2.6)
<b>of which currency translation reserve at the end of the period</b>	<b>7.6</b>	<b>9.0</b>
<b>of which reserve related to other comprehensive income of associates at the end of the period</b>	<b>4.4</b>	<b>5.5</b>

## 14. Cash generated from operations

<i>in million EUR</i>	1 JANUARY – 31 DECEMBER	
	2025	2024
<b>Profit/(loss) before tax</b>	<b>(98.1)</b>	<b>38.6</b>
<b>Adjustments</b>		
Depreciation and impairment of property, plant and equipment and right of use assets	353.6	319.5
Amortization and impairment of intangible assets	10.2	9.0
Write-down of inventories	0.2	1.4
Connection and other service fees recognized as revenue	(16.9)	(18.6)
Gain on disposal of property, plant and equipment	(1.0)	(0.4)
Loss/(gain) on disposal of business (Note 16)	6.2	(4.2)
Amortization of government grants related to assets	(2.0)	(1.8)
Profit from associates using equity method	(0.9)	(1.9)
Unpaid/unsettled loss/(gain) on derivatives	1.7	(39.2)
Compensations received	-	(1.4)
Loss/(gain) from other non-cash transactions	0.8	(0.7)
Interest expense on borrowings	56.2	46.2
Interest and other financial income	(8.4)	(11.7)
<b>Net operating cash flow before changes in current assets and liabilities</b>	<b>301.6</b>	<b>334.8</b>
<b>Net change in current assets relating to operating activities</b>		
Change in receivables related to operating activities	18.7	42.3
Change in inventories	13.7	(24.0)
Net change in other current assets relating to operating activities	48.6	322.2
<b>Total net change in current assets relating to operating activities</b>	<b>81.0</b>	<b>340.5</b>
<b>Net change in current liabilities relating to operating activities</b>		
Change in provisions (Note 12)	(15.6)	(71.1)
Change in trade payables	(21.9)	(22.8)
Net change in liabilities relating to other operating activities	101.6	122.3
<b>Total net change in liabilities relating to operating activities</b>	<b>64.1</b>	<b>28.4</b>
<b>Cash generated from operations</b>	<b>446.7</b>	<b>703.7</b>



## 15. Acquisition of Additional Share Capital of Subsidiary

During reporting period, the parent company Eesti Energia AS acquired the 22.8% non-controlling interest in Enefit Green AS for a total consideration of EUR 205.2 million, thereby increasing its ownership to 100%.

As control over Enefit Green AS had already been established prior to the transaction, the acquisition was accounted for as an equity transaction in accordance with IFRS 10 Consolidated Financial Statements.

The difference between the consideration paid and the carrying amount of the non-controlling interest, amounting to EUR 27.0 million, was recognized directly in equity under retained earnings attributable to the owners of the parent. The transaction had no impact on profit or loss for the period.

The transaction costs of the acquisition amounted to EUR 0.4 million.

## 16. Sale of subsidiaries

On 1 December 2025 Enefit Green signed an agreement to sell its subsidiary Tolpanvaara Wind Farm Oy in Finland to TD Greystone Infrastructure Fund, marking a strategic step in focusing on the Baltics and Poland markets. Contractual transaction price was EUR 83.1 million.

### Recognised amounts of identifiable assets and liabilities sold:

<i>in million EUR</i>	<b>1 December 2025</b>
<b>ASSETS</b>	
Property, plant and equipment	87.6
Right-of-use assets	3.9
Intangible assets	1.5
Trade receivables and other prepayments	1.4
<b>LIABILITIES</b>	
Lease liabilities	(4.2)
Trade other payables	(0.9)
<b>Total net assets of the subsidiary disposed</b>	<b>89.3</b>
<b>Sales price</b>	<b>83.1</b>
<b>Loss from sales</b>	<b>(6.2)</b>
<b>Cash inflows in transaction</b>	
Proceeds from sale	83.1
Cash and cash equivalents of subsidiary	-
<b>Total cash inflows in transaction</b>	<b>83.1</b>

On 29 November 2023, Enefit Green AS signed an agreement to sell its district heating businesses in Paide (Estonia) (a separate sub-unit of Enefit Green AS) and Valka (Latvia) (the subsidiary named Enefit Power & Heat Valka) to Utilitas Eesti AS. The contractual value of the transaction was EUR 15.9 million. The final sales price was determined after a post-closing adjustment depending on the level of cash working capital in the business and it amounted to EUR 16.4 million.

Transaction required approval from the Estonian and Latvian Competition Authority and the Consumer Protection and Technical Regulatory Authority which was obtained in February 2024, and the transaction was completed in March 2024.

### Recognised amounts of identifiable assets and liabilities sold:

<i>in million EUR</i>	<b>1 March 2024</b>
<b>ASSETS</b>	
Property, plant and equipment	13.0
Intangible assets	1.0
Inventories	0.7
Trade receivables and other prepayments	1.2
Cash and cash equivalents	0.4
<b>LIABILITIES</b>	
Contract liabilities and government grants	(3.5)
Trade and other payables	(0.6)
<b>Total net assets of the subsidiary disposed</b>	<b>12.2</b>
<b>Sales price</b>	<b>15.9</b>
<b>Post closing adjustment</b>	<b>0.5</b>
<b>Gain from sales</b>	<b>4.2</b>
<b>Cash flows in transaction</b>	
Proceeds from sale	16.4
Cash and cash equivalents of subsidiary	-0.4
<b>Total cash inflows in transaction</b>	<b>16.0</b>

## 17. Related party transactions

The sole shareholder of Eesti Energia AS is the Republic of Estonia.

For the purposes of the condensed consolidated interim financial statements of Eesti Energia, related parties include the shareholders, members of the executive and higher management, and close family members of the above persons and companies under their control or significant influence. Related parties also include entities under the control or significant influence of the state.

As the sales of electricity, network services and heat to the entities over which the state has control or significant influence have been taken place under normal business activity, the group has applied the exemption, provided in paragraph 25 of IAS 24, from disclosure of individually insignificant transactions and balances with the government and other related parties where the state has control or joint control of, or significant influence over, such parties.

In purchasing and selling network services, the prices set by the Estonian Competition Authority are used. All other transactions are concluded using agreed prices.

### Transactions with associates

<i>in million EUR</i>	1 JANUARY – 31 DECEMBER	
	2025	2024
Purchase of goods	9.7	10.4
Purchase of services	1.4	1.3
Proceeds from sale of services	2.9	0.3
Purchase of property, plant and equipment	0.4	-
Loans granted	-	0.1
Dividends received	8.9	4.5

### Receivables from associates and payables to associates

<i>in million EUR</i>	31 December	
	2025	2024
Receivables	11.6	13.1
incl long-term loan receivables	11.6	13.1
Allowance for doubtful loan receivables	(11.6)	(13.1)
Payables	0.7	1.5

Upon premature termination of the service contract with a member of the Management Board, the service contracts stipulate the payment of 3 months remuneration as termination benefits. During the period 1 January – 31 December 2025 remuneration to management and supervisory boards amounted to EUR 5.1 million (1 January – 31 December 2024: EUR 4.9 million).

### Transactions with entities over which the members of Supervisory and Management Board have significant influence

<i>in million EUR</i>	1 JANUARY – 31 DECEMBER	
	2025	2024
Sale of goods and services	17.6	5.9
Purchases of goods and services	5.0	1.8

## 18. Events after the reporting period

### MERGERS OF SUBSIDIARIES

As of 1 January 2026, Eesti Energia AS transferred the assets related to the electricity business line to Enefit Green AS. As the sole shareholder, Eesti Energia AS decided at the end of 2025 to merge Enefit AS with Enefit Green AS. The merger balance sheet date was 1 October 2025, and the merger entries were registered in the Commercial Register on 2 January 2026. Enefit AS (formerly Enefit Green AS) was reorganised into a private limited company on 12 January 2026.

As of 1 January 2026, Eesti Energia AS transferred the assets related to the industry business line to Enefit Industry AS. As the sole shareholder, Eesti Energia AS decided at the end of 2025 to merge Enefit Solutions AS with Enefit Industry AS. The merger balance sheet date was 1 October 2025, and the merger entries were registered in the Commercial Register on 2 January 2026. Enefit Industry AS was reorganised into a private limited company on 8 January 2026.

### EARLY REPAYMENT OF SYNDICATED LOAN

In February 2026, Eesti Energia AS made an early repayment of a EUR 600.0 million syndicated loan. At the time of repayment, the outstanding loan balance was EUR 471.4 million. The contractual maturity date of the loan was February 2028, but the parent company exercised its contractual option to repay the loan early.

# Glossary

**Clean Dark Spread (CDS)** – Eesti Energia’s margin between the price of electricity (in NP Estonia) and oil shale costs and CO<sub>2</sub> costs (taking into account the price of CO<sub>2</sub> allowance futures maturing in December and the amount of CO<sub>2</sub> emitted in the generation of a MWh of electricity)

**CO<sub>2</sub> emission allowance** – According to the European Union Emissions Trading System (ETS), one emission allowance gives the holder the right to emit one tonne of carbon dioxide (CO<sub>2</sub>). The limit on the total number of emission allowances available gives them a monetary value

**Controllable production assets** – Production assets which operate on energy sources such as oil shale, oil shale gas, wood chips, peat and tyre chips

**EBITDA** – profit before finance income and costs, profit (loss) from associates under the equity method, tax, depreciation, amortisation, impairment losses

**EBITDA margin** – profit before finance income and costs, profit (loss) from associates under the equity method, tax, depreciation, amortisation, impairment losses divided by revenue

**FFO** – Funds from operations. Cash flow from operations, excluding changes in working capital

**Level of water reservoirs** – The level of water in the reservoirs of hydro power plants as a percentage of the maximum possible level. Most of the Nordic countries’ electricity production is based on hydro power whose output depends on the level of water reservoirs

**Liquidity** – Amount of liquid assets. Sum of cash and cash equivalent, short-term financial investments and deposits with a maturity of more than 3 months

**Maintenance and repair expenditures** – Expenditures incurred to maintain the existing production capacities

**MWh** – megawatt hour. 1 MWh is the unit of energy generated (or consumed) in one hour by a device operating at a constant power of 1 MW (megawatt) 1.000.000 MWh = 1.000 GWh = 1 TWh

**Net debt** – Debt obligations (amortised) less cash and cash equivalents (incl. bank deposits with maturities exceeding 3 months), units in money market funds and investments in fixed income bonds

**Network losses** – The amount of electricity delivered to customers is somewhat smaller than the amount supplied from power plants to the network because during transfer a part of electricity in the power lines and transformers converts into heat. To a lesser extent, network losses are caused by power theft and incorrect measuring.

**NP system price** – The price on the Nord Pool power exchange that is calculated on the basis of all purchase and sale bids without taking into account transmission capacity limitations

**ROE** – operating profit divided by equity

**SAIDI** – System Average Interruption Duration Index. The sum of all customer interruption durations in minutes divided by the total number of customers served

**SAIFI** – System Average Interruption Frequency Index. The total number of customer interruptions divided by the total number of customers served

**Variable profit** – Profit after deducting variable costs from sales revenue