amprion connects

**FINANCIAL REPORT**

GROUP MANAGEMENT REPORT & CONSOLIDATED FINANCIAL STATEMENTS

# 2024

# Contents

# GROUP MANAGEMENT REPORT

of Amprion GmbH, Dortmund,
for the 2024 financial year

**Note**

This document is a translation of the German version. In case of uncertainty or conflict, the German version shall prevail.

# Group management report 2

# FUNDAMENTALS OF THE GROUP

## Group structure and business activities of the Group

Amprion GmbH, headquartered in Dortmund, is one of four transmission system operators (TSOs) in Germany. From the North Sea to the Alps, the company operates its network at voltage levels of 220 and 380 kilovolts (kV) and links the generation units to the main centres of consumption. The Amprion grid is part of the transmission grid in both Germany and Europe. It serves to maintain security of supply and integrate renewable energy into the energy supply system in Germany.

Amprion controls and monitors the safe transport of electricity within the extra-high-voltage (EHV) grid in its control area. For this purpose, the grid operations managers in Brauweiler/Pulheim ensure that electricity consumption and generation are kept in balance at all times. The system services required are sourced using transparent tender procedures in line with regulations. The company also coordinates the exchange programmes and the subsequent volume balancing both for the entire transmission grid in Germany and for the northern part of the European interconnected grid.

Thanks to its central location in Europe, Amprion's network is a hub for Europe's electricity trading. Amprion provides transmission grid capacities at the interconnecting feeder lines to France and Belgium, the Netherlands, Switzerland and Austria by means of market-based methods. These are developed by Amprion, other TSOs, electricity exchanges and regulatory authorities.

Amprion GmbH's shareholders are M31 Beteiligungsgesellschaft mbH & Co. Energie KG, Düsseldorf, a consortium of mainly German institutional investors from the insurance industry and pension funds, that holds 74.9% of the shares, and RWE AG, Essen, with the remaining 25.1% of the shares.

Amprion GmbH is the parent company of the Amprion Group. As such, it holds 100% of the shares in its only subsidiary, Amprion Offshore GmbH, Dortmund. The business purpose of this company is the construction, operation, acquisition, marketing and use of grid facilities for offshore connections, associated transport and distribution systems for electricity and information transmission facilities, as well as the provision and marketing of services in these areas.

Amprion Offshore GmbH will be the owner of the grid connections and will act as the developer for the related approval procedures. It does not employ any staff of its own.

For the purpose of structuring the legal relationships between Amprion GmbH and Amprion Offshore GmbH, the mutual rights and obligations have been regulated in a control and profit and loss transfer agreement, an operations management agreement and a construction and transfer of use agreement. A consolidated tax group relationship is in place with Amprion GmbH – as the sole shareholder – for sales tax and income tax purposes.

## Commentary on group reporting

Amprion GmbH is preparing a group management report for the Amprion Group, which is additionally supplemented voluntarily with explanations and reporting elements on the situation of Amprion GmbH as an individual company, as well as by the declaration on corporate governance pursuant to Section 289f (4) of the German Commercial Code (HGB). The Group Management Report was prepared in accordance with the relevant requirements of Section 315 HGB and in consideration of the relevant specifications of *German Accounting Standard (DRS) 20 – Group Management Report.*

Amprion GmbH has made use of the option under Section 315e (3) HGB and prepares its consolidated financial statements in accordance with Section 315e (1) HGB in line with the International Financial Reporting Standards (IFRS), as applicable in the EU, and the supplementary provisions of German commercial law applicable under Section 315 (1) HGB. For financial reporting and corporate management purposes, the Group is divided into the two segments *Transmission System Operation and Offshore Grid Connections* – in accordance with the corresponding requirements of Inter-national Financial Reporting Standard 8 (IFRS 8) – *"Reporting Segments"*. These are distinguished from each other according to regulatory criteria. The basis for this differentiation is formed by the different regulatory systems, which significantly shape the economic framework conditions and business activities of the two segments and thus also of the Group as a whole. The regulatory framework of the *Transmission System Operation* segment is derived from the Energy Industry Act (EnWG), the Electricity Network Charges Ordinance (StromNEV), the Electricity Network Access Ordinance (StromNZV) and the Incentive Regulation Ordinance (ARegV). In comparison, the regulatory framework of the *Offshore Grid Connections* segment is based on the legal obligation pursuant to Section 17d (1) of the German Energy Industry Act (EnWG) to construct and operate offshore grid connection systems.

The *Transmission System Operation* segment follows the organisational demarcation of Amprion GmbH as an independent legal entity, while the *Offshore Grid Connections* segment corresponds analogously to Amprion Offshore GmbH.

The Group's key financial performance indicators are the net profit for the year of Amprion GmbH and the investments in property, plant and equipment of both Amprion GmbH and Amprion Offshore GmbH, which are derived from the annual financial statements in accordance with the accounting requirements of the German Commercial Code (HGB), as well as the number of employees as a non-financial performance indicator. As a result of the control and profit transfer agreement concluded with Amprion Offshore GmbH, the annual result of Amprion Offshore GmbH under HGB is included in full in the HGB annual result of Amprion GmbH. In the previous year's Group Management Report, forecasts were provided for the performance indicators. These serve as a reference for corresponding deviation analyses between forecast values and actual values for the 2024 financial year.

The economic situation of the Group is explained in the following statements primarily on the basis of the IFRS consolidated financial statement figures. The information and explanations on the key performance indicators mentioned above inevitably deviate from this. Therefore, in accordance with the requirements of DRS 20.101, these are included in the analysis of the course of business and the Group's position with reference to the amounts reported in the IFRS consolidated financial statements.

Wherever the term "Amprion" is used in this Group Management Report, this generally refers to the Amprion Group. Statements that refer exclusively to Amprion GmbH or Amprion Offshore GmbH or to one of the two Group segments are clearly identified as such.

# FINANCIAL REPORT

## Political and energy regulatory environment

### EU “Clean Energy Package”

Amprion implements the European regulatory requirements of the “Clean Energy Package” and the legal provisions contained therein. These relate, in particular, to the further development of European electricity market integration in the European transmission system operator association ENTSO-E. This will further expand the European electricity exchange possibilities. This affects numerous Amprion business processes, such as European redispatch optimisation, European control energy procurement and investments.

### Planning and approval procedures

No significant legislation to accelerate and implement grid expansion was passed during the reporting year and can only be finalised after the new Bundestag elections. In terms of implementing and accelerating planning and approval procedures, this particularly affects the implementation of the revised Renewable Energy Directive (RED III) at the European level. The transposition of the 2037 Grid Development Plan (Version 2023) into the German Federal Requirements Plan has also only been partially implemented. While the legislative process has been completed for a few particularly urgent projects, the Federal Requirements Plan has not been amended for the majority of the projects first confirmed in the 2037 Grid Development Plan (Version 2023).

## Regulatory environment

### Imputed interest rates on equity for the fourth regulatory period

On 12 October 2021, the German Federal Network Agency (BNetzA) set an equity interest rate of 5.07% for new plants before tax and 3.51% for old plants before tax for the fourth regulatory period. In response to Amprion's appeal, the Higher Regional Court of Düsseldorf (OLG Düsseldorf) set aside the decision by order of 30 August 2023 and ordered the BNetzA to redefine the network fees. The BNetzA appealed against this decision to the Federal Court of Justice (BGH). In its decision of 17 December 2024, the BGH set aside the decision of the Higher Regional Court of Düsseldorf and rejected Amprion's appeal.

Amprion also submitted an application for adjustment of the equity interest rate in accordance with Section 29 (2) of the EnWG in order to achieve an adjustment for future developments. This application was rejected by the Federal Network Agency. Amprion has filed an appeal against this rejection.

On 24 January 2024, the Federal Network Agency published a determination on the equity interest rate in the capital cost reconciliation model (KKA). Corresponding regulations for new investments in the offshore sector were also published on 23 September 2024. Investments are to be financed for the TSOs from the fourth regulatory period onwards using the KKA model. According to the stipulation, a new interest rate of 7.09% will apply for new onshore investments from 2024 in the KKA model, in deviation from the previously defined equity interest rate of 5.07% before taxes. In this model, the risk-free base rate is no longer based on the ten-year average defined in Section 7 (4) StromNEV, but on the average of the monthly values of the current yields of fixed-interest securities of domestic issuers in the respective calendar year. The other components of the determination of the equity interest rate from the cancelled determination are retained except for the mark-up on the risk premium. The risk-free base rate and the associated equity interest rate for new investments will be recalculated for each year of the fourth regulatory period. For existing investments, the lower equity interest rate set for the fourth regulatory period will continue to apply. The same applies to extended investments in the investment measures model, whereby projects from the investment measures can be transferred to the capital cost reconciliation. Amprion has appealed against these decisions.

### Productivity factor

The individual and sectoral productivity factors are elements for determining the revenue cap. The controllable cost shares within the revenue cap of the grid operators are adjusted to an efficient level from the perspective of the Incentive Regulation Ordinance (*Anreizregulierungsverordnung*, ARegV) with the help of the two factors. The Federal Network Agency therefore carries out an efficiency comparison for the TSOs before each regulatory period.

#### FOR THE THIRD REGULATORY PERIOD

The Federal Network Agency set the individual productivity factor for Amprion at 100% on 20 December 2018 and the general sectoral productivity factor for electricity (Xgen Strom) at 0.9% on 28 November 2018, which was confirmed by the Federal Court of Justice in various landmark decisions. Proceedings are currently pending before the German Federal Constitutional Court. Similar to various other network operators, Amprion is also conducting its own legal proceedings before the Düsseldorf Higher Regional Court.

#### FOR THE FOURTH REGULATORY PERIOD

The final determination for the Xgen interest rate was made on 20 December 2024 and set at 0.86%. Amprion lodged an appeal against this determination with the Higher Regional Court of Düsseldorf on 20 February 2025.

### Efficiency value calculation for the fourth regulatory period

In order to determine the individual efficiency value of TSOs for the fourth regulatory period, a relative reference network analysis is carried out in accordance with Section 22 (2) ARegV. This is an optimisation procedure for determining model network structures and plant quantity structures which, under the existing boundary conditions, have an optimal relationship between costs and network services (reference grid). Amprion was certified as having an efficiency factor of 100% in the cost audit notice for the fourth regulatory period.

### Decisions on the regulatory account

On 2 June 2021, the Federal Network Agency approved the regulatory account balance for 2017 and its distribution by means of additions or deductions to the revenue caps 2019 to 2021. Amprion GmbH filed an appeal against the decision with the OLG Düsseldorf on 16 July 2021. The proceedings are still pending before the BGH.

On 16 August 2022, the Federal Network Agency issued its decision on the regulatory account balance for 2018 and its distribution by additions or deductions to the revenue caps 2020 to 2022. An appeal was also filed against this decision. The appeal is pending the decision of the Federal Court of Justice in the proceedings for the regulatory account for 2017.

### Cost review for the fourth regulatory period

In accordance with Section 6 (1) ARegV, the Federal Network Agency determines the starting level for determining the revenue caps for the fourth regulatory period from 2024 to 2028 based on a cost review in accordance with the provisions of the StromNEV. The costs for the 2021 financial year form the starting point for determining the revenue cap in the fourth regulatory period. The decision on the approved cost level was issued on 23 April 2024.

### Additional expenses from the pre-financing of system services in 2022

The decision on how to deal with additional expenses from the pre-financing of system services in 2022 was taken by the BNetzA on 9 December 2024. The costs for system services rose significantly in 2022 as a result of the war in Ukraine. These developments were not foreseeable at the time the 2022 revenue cap was calculated. At the same time, interest rates turned around in 2022, leading to an increase in debt financing costs. The decision regulates the refinancing of the interest costs that resulted from the pre-financing of system services in 2022 and which exceed the interest from the regulatory account. The interest will be distributed as an annuity surcharge on the revenue caps for the years 2025 to 2027.

## Business performance

### Grid business

The established cost base, the development of costs that cannot be influenced in the long term, the overall consumer price index, the general productivity factor and the individual efficiency factor are the bases for calculating the revenue cap and, subsequently, the network tariffs, which were published on 13 December 2023 for the year 2024.

Although Amprion's revenue cap has fallen compared to the previous year, it remains at a high level. The main reason for this is the persistently high price level on the fuel and electricity markets. This has a particular impact on the costs for redispatch (including grid reserve), grid losses and the provision of balancing capacity. A comparison of the relevant base years 2016 (third regulatory period) and 2021 (fourth regulatory period) shows further significant cost increases. These are due mainly to the implementation of the energy transition and the associated increase in capital and operating costs.

Overall, there will be a fee increase of almost 117% at the extra-high-voltage grid level and of approximately 105% to 128% at the transformer level in the usage hours range between 5,000 and 8,760 hours, which is relevant for the majority of customers.

The price increase is explained by the elimination of the subsidy to stabilise grid fees, which was granted in the 2023 financial year. Amprion's customers are distribution system operators (DSOs) directly connected to the extra-high-voltage grid, industrial companies and power plants. The sales and revenue structure is shaped largely by the major DSOs, from which Amprion receives around 82% of its network fees. Companies in the chemical, steel and aluminium industries pay around 14% of the network fees. The remaining network fees result from power plants' own needs connected to the transmission network.

In the 2024 financial year, the offtake volumes of directly connected customers remained constant compared to the previous year.

### EEG financing requirements

In accordance with Section 4 of the Energy Financing Act, the transmission system operators determine the EEG financing requirement for the following year and notify the German Federal Ministry for Economic Affairs and Climate Protection (BMWi) of this by 30 September of the previous year. An amount of €10.6 billion was initially determined for 2024.

It soon became apparent that this amount would not be sufficient to cover the EEG financing requirement. The reason for this is a significant decline in electricity prices on the electricity exchange, which could not be foreseen at the time of the forecast. To close the gap, the Federal Minister of Finance approved an unscheduled expenditure of around €8.8 billion in mid-2024. This meant that a total of around €19.4 billion was available for EEG financing. Of this, around €18.5 billion was accessed.

On 25 October 2024, the TSOs published the EEG financing requirements for 2025 by the deadline. The basis for this was a study prepared by the Institute of Energy Economics at the University of Cologne. Among other things, the study predicts the increase in installed capacity, the quantities fed into the grid and the remuneration of renewable energy plants over the next five years. On this basis, the TSOs determined the EEG financing requirement for 2025 amounting to €17 billion. The funds still in the EEG account at the end of the financial year are to be deducted from this.

## System services

### Balancing power

The costs for balancing power fell by around 20% compared to the previous year. This is due mainly to price declines for negative secondary balancing power. In the previous year, numerous power plants were not available due to extensive overhauls.

### Grid losses

The long-term procurement of quantities in connection with FSV grid losses exceeded the short-term grid loss energy required. The decline in grid loss energy is due mainly to exogenous factors beyond Amprion's control. For example, the high availability of French nuclear power plants has led to a significantly lower mean transport distance for electrical energy in the Amprion grid, and thus to lower grid losses. As a result of this excess supply, costs increased compared to the previous year.

### Redispatch

The costs for redispatch measures were below the previous year's level due to a lower price level and, in particular, a lower redispatch volume. This decline is due mainly to the lower wind feed-in. Another reason is the expansion project in the northern Amprion and TenneT area from Ganderkesee to Wehrendorf in accordance with Section 2 of the EnLAG, which was put into operation at the end of the third quarter of 2023.

### Reserve power plants

#### GRID RESERVE

On the basis of analyses by the TSOs, the Federal Network Agency annually reviews and confirms the grid reserve requirement for the following winter half-year and at least one of the following four years under review. The remaining additional demand that cannot be covered by power plants in the domestic grid reserve must be covered via an expression of interest procedure for foreign assets.

On 11 March 2024, the TSOs submitted their system analysis and the resulting demand for grid reserve power plants to the BNetzA for confirmation. In its report dated 30 April 2024, the BNetzA confirmed the TSOs' demand for 6,947 MW of generation capacity from grid reserve power plants for the 2024/2025 winter season. In the winter of 2024/2025, the grid reserve requirement cannot be covered exclusively by domestic grid reserve power plants. It was therefore necessary to procure additional grid reserve capacity from foreign power plants amounting to 1,367 MW.

Coal-fired power plants from the grid reserve in accordance with Section 50a-c of the old version of the German Energy Industry Act (EnWG) were allowed to participate in or remain on the electricity market from 1 October 2022 until 31 March 2024 at the latest. In the Amprion control zone, almost all the power plants concerned have taken advantage of this opportunity. The return of these power plants to the grid reserve resulted in significantly higher provision and call-up costs from 1 April 2024 compared to the previous year. In addition, further power plants were transferred to the grid reserve in the 2024 financial year, which will result in further provision and call-up costs.

**SPECIAL TECHNICAL GRID OPERATING FACILITIES**

Special technical grid operating facilities (*besondere netztechnische Betriebsmittel* (bnBm)) serve to maintain system security and are not available to the electricity market. The total demand for special grid operating facilities in 2017 was determined by the TSOs and confirmed by the BNetzA at 1,200 MW. In 2023, Amprion included two bnBm in its system management: a gas turbine power plant at the Biblis site with a capacity of 300 MW and the Leipheim gas turbine power plant with a further 300 MW. Six calls for the Leipheim bnBm were made during the financial year.

**SYSTEM-RELEVANT GAS-FIRED POWER PLANTS**

Gas-fired power plants with a nominal output of 50 MW or more can be designated as systemically relevant by the TSOs, either in whole or in part. The designation of systemically relevance requires the approval of the Federal Network Agency. In order to secure the corresponding output, operators of systemically relevant gas-fired power plants should use the existing options for a fuel switch. This can lead to additional costs for the operators, which are reimbursed by the TSOs. If a fuel switch is not possible, the reasons for this must be explained to the BNetzA and other optimisation or expansion measures must be presented at short notice that can be used to cover the capacity requirement.

In the Amprion control area, 23 plants were designated as system-relevant gas-fired power plants at the reporting date. The installed capacity of the plants is around 6.2 GW.

Amprion, together with the other TSOs, has lobbied the BNetzA for a change in the refinancing mechanisms. The reasons for this are the increased volume of system-relevant gas-fired power plants, the high costs for gas exit, gas entry and gas transport capacities, and the possible fuel switch by individual network customers. In May 2024, a voluntary commitment (FSV system-relevant gas-fired power plants) was signed. Through the FSV and the corresponding regulation, the costs of fuel hedging for system-relevant gas-fired power plants can be refinanced via the regulatory account.

#### CAPACITY RESERVE

The plants kept in the capacity reserve are used to balance the system in the event of exceptional and unforeseeable situations. They can also be used by the TSOs to eliminate network congestion. The second delivery period covers the period from October 2022 to September 2024. The third delivery period covers the period from October 2024 to September 2026. All of the winning generation plants are fuelled by gas. Three power plant units with a total capacity of 820 MW and a controllable load with a reserve capacity of 9 MW are included in the capacity reserve in the Amprion control area.

#### SUPPLY RESERVE

Lignite-fired power plants on security standby were transferred to the supply reserve from 1 October 2022 to 31 March 2024 in accordance with Section 50d of the Energy Industry Act (EnWG). In the Amprion control area, this affected three lignite-fired power plants with a total capacity of around 900 MW. At the end of November 2024, the operator of the three lignite-fired power plants submitted a claim to the Federal Network Agency for compensation for the period within the supply reserve during which the reserve plants were not allowed to be used on the electricity market.

### System operation and control

Amprion did not experience any large-scale disruptions in its own extra-high-voltage grid during the financial year. System operation was again characterised by the construction of new renewable energy plants (in particular photovoltaic plants) and the resulting power transports.

Grid expansion continued, including the commissioning of a new east-west connection in the Frankfurt area. Even though additional lines generally relieve the burden on system management, operational expenses to maintain system security remained at a high level.

The rising lower limit for cross-border transmission capacity under the Clean Energy Package also contributed to high grid utilisation. This lower limit will rise again on 1 January 2025 to 60.3% of the electricity circuit capacity.

### Implementation of the "Action plan for increased capacity utilisation"

In order to utilise the existing lines to a higher and optimal extent, the use of weather-dependent overhead line operation has been further expanded. In addition, phase-shifting transformers have been put into operation at two locations to enable an additional increase in transmission capacity. Further phase-shifting transformers will be integrated into the Amprion grid in the coming years. In addition, concepts for curative congestion management are being tested and introduced.

The higher capacity utilisation is achieved while maintaining system security and taking into account the resilience of the operating resources. To this end, system stability analyses are carried out that cover various stability aspects such as transient stability and voltage stability.

### Innovative projects

In 2024, a central innovation management system was set up to take over the control and strategic direction of Amprion's innovation activities. To this end, there is a close exchange with decentralised experts in the specialist departments.

The "Future Transmission Lab" promotes a close exchange between science and practice on future aspects of the transmission grid and its accelerated conversion to a climate-neutral grid. Amprion supports scientific projects at seven university chairs in its control area, covering a range of different specialist fields.

The concept of the decentralised grid booster supports a higher utilisation of the power grid. It envisages integrating several smaller, modular battery storage units into the distribution grid level. This structure reduces connection costs per site, increases the availability of the entire storage system and improves flexibility in the distribution grid. Amprion, LEW Verteilnetz GmbH (LVN) and E.ON SE are working closely together to implement a first project with a total capacity of 250 MWh in the LVN area. The tendering process started in November 2024. The award is scheduled for the second quarter of 2025.

In 2023, the Opladen STATCOM plant, co-developed by Amprion, was put into operation to gain operational experience with the novel control procedure. This is a special form of reactive power compensation system with a power rating of 300 MVAr and grid-forming control. It enables the plant to respond inherently to grid disturbances without the need for additional hardware. The system adjusts the feed-in without delay, thereby stabilising the frequency and voltage in the power grid. In November 2024, Amprion was honoured for this technology with the Grid Award of the Renewable Grid Initiative (RGI) in the category "Technological Innovation System Integration".

Amprion, as consortium leader, has launched the joint project System Stability 2030 with a total of 22 partners, which has emerged from the "Roadmap System Stability" under the leadership of the BMWK. The aim of the project is to develop and design market-based system services and minimum technical requirements for future electrical systems in order to maintain system stability even if 100% of electricity generation comes from renewable sources. In particular, this should accelerate the introduction of the necessary system services by generation plants and consumers.

In 2024, the new regulation restricting the use of fluorinated gases came into force. This regulation stipulates that $SF_6$ equipment, which is currently used as standard for grid expansion, will be banned from 2028 (≤ 145 kV) and 2032 (> 145 kV), respectively. Amprion has been preparing for the changeover for several years by piloting the first $SF_6$-free equipment and has signed a declaration of intent to pilot an initial vacuum 420 kV circuit breaker.

### Asset Management

Amprion GmbH has been certified in accordance with the requirements of the international standard ISO 55001 "Asset Management – Management Systems" since 2015. ISO 55001 supports companies in establishing systematic and efficient asset management. Certification audits are carried out regularly to check whether the requirements of ISO 55001:2014 are being met. Maintenance of the certification was confirmed by the surveillance audit in October 2024.

### Technical safety management

Since 2011, Amprion has met the requirements for technical safety management. This is a voluntary self-monitoring tool that reviews the organisational structure and processes. The focus is on occupational safety and work in accordance with legal requirements and recognised rules of technology. External auditors check compliance with the requirements in accordance with VDE-AR-N 4001. The last audit took place in October 2024, with Amprion's technical managers being audited. As a result, the certificate was maintained. The renewal of the certificate is planned for 2027.

### Workforce

Amprion continued to expand its workforce in 2024. The number of employees rose by 13.5% from 2,721 to 3,089 full-time equivalents (FTE) as of 31 December 2024 compared to 31 December of the previous year. Despite the shortage of skilled labour, successful recruitment activities mean that this figure is around 3% higher than the figure forecast in the group management report for the previous year. A total of 440 FTEs worked offshore. In the previous year, the figure was 333 FTEs.

In the 2024 financial year, 22 apprentices started their training at Amprion in commercial, technical and IT professions. A total of 53 persons are currently completing their training at Amprion. Ten apprentices successfully completed their training, nine of whom accepted a job offer from Amprion.

Employees took part in around 13,000 internal and external training programmes and 8,500 e-learning courses to strengthen their professional and personal skills.

The staff turnover rate increased compared to the previous year to 2.5% (previous year: 2.1%). The average age of the workforce fell by 0.1 years compared to the previous year and amounted to 39.5 years at the end of the reporting year. The average length of service fell from 8.3 to 8.0 years. The proportion of women in the workforce increased from 21.8% in the previous year to 23.2% as at 31 December 2024.

Amprion GmbH continued its employee capital participation programme in the 2024 financial year by issuing profit-sharing jouissance rights. The participation rate was 80.3% (previous year: 81.3%).

### Occupational health and safety

Occupational health and safety is a high priority for Amprion. Employees are regularly made aware of these issues through specific instructions, safety impulses and behavioural advice.

To continuously improve the level as well as raise awareness of occupational safety, a comprehensive campaign was launched in 2024. It comprises nine key topics that will be addressed one after the other. The content of the campaign is being developed on an interdisciplinary basis to ensure a holistic approach.

To improve occupational safety, every accident is carefully analysed, with a focus on the lessons learned. Most accidents were tripping, slipping and falling accidents.

In order to protect the health of its employees and to safely maintain business and system operations, Amprion also implemented various measures in 2024. These included, among other things, in-house flu vaccinations at various locations.

### Environmental management/environmental protection

Amprion has an environmental management system certified to the ISO 14001 standard and an energy management system certified to the ISO 50001 standard. In 2024, the recurring surveillance audit of the environmental management system to ISO 14001 and the recertification audit of the energy management system to ISO 50001 were carried out in a joint auditing process. The auditors from the certification organisation confirmed that Amprion's environmental and energy management systems had been implemented, improved and developed in accordance with the standards.

### Information security

Information security is important for ensuring stable business processes in the Group. This applies, in particular, to the areas of system management, project planning and operation of the transmission grid. This assessment is confirmed by the German Federal Office for Information Security. The operation and continuous improvement of an information security management system are necessary prerequisites for an appropriate level of information security. The successful maintenance of the certification of the information security management system in 2024 proves that Amprion implements and fulfils the requirements of the IT Security Act and, in particular, the requirements of the BNetzA's IT security catalogue. Amprion plans to further optimise its information security governance and standardise it company-wide in 2025, enabling it to respond even more effectively to future challenges and new legal requirements and developments.

# Financial situation

## Earnings

### IFRS Group Financial Statements

| **in € million** | **2024** | **2023** | **Change** |
|---|---|---|---|
| Revenue (external) and other operating income | 5,933.7 | 5,019.2 | 914.5 |
| Operating expenses | – 4,770.4 | – 3,588.7 | – 1,181.7 |
| **Operating result (EBIT)** | **1,163.2** | **1,430.5** | **– 267.3** |
| Financial result* | – 110.3 | – 54.4 | – 55.9 |
| **Earnings before taxes (EBT)*** | **1,052.9** | **1,376.1** | **– 323.2** |
| Tax result* | – 348.2 | – 443.5 | 95.3 |
| **Consolidated net income*** | **704.7** | **932.6** | **– 227.9** |

* Restatement of previous year's figure due to change in accounting policy.

Compared to the previous year, the Group's external sales revenues increased by 16.7 % to €5,635.3 million (previous year: €4,829.4 million). This is due, on the one hand, to an increase of €1,232.7 million from €3,076.1 million to €4,308.8 million in revenues from grid fees. The fact that the federal subsidy for the stabilisation of network fees was not paid in the reporting year is offset, in particular, by the higher uniform nationwide share of network fees. This was contrasted by a decline of €247.2 million in congestion income and a decline of €256.0 million in sales revenue from system services, which was due, in particular, to a decline in the recharging of expenses for control energy to the balance group managers.

Amprion Offshore GmbH and thus the *Offshore Grid Connections* segment realised solely internal sales revenue from the construction and usage transfer agreement concluded with Amprion GmbH in the amount of €117.2 million (previous year: €54.6 million). These were fully eliminated in the course of preparing the consolidated financial statements as part of the consolidation of income and expenses.

Under HGB, Amprion GmbH's revenue of €13,268.8 million (previous year: €15,469.3 million) is significantly higher than under IFRS, as income from the EEG compensation mechanism, from levies not affecting profit or loss and in the previous year from the interim financing of costs incurred in connection with relief under the German Electricity Price Brake Act (StromPBG) are reported gross within revenue under HGB. In contrast, in the IFRS consolidated financial statement, a net presentation with the corresponding expenses from the EEG settlement, the levy mechanisms and the interim financing under the StromPBG is required within the consolidated income statement.

The IFRS operating result in the reporting year was €267.3 million lower than in the previous year. The largest improvement in earnings resulted from the significantly higher sales revenue. In contrast, the cost of materials increased by €1,023.1 million, due primarily to the transfer of the uniform national grid fee to other German transmission system operators and higher expenses for grid loss compensation and reserve provision. Depreciation and amortisation, which increased by a total of €80.7 million, also weighed on earnings. This is due particularly to the steady expansion of the network. In addition, the further increase in the number of employees and the inflation-driven rise in wages and salaries led to an increase in personnel expenses of €54.5 million.

The negative earnings contribution from the financial result increased by €55.9 million compared to the previous year. This effect is due particularly to the increase in interest expenses because of the new green bonds issued in 2023 and 2024, as well as the new promissory note loan issued at the beginning of the reporting year.

The tax result is composed of expenses for income taxes for the current financial year and deferred tax expenses. The change in deferred tax expenses relates primarily to the recognition of obligations from the regulatory account in accordance with Section 5 AregV, which is required under tax law but is not permitted under IFRS.

The HGB annual financial statements of Amprion GmbH show a year-on-year increase in net income (i.e. the Group's key financial performance indicator) of 30.1% to €381.4 million. This includes the year-on-year increase in income from participations from the profit transfer of Amprion Offshore GmbH, which operates as a separate IFRS 8 reporting segment Offshore Grid Connections. The increase is due primarily to higher proceeds from capital costs for investment measures and the capital cost comparison, as well as higher capitalised construction overheads due to continued high investment activities. Earnings were weighed down by investment-related higher depreciation and amortisation as well as higher personnel expenses due to the further increase in the number of employees.

Under HGB, a significantly lower result is reported for the 2024 financial year than under IFRS. This is mainly because regulatory claims and obligations may not be recognised under IFRS.

In the previous year's group management report, a moderate decline in net profit was forecast as a financial performance indicator for the HGB annual result. The comparatively significant improvement in earnings resulted in particular from the refinancing of regulatory costs and the optimised debt financing.

## Financial situation

### IFRS Group Financial Statements

| **in € million** | **2024** | **2023** | **Change** |
|---|---:|---:|---:|
| Cash flow from operating activities | 1,550.0 | – 3,175.2 | 4,725.2 |
| Cash flow from investing activities | – 3,927.3 | – 2,855.2 | – 1,072.1 |
| Cash flow from financing activities | 2,477.5 | 808.4 | 1,669.1 |
| Net change in cash and cash equivalents | 100.3 | – 5,221.9 | 5,322.2 |
| **Cash and cash equivalents at the end of the period** | **411.8** | **311.5** | **100.3** |

Cash flow from operating activities improved significantly compared to the previous year. The increase is due to the EEG compensation mechanism and the financing of the EEG system from the German federal budget. As a result of this financing via EEG federal subsidies, large-volume positive or negative EEG liquidity holdings are no longer to be expected in the future. In the previous year, the elimination of the EEG levy from 1 July 2022 and the associated reduction in the EEG liquidity reserve led to a significant cash outflow.

Cash flow from investing activities is characterised by the increased investments in the *Transmission System Operation* segment and the *Offshore Grid Connections* segment.

The increase in cash flow from financing activities is due primarily to the higher level of long-term borrowing on the international capital market and the payment of the shareholders into the capital reserve of Amprion GmbH in the amount of €850 million to finance the comprehensive investment programme.

At the end of the reporting period, cash and cash equivalents totalled €411.8 million and consisted mainly of bank balances from the EEG (€176.7 million) and KWKG compensation mechanism (€154.4 million). These funds, which are to be held in trust by Amprion GmbH purely for the purpose of financing corresponding payments, are not available to the Group for free financial disposition.

### Financing

The Group is financed entirely through Amprion GmbH.

The grid loan tranche of the syndicated loan agreement with a total of eight banks was increased by €600 million in the second quarter of 2024 and had a total volume of €2,600 million as at the reporting date. It matures in October 2027. The interest rate is based on the EURIBOR reference interest rate plus a margin. As at the reporting date, the syndicated loan agreement had been utilised in the amount of €11 million, exclusively for guarantees. In addition, Amprion has a commercial paper programme, the maximum possible issue volume of which was increased from €1,500 million to €2,000 million in the third quarter of 2023. It offers Amprion access to the short-term capital market. Amprion had not issued any commercial papers as at the reporting date.

Amprion GmbH issued two further green dual tranche bonds with a total volume of €2,100 million in the "Euro MTF" market segment of the Luxembourg Stock Exchange during the financial year, based on the Green Finance Framework. The first green dual-tranche bond was issued on 13 May 2024 with a total volume of €1,000 million and a term of seven years (€500 million) and 20 years (€500 million). The interest rate for the seven-year bond is 3.698% (effective interest rate according to IFRS) and for the 20-year bond 4.124% (effective interest rate according to IFRS). The second green dual-tranche bond was placed on 19 August 2024 with a total volume of €1,100 million and a term of six years (€500 million) and 15 years (€600 million). The interest rate for the six-year bond is 3.454% (effective interest rate according to IFRS) and 4.039% for the 15-year bond (effective interest rate according to IFRS). As of 31 December 2024, the total volume of all outstanding bonds was €5,900 million.

The nominal amount of fixed-interest borrower's note loans and registered bonds taken up amounted to €971 million as of 31 December 2024. In addition, there is a long-term, fixed-interest syndicated loan agreement with two banks, including a development bank, in the nominal amount of €200 million with a total term of 15 years until June 2033. This syndicated loan agreement includes a financial key figure, whose annual compliance check is carried out as of 31 December. The defined limit of the financial key figure was met as of 31 December 2024.

Amprion GmbH's creditworthiness was again assessed by the two independent rating agencies Moody's Investors Service and Fitch Ratings in the 2024 financial year. The long-term-ratings are unchanged compared to the previous year: Moody's Investors Service with "Baa1" and Fitch Ratings with "BBB+", both with a stable outlook. Both ratings remain in the solid investment-grade range.

As part of the bond issues, the green dual-tranche bonds were rated "Baa1" by Moody's in the 2024 financial year.

The commercial paper programme has been affirmed by Moody's with a short-term rating of "Prime-2".

The ESG rating agency Sustainalytics updated Amprion GmbH's rating in the second quarter of 2024 and gave it an ESG risk rating of 9.0. This is in the "negligible risk" range and therefore in the lowest risk category. In the 2024 financial year, the rating agency Sustainable Fitch confirmed the ESG entity rating of "2" from the previous year. Sustainable Fitch's ESG ratings are awarded on a scale of 1 to 5, with a rating of 1 indicating full compliance with Sustainable Fitch's ESG best practices.

The Group's off-balance sheet financial obligations result mainly from order commitments, which increased from €10,314.8 million to €15,217.5 million over the course of the reporting year. The volume of commitments results largely from the contracts concluded in the years 2022 to 2024 for the construction and maintenance of offshore converter systems, the awarding of wireless contracts in connection with offshore projects, the manufacture and turnkey construction of cable routes in connection with the three projects EnLAG 14 – Rhine Crossing, Corridor B V48 and Corridor B V49, and the multi-party agreement on integrated project management (IPA) concluded in connection with the A-North project, which covers the civil engineering work including the construction of the protective piping system required for the underground cables. In addition, there are off-balance sheet financial obligations from electricity forward transactions entered into as part of grid loss management, as well as from property purchase agreements that have been concluded but not yet fulfilled. The resulting total financial obligation as of 31 December 2024 was €358.2 million.

### Investments

The demands on the transmission grid have increased significantly in recent years, especially against the background of the tightening of the medium-term climate targets until 2030. The governing coalition has decided that the share of renewable energies in gross electricity consumption should increase to 80% by 2030. The increasing feed-ins of renewable energies as well as changes in the power plant park due to the completed nuclear phase-out in 2023 and the ongoing coal phase-out mean that increased electrical power has to be transported over ever greater distances. In addition, trade-related energy transports have increased significantly throughout Europe as a result of the liberalisation of the European energy market.

Amprion carried out major investment measures in the financial year to increase transport capacity and stabilise the transmission grid in order to guarantee system security. The north-south axes of the transmission grid are continuously being expanded in order to integrate the increasing feed-in of renewable energies and to be able to provide the required transmission capacities after the shutdown of all nuclear power plants. In 2024, public law permits for around 335 kilometres of lines were granted by the permitting authorities. A total of 220 kilometres of overhead power lines and 120 kilometres of individual trenches for DC cable protection pipes were completed. During the financial year, the largest onshore investments were in the A-North, Rhine-Main-Link, Corridor B and Ultranet projects.

The direct current connection A-North from Emden-Ost to Osterath, together with the southern Ultranet project from Osterath to Philippsburg, forms the western German direct current Corridor A from Lower Saxony via North Rhine-Westphalia and Rhineland-Palatinate to Baden-Württemberg.

In the Ultranet DC project, the planning approval decisions for sections C1 (Osterath – Rommerskirchen) and A2 (Marxheim – Ried) were issued by the BNetzA in the fourth quarter of 2024. This has significantly accelerated the approval process and fulfilled the main conditions for the planned start of construction in the first quarter of 2025. The converter construction site in Meerbusch-Osterath and the pipeline construction site in the south at the transfer point to TransnetBW (section A1: Ried – Wallstadt) are also on schedule.

As additional transport capacity from the North Sea coast to North Rhine-Westphalia, Corridor B will be realised as HVDC over a total length of 710 kilometres, primarily as an underground cable. Corridor B consists of the two projects Wilhelmshaven – Hamm and Heide-West – Polsum. Corridor B is currently in the federal sector planning process. At the same time, planning for the preparation of the documents and the preparations for the subsequent plan approval procedure are already underway. In the area of the Elbe crossing, which is undergoing its own approval procedure as a special structure within Corridor B, the documents were submitted early in May 2024 in accordance with Section 19 NABEG. In addition, all documents in accordance with Section 8 NABEG were submitted to the BNetzA between June and December 2024. The first two public hearings for sections V49 South 1 and 2 took place in December 2024.

The Rhein-Main-Link HVDC project will be realised as an underground cable to ensure the required transmission capacity in the Rhine-Main metropolitan region. The project combines projects 82, 82a, 82b and 82c included in the Federal Requirements Planning Act from the Ovelgönne/Rastede/Wiefelstede/Westerstede search area to the four end points of Bürstadt, Hofheim-Marxheim, Kriftel and the Ried search area in the Rhine-Main area. The projects each have a length of around 600 kilometres and together provide a transmission capacity of eight GW. The Rhine-Main Link is subject to the new planning regime for the preferred area, which replaces the federal planning process. In doing so, the BNetzA determines an approximately five- to ten-kilometre-wide strip of land between the start and end points of a project. For the Rhine-Main Link, the BNetzA defined the preference area in May 2024. In June 2024, Amprion submitted a specific proposed route and alternatives within the preferred area to the BNetzA. After twelve months of planning, the Rhein-Main-Link has been in the planning approval process since July 2024. With the BNetzA's determination of the scope of the investigation in November 2024, the necessary reviews for the planning approval documents have been finalised.

For the first two offshore projects, DolWin4 and BorWin4, the drilling on Norderney and the drilling from the mainland into the Wadden Sea near Hilgenriedersiel were successfully completed with the insertion of the cable protection pipes. Installation of the cable ducts has also begun in the areas of the onshore sections north, Lower Saxony 1 and 2, and south. The DC land cables are being manufactured at the contractor's plants in Abbeville (USA) and Gron (France). The first deliveries have arrived at the intermediate storage facility in Germany. The contractors in Cadiz and Papenburg have started manufacturing the offshore converter stations. Around 80% of the steel structure of the platform body will be manufactured at the Meyer shipyard. The fabrication of the converter stations onshore is almost completed. The realisation of the two projects remains on an accelerated schedule.

For the BalWin1 and BalWin2 projects, all the main construction contracts (stations, cables, civil engineering, horizontal drilling in territorial waters) have been awarded. The manufacturing and construction are in preparation. The approval procedures in the exclusive economic zone and in territorial waters have been started; the approval procedures on land are in the final preparation stage.

The projects following BalWin1 and BalWin2 are in the planning and approval phase. In particular, the planning approval procedures for the various sections are currently being prepared.

Based on the IFRS consolidated financial statements, the investment volume (investments in tangible and intangible assets) for the Group in the reporting year totalled €4,121.2 million. Of this amount, €2,574.8 million was attributable to the *Transmission System Operation* segment (Amprion GmbH) and €1,546.4 million to the *Offshore Grid Connections* segment (Amprion Offshore GmbH). Compared to the previous year, Group investments increased by about 34%. The Group's investment obligations resulting from contracts for the acquisition of property, plant and equipment totalled €12,095.9 million as at 31 December 2024.

In the reporting year and in contrast to the Group investments determined on the basis of IFRS, the unconsolidated investment volume in non-current assets (property, plant and equipment, financial investments and intangible assets) determined on the basis of the annual separate financial statements of Amprion GmbH and Amprion Offshore GmbH under HGB amounted to €5,722.2 million. The difference to the Group investments is due mainly to the payment made by Amprion GmbH into the capital reserve of Amprion Offshore GmbH in the 2024 financial year in the amount of €620.0 million and the granting of internal group loans by Amprion GmbH to Amprion Offshore GmbH totalling €1,000.0 million, which represent financial investments from the perspective of Amprion GmbH's separate financial statements and are fully consolidated at Group level as intra-Group transactions as part of the preparation of the consolidated financial statements. In addition, differences result from the different amounts of borrowing costs capitalised under HGB and IFRS and from the deviating measurement of land exchange transactions.

Of the total investment volume determined on the basis of the unconsolidated HGB annual financial statements of the two group companies, €1,546.4 million was attributable to Amprion Offshore GmbH and thus the *Offshore Grid Connections* segment and €4,175.8 million to Amprion GmbH (*Transmission System Operation segment*). Of this sum, €4,072.9 million is attributable to the investments in property, plant and equipment of both Amprion GmbH and Amprion Offshore GmbH, which serve as a financial performance indicator for the Amprion Group. These are around 5% above the figure forecast in the Group Management Report for the previous year. In addition, the investment volume (excluding the intra-Group financial investments of Amprion GmbH, but including investments in intangible fixed assets) totalling €4,102.2 million is divided into €3,903.2 million for expansion investments and €199.0 million for renewal investments and other investments.

## Assets and liabilities

### IFRS Group Financial Statements

#### ASSETS

| in € million | 31 Dec. 2024 | 31 Dec. 2023 | Change |
|---|---|---|---|
| Non-current assets* | 15,581.4 | 11,782.6 | 3,798.8 |
| Current assets | 1,992.5 | 1,423.5 | 569.0 |
| **Total ASSETS*** | **17,573.9** | **13,206.1** | **4,367.8** |

* Restatement of previous year's figure due to change in accounting policy.

#### LIABILITIES AND EQUITY

| in € million | 31 Dec. 2024 | 31 Dec. 2023 | Change |
|---|---|---|---|
| Equity* | 5,498.3 | 4,084.5 | 1,413.8 |
| Non-Current liabilities* | 9,308.3 | 6,987.9 | 2,320.4 |
| Current liabilities | 2,767.2 | 2,133.7 | 633.5 |
| **Total LIABILITIES AND EQUITY*** | **17,573.9** | **13,206.1** | **4,367.8** |

* Restatement of previous year's figure due to change in accounting policy.

At €14,134.5 million (previous year [restated]: €10,397.4 million), property, plant and equipment make up the majority of non-current assets. They include overhead lines with voltages of 220 and 380 kV as well as primary and secondary technology in the transformer stations. The increase compared to the previous year is due mainly to investment-related additions to technical equipment and machinery and high advance payments made for offshore converter and cable systems.

The equity ratio as at 31 December 2024 is 31.3% (previous year: 30.9%). The increase is due to the higher equity and here, in particular, to the shareholders' contribution of €850 million to the capital reserve of Amprion GmbH.

The increase in non-current liabilities in the 2024 financial year is due mainly to the additional issuance of two green dual-tranche bonds on the international capital market with a total nominal value of €2,100 million.

### Overall statement on the development of business and the financial situation

Amprion's management assesses the course of business and the economic situation of the Group as positive. Overall, the financial position can be described as solid and forms the basis for further investments in the transmission grid.

# NOTES TO THE ANNUAL SEPARATE FINANCIAL STATEMENTS OF AMPRION GMBH UNDER HGB

Amprion GmbH prepares its annual separate financial statements in accordance with the provisions of the HGB. The separate financial statements are submitted to Bundesanzeiger Verlag GmbH and published in the company register as a central platform for providing access to company data.

## HGB balance sheet of Amprion GmbH

### HGB balance sheet

#### ASSETS

| in € million | 31 Dec. 2024 | 31 Dec. 2023 | Change |
|---|---|---|---|
| **Non-current assets** | | | |
| Intangible assets | 59.2 | 47.5 | 11.7 |
| Property, plant and equipment | 10,978.1 | 8,797.5 | 2,180.6 |
| Financial assets | 2,706.2 | 1,086.3 | 1,619.9 |
| **Total non-current assets** | **13,743.5** | **9,931.3** | **3,812.2** |
| **Current assets** | | | |
| Inventories | 125.7 | 108.6 | 17.1 |
| Receivables and other assets | 1,815.7 | 1,438.8 | 376.9 |
| Cash and cash equivalents | 411.8 | 311.5 | 100.3 |
| **Total current assets** | **2,353.2** | **1,858.9** | **494.3** |
| **Prepaid expenses** | **9.8** | **7.4** | **2.4** |
| **Total ASSETS** | **16,106.5** | **11,797.6** | **4,308.9** |

## LIABILITIES AND EQUITY

| in € million | 31 Dec. 2024 | 31 Dec. 2023 | Change |
|---|---|---|---|
| **Equity** | | | |
| Subscribed capital | 10.0 | 10.0 | 0.0 |
| Jouissance rights capital | 39.2 | 32.2 | 7.0 |
| Additional paid-in capital | 2,253.0 | 1,403.0 | 850.0 |
| Retained earnings | 1,170.1 | 1,046.9 | 123.2 |
| Net profit | 381.4 | 293.2 | 88.2 |
| **Total equity** | **3,853.7** | **2,785.3** | **1,068.4** |
| **Special items** | **22.8** | **24.0** | **– 1.2** |
| **Provisions and accruals** | **1,670.0** | **1,469.2** | **200.8** |
| **Liabilities** | **9,475.8** | **6,820.8** | **2,655.0** |
| **Deferred income** | **722.1** | **336.3** | **385.8** |
| **Deferred tax liabilities** | **362.1** | **362.0** | **0.1** |
| **Total LIABILITIES AND EQUITY** | **16,106.5** | **11,797.6** | **4,308.9** |

## HGB income statement of Amprion GmbH

### HGB income statement

| in € million | 2024 | 2023 | Change |
|---|---|---|---|
| Revenue | 13,268.8 | 15,469.3 | – 2,200.5 |
| Change in inventory of work in progress | – 0.7 | 10.7 | – 11.4 |
| Other own work capitalised* | 207.3 | 138.6 | 68.7 |
| Other operating expenses | 58.0 | 62.7 | – 4.7 |
| Cost of materials | – 12,014.7 | – 14,493.9 | 2,479.2 |
| Personnel expenses | – 387.8 | – 358.7 | – 29.1 |
| Depreciation and amortisation | – 326.3 | – 294.5 | – 31.8 |
| Other operating expenses | – 271.3 | – 211.1 | – 60.2 |
| Financial result* | 39.7 | 116.6 | – 76.9 |
| **Profit before taxes** | **573.0** | **439.7** | **133.3** |
| Income taxes | – 191.6 | – 146.5 | – 45.1 |
| **Profit after taxes/net profit** | **381.4** | **293.2** | **88.2** |

* Adjustment of previous year's figure due to change in disclosure of capitalised borrowing costs.

### Assets and liabilities

Amprion GmbH's total assets amounted to €16.1 billion as at 31 December 2024 (previous year: €11.8 billion). The increase in property, plant and equipment includes overhead lines with voltages of 220 and 380 kV as well as primary and secondary technology in the substations. Financial assets also increased. This is due to the higher capital resources supplied to Amprion Offshore GmbH in the form of equity and debt capital during the reporting year.

The slight increase in the equity ratio compared to the previous year is due mainly to the payment of the shareholders into the capital reserve in the amount of €850 million. The significant increase in liabilities is due mainly to the further issuance of two green dual-tranche bonds with a nominal volume totalling €2,100 million.

### Financial position

Cash and cash equivalents amounted to €411.8 million as at 31 December 2024 and comprised ring-fenced liquidity under the Renewable Energies Act (EEG) of €176.7 million, liquidity under the Combined Heat and Power Act (KWKG) of €154.4 million and cash and cash equivalents from the grid business of €80.7 million.

### Earnings position

Amprion GmbH's net profit for the year totalled €381.4 million (previous year: €293.2 million). The €88.2 million improvement in earnings compared to the previous year was due, in particular, to increased income from capital costs for investments due to the high level of investment activity. This more than offset the increased negative impact on earnings from higher personnel expenses due to the further increase in the number of employees and investment-related higher depreciation.

# OUTLOOK, OPPORTUNITIES AND RISK REPORT OF THE GROUP

## Outlook

### Grid business

The starting level for the fourth regulatory period, the development of the permanently non-controllable costs, the overall consumer price index, the general productivity factor and the individual efficiency value form the basis for the final grid fees, which were published on 16 December 2024.

For 2025, Amprion expects costs to increase by around 10% compared to 2024, based on the revenue cap. Network costs will remain at a high level due to a further increase in investment costs for network expansion and rising reserve costs for the network reserve.

Overall, there is a reduction in fees for the majority of customers in the usage hours range between 5,000 and 8,760 hours in the extra-high-voltage grid level of 9.6% to 5.0%. At lower voltage levels, on the other hand, there is a fee increase of 2.1% to 14%. Around the inflection point of 2,500 utilisation hours, the reduction in fees at the extra-high-voltage grid level and the increase in fees at lower voltage levels are significantly higher, in some cases up to 25%. In summary, there is a 12% reduction in fees at the extra-high-voltage level and a 20% increase at lower voltage levels on average.

### System services

Amprion GmbH continues to procure balancing power jointly with the other German TSOs in accordance with the requirements of the Federal Network Agency. Due to the rise in futures prices it is assumed that expenses for balancing capacity will also increase.

The tender for the long-term component for loss energy has been fully completed for the year 2025. In line with the gradual decline in electricity prices, the long-term component can be procured at a significantly lower cost. The expected procurement and management costs will therefore also be lower. The reference price is around €99/MWh; with a volume of around 2.7 TWh, the costs amounting to €267 million.

It is expected that the costs of congestion management from redispatch measures (including grid reserves) will rise in order to meet the challenges of the continuous expansion of renewable energies while maintaining system security. In addition, the cross-border capacities made available to the market in accordance with the “Clean Energy Package” will increase annually in line with the German “Action Plan Bid Zone”. In Germany, this figure was 50.5% in the 2024 reporting year, and the aim is to achieve the target of 70% of cross-border transmission capacities being made available for European cross-border electricity trading.

### Further development of operations in asset management

Amprion GmbH's grid has changed dramatically with the introduction of new technologies and will continue to develop in size and complexity in the coming years as a result of grid expansion. Overall, the extra-high-voltage grid will grow significantly, with structural changes (e.g. operation of DC cables, offshore plants) having a significant impact on operations. These new technologies and numerous IT components must be integrated into the grid and operated safely. In addition, the increasing grid load is leading to higher maintenance costs. Added to this are rising (IT-) security requirements, capacity bottlenecks in the market for external services, and increasing legal and regulatory requirements.

### Investments

The national NEP is the basis for the project planning of the four German TSOs. The NEP 2037/2045 (Version 2023) is the first to include a climate-neutral grid for the target year 2045. The BNetzA confirmed the NEP 2037/2045 (Version 2023) on 1 March 2024. In addition to grid reinforcements and grid expansion in the alternating current transmission grid, seven new HVDC systems (DC32, DC35, DC40, DC40plus, DC41, DC42, DC42plus) are planned for large-scale power transmission from the generation centres to the load centres. Amprion plans to implement the DC35 project with two GW of transmission capacity from Lower Saxony to Hesse together with the already approved DC34 project (Rastede-Bürstadt DC connection) and with two offshore grid connection systems as an energy corridor (Rhein-Main-Link). On 5 July 2024, the Bundestag and Bundesrat adopted the first part of the German federal government's draft law "on the implementation of the EU Renewable Energy Directive in the areas of offshore wind energy and electricity grids and on the amendment of the Federal Requirements Planning Act". This has resulted in the bundling of individual new projects from the 2037/2045 NEP (2023 version) with projects already in the planning stage, namely 81 (extra-high-voltage line from Hemmingstedt/Lieth/Lohe-Rickelshof/Wöhrden to Klein Rogahn/Stralendorf/Warsow/Holthusen/Schossin) and 82 (extra-high-voltage line from Ovelgönne/Rastede/Wiefelstede/Westerstede to Bürstadt).

Furthermore, the federal government adopted the growth initiative on 5 July 2024. Item 45 concerns the expansion of the transmission grid: "The federal government will stagger the measures confirmed in the grid development plan in coordination with the TSOs and the Federal Network Agency in order to make optimal use of resources, avoid delays and grid bottlenecks, at the same time, and thus save costs." To this end, the TSOs are currently developing proposals for the Ministry for Economic Affairs.

The draft scenario framework of the NEP 2037/2045 (2025 version) was submitted by the four German TSOs to the BNetzA for review and publication on 28 June 2024. The process is delayed by six months due to the amendment of the EnWG, as the German government is seeking to harmonise the timing of the two NEPs for electricity and gas/hydrogen. The BNetzA published the draft scenario framework of the NEP 2037/2045 (Version 2025) at the beginning of September 2024 and organised the public consultation. The TSOs expect the BNetzA to approve the scenario framework at the beginning of April 2025. The main process of the NEP

2037/2045 (Version 2025) to examine the grid expansion needs of Germany will thus be repeated in 2025 and the grid expansion portfolio will be reviewed again. In addition, the new legislative targets for offshore expansion for the years 2030, 2035 and 2040 were incorporated into the update of the 2023 area development plan on 20 January 2023. The offshore project portfolio of Amprion Offshore GmbH has been updated in terms of completion dates and expanded to include seven additional offshore grid connection systems (ONAS) in the Amprion control area by 2045, when the grid will be carbon neutral. The grid connection points of the proposed grid connection systems are Kusenhorst (intended for two ONAS), search area Ried, Kriftel, Lippe, Rommerskirchen and Sechtem.

The draft of the Area Development Plan 2024 was published on 7 June 2024. It provides an outlook on how the area layouts can be expanded. In addition, lake areas to the west of the shipping route SN 10 are being designated for the first time. The Area Development Plan 2025 was published on 30 January 2025.

At the European level, Amprion contributes to the preparation of the Ten-Year Network Development Plan (TYNDP). This plan determines the need for cross-border network expansion and identifies projects of common interest (PCI) for optimising overall European welfare. The results are incorporated into the German Network Development Plan, which is incorporated into legislation and defines Amprion's investments in the long term. For the current TYNDP 2024, Amprion is not only submitting the cross-border projects (DE-DK hybrid interconnector, hybrid interconnector Norway-SNII-Continent and Niederstedem-Bertrange) but also the German domestic project Rhein-Main-Link with the two DC projects DC34 and DC35.

The planned investment volume for Amprion GmbH's property, plant and equipment up to 2029 amounts to around €21.9 billion and is characterised by the major projects for direct current transmission – Ultranet, A-Nord, Corridor B, Rastede – Bürstadt (DC34) – and various projects for alternating current transmission. Investments totalling around €3.5 billion are scheduled for 2025.

An investment volume of around €14.6 billion in property, plant and equipment is planned for the subsidiary Amprion Offshore GmbH until 2029. This includes seven offshore grid connections, two of which – DolWin4 and BorWin4 – are scheduled to go into operation in 2028. Of this, around €1.9 billion is attributable to 2025.

The investments in property, plant and equipment planned for Amprion GmbH and Amprion Offshore GmbH up to 2029 amount to €36.4 billion.

Of the total investments in property, plant and equipment by the two companies, which serves as a financial performance indicator, €5.4 billion is attributable to 2025.

### Net income

We expect a net profit of between €390 million and €460 million in the HGB annual financial statements of Amprion GmbH for the 2025 financial year.

### Number of employees

The FTE target was adjusted to 3,643 FTE per 31 December 2025.

### Overall statement on the future development of the Group

The management expects the Group's net assets, financial position and results of operations to remain stable and its business performance to remain positive in 2025 due to the regulatory environment.

## Opportunities and risk report

### Group-wide risk management system

Amprion's group-wide risk management is an integral part of the group-wide early warning system. In addition to the risk management system, it consists of the internal audit, the internal control system and the compliance management system. Group-wide risk management includes comprehensive process and structural organisational measures and records relevant risks from the various divisions directly or via interfaces.

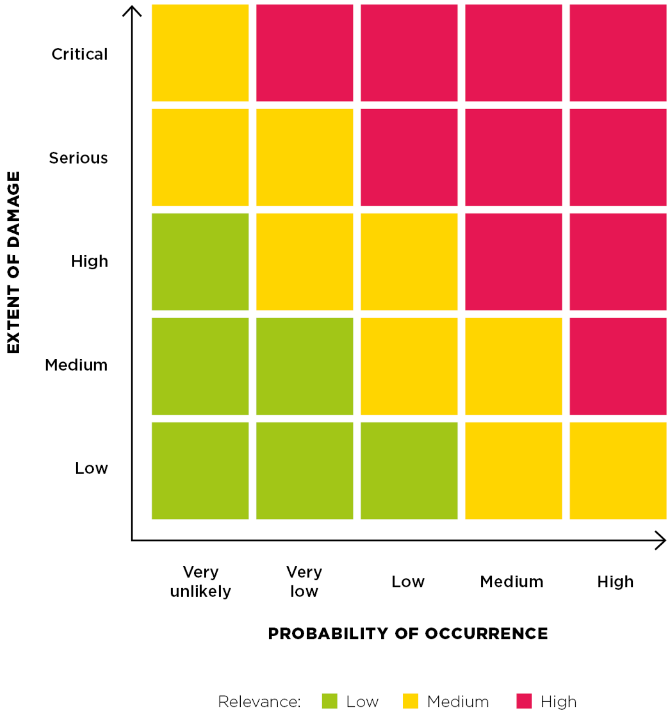
The term "risk" is generally defined as a deviation from a projected value that can negatively influence the future development of the Group's economic situation. Particular focus is placed on risks aimed at ensuring solvency at all times, maintaining an economically appropriate equity and debt capitalisation and generating a stable annual HGB result.

The purpose of Group-wide risk management is to identify, assess, control, record in a standardised manner, report and monitor risks at an early stage that could have an impact on earnings and liquidity and thus subsequently affect the Group's net asset, financial position and earnings position of operation or even jeopardise its continued existence. The risk management committee, which consists of the Management Board, the heads of the organisational units of the second reporting level and the Chairperson of the risk management committee, is responsible for the control and monitoring of the group-wide risk management.

The group-wide risk management serves as an information base for the Management Board, the Supervisory Board and the shareholders to assess the overall risk situation of the company. In addition to regular reporting, individual cases are reported immediately to the decision makers in the event of significant negative changes. The risk management process is intended to strengthen risk awareness, enable early detection of all risks and thus create transparency about the overall risk situation. The principles, processes, responsibilities and procedural descriptions for the risk management process are documented in sets of rules and made available to all employees. The risk management process is analysed regularly and adjusted as needed.

Risk identification includes a structured inventory of potential risks in operational processes and functional areas. These are analysed, evaluated and differentiated according to their effect on profit before taxes and liquidity. In the risk assessment, causes are determined and early warning indicators, risk control and prevention measures, damage amounts and probabilities of occurrence of the risks are analysed. The goal of risk management is to reduce the amount of damage or the probability of occurrence of existing risks or – as far as possible – to avoid risks.

The risks affecting profit before taxes of Amprion GmbH under HGB can be assessed using the following matrix.



## Damage amounts

| in € million | Impact on profit before taxes |
|---|---|
| Critical | Y ≥ 1,000 |
| Serious | 500 ≤ Y < 1,000 |
| High | 250 ≤ Y < 500 |
| Medium | 25 ≤ Y < 250 |
| Low | Y < 25 |

## Probabilities of occurrence

| in % | Probability of occurrence |
|---|---|
| High | X ≥ 50% |
| Medium | 35% ≤ X < 50% |
| Low | 20% ≤ X < 35% |
| Very low | 5% ≤ X < 20% |
| Very unlikely | X < 5% |

The highest individual risk at the annual level is used to determine the risk class. The following overview shows the changes in classification compared to the previous year.

In the risk class of regulation and legislation, the classification has changed from medium to high, which is due in particular to the determination of the equity interest rate in connection with the company's sustained growth.

## Classification of the highest individual risks

| Risk classes | 31 Dec. 2024 | 31 Dec. 2023 |
|---|---|---|
| Regulation and legislation | High | Medium |
| Investments and operation of transmission network | Medium | Medium |
| Market price risks | Low | Low |
| Financing | Low | Low |
| Risks of default | Low | Low |
| Other significant risks | Medium | Medium |

## Significant opportunities and risks

The main opportunities and risks to which Amprion is exposed in the respective risk classes are described below. Due to the regulated business and legal requirements, the opportunity and risk profile is limited.

## Regulation and legislation

Grid fees are subject to regulation by the Federal Network Agency. The approvals or decisions of the Federal Network Agency can have a positive or negative impact on the Group's net assets, financial and earnings positions. This includes, in particular, the determination of the equity interest rate, which has a significant influence on the economic development, as well as the determinations of the productivity factors. A central point is the approval practice for the cost audits, as this determines the basis of the grid charges for a regulatory period. The determination of the grid charges is based on forecast sales volumes. In the event of an unplanned deviation in quantities due to external factors (e.g. weather, economic situation, decentralised generation), additional or reduced revenues arise which are to be recorded in the regulatory account and taken into account in the future grid charges. Resulting long-term risks and opportunities generally do not have a lasting impact on Amprion's earnings and liquidity situation.

Further risks can arise if investment measures are only partially recognised by the Federal Network Agency, because these can lead to lower calculatory costs and thus lower revenues from grid charges. This risk is counteracted by cost control and cost verification of the investment measures vis-à-vis the Federal Network Agency.

## Investments and grid operation

The Group is implementing a large number of projects for the expansion and maintenance of the transmission grid, which require high levels of investment. These projects can give rise to risks for the Group. Postponements of projects, unscheduled higher costs or changes in technical requirements can have an impact on the Group's financial position, financial performance and cash flows. Amprion counters these risks through comprehensive project risk management.

Amprion fulfils its legal mandate to operate a safe, reliable and efficient transmission grid. Accordingly, the asset portfolio and the processes for developing and planning, projecting, constructing and operating the transmission grid are reviewed regularly and, in particular, on an ad hoc basis to determine whether there are any relevant technical risks. On the basis of a well-founded analysis, technical risks are managed in an appropriate and technically and economically optimised manner.

### Market price risks

Market price risks arise from changes in market prices and include energy, capital and commodity markets. For example, energy price risks can result in costs for system services that are higher than planned and calculated in the grid fees. Interest rate risks can have a negative impact on the valuation of balance sheet items and thus also negatively affect the earnings situation. Commodity price risks can materialise, for example, in a higher need for financial resources for maintenance and investments.

### Financing

Amprion will have a constant funding requirement due to its onshore and offshore investment projects in the coming years. There is a risk that the liquidity required for this may not be available either at attractive conditions or through external – public or private – financing channels. Events with negative effects on the national and international capital markets may have a negative impact on the general availability of funds and the financing costs for Amprion. Amprion actively manages its financing through targeted measures, such as ESG ratings, to minimise risks in this area.

### Default risks

Default risks arise when a business partner does not fulfil its payment or delivery obligations or does not fulfil them sufficiently, which results in a financial loss. At the same time, the default risk of business partners is partially limited due to contractual regulations in that appropriate securities or advance payments can be demanded in justified cases. Default risks are largely avoided through credit checks, continuous receivables management and the collection of collateral. In addition, the vast majority of grid fees are collected by the distribution grid operators, who are also subject to regulation, which means that the associated default risk is currently considered to be rather low.

### Other significant risks

Other risks of a general nature can arise from natural disasters, pandemics and similar events. In extreme cases, emergency plans and precautionary measures help to maintain safe network operations and avert dangers for the Group, customers and employees.

Risks from the area of information security and from the IT environment are monitored via specialised risk management systems. The Group operates an information security management system (ISMS), which also includes the assessment of risks to the information security of processes. As Amprion's processes are increasingly supported by information technology (IT), specialised IT risk management is required to ensure the stability of the processes. For this purpose, the relevant IT risks are identified, treated with appropriate and economically reasonable measures and permanently monitored.

In the course of further growth and in view of the demanding tasks in the Group, the need for qualified personnel is also increasing. This is intended to be met by measures to increase employer attractiveness.

### Liquidity risks

Amprion is exposed to liquidity risks in connection with its short-term financial obligations. For Amprion, these consist of not being able to meet its upcoming payment obligations in full or on time. A key objective is therefore to ensure full solvency at all times through centralised group-wide liquidity management.

With the accounting separation of the EEG, KWKG and grid business, liquidity management and liquidity risks are also considered separately. To control and monitor liquidity risks, the planned liquidity development for the EEG, KWKG and grid business is determined and subjected to a stress test with various risk scenarios. For the liquidity risk from the grid business, the risks at company level are used for this purpose. For the liquidity risk from the EEG business, the stress test is carried out using a risk scenario whose parameters are specified by an independent expert. The liquidity trends subject to the stress tests are compared with the available liquid funds and credit lines. This makes it possible to identify liquidity bottlenecks at an early stage and to take appropriate countermeasures.

### Overall statement on risks

In the 2024 financial year, there were no discernible risks that individually or collectively could jeopardise the continued existence of the Group. From today's perspective, there are also no risks that could threaten the existence of the Group in the foreseeable future.

# (GROUP) ACCOUNTING-RELATED INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM

The aim of the (group) accounting-related internal control and risk management system is to ensure that the (group) accounting process complies with legal requirements and generally accepted accounting principles. Amprion's (group) accounting-related internal control and risk management system (ICS) defines principles, procedures and measures that ensure the integrity of the (group) accounting process. The system is based on the international standard "Enterprise Risk Management – Integrated Frameworks" of the Committee of Sponsoring Organizations of the Treadway Commission (COSO) and the COSO model named after it.

The regulations are summarised in a guideline, which is supplemented by work instructions. In addition, the specific accounting-related risks are presented in a control matrix with the fields of action and responsibilities as part of the guideline. This is reviewed regularly to ensure that it is up to date. Risk identification and risk assessment are carried out in consideration of the accounting processes and the risk management system with the involvement of all operative units of the accounting department.

One or more specific manual and/or system controls are assigned to each of the identified risks. The quantitative (materiality per balance sheet item) and qualitative (complexity and discretionary scope) assessments of the risks determine the intensity of the controls. Some of these controls serve the purpose of ex-post verification, i.e. ensuring the accuracy and completeness of the financial statements (ex-post controls). Other control activities, on the other hand, have a preventive character in order to secure risky processes in advance and to reduce the system's susceptibility to errors (ex-ante controls). The combination of ex-post and ex-ante controls ensures a robust (group) accounting process overall.

The key control measures for Amprion's (group) accounting-related internal control and risk management system are:

- Four-eyes principle applied throughout,
- Separation of functions and assignment of responsibilities,
- Graduated release strategies,
- Use of standard business software for (group) accounting with a comprehensive authorisation concept to avoid fraudulent actions,
- IT access restrictions based on the principle of separation of functions to prevent unauthorised access to data.

The (group) accounting-related internal control and risk management system includes the central documentation of control activities and reporting to the Head of Accounting, who is responsible for initiating further measures if necessary. In addition, there is a regular exchange with the internal control system officer and with Amprion's risk management.

# DECLARATION OF AMPRION GMBH ON CORPORATE GOVERNANCE PURSUANT TO SECTION 289F (4) HGB

This declaration by Amprion GmbH on corporate governance in accordance with Section 289f (4) HGB is disclosed voluntarily in the Group Management Report.

A target quota for the proportion of women on the Supervisory Board of Amprion GmbH of 25.0% has been set in 2020. This quota is to be achieved by 1 December 2025.

In 2022, one woman was set as the target quota for women on the Management Board of Amprion GmbH to be achieved by 30 June 2027. A corresponding target quota of 17.6% was set for the first management level below the Management Board and a target quota of 10.9% for the second management level. These are also to be achieved by 30 June 2027.

Dortmund, 24 March 2025

The Management Board

**DR CHRISTOPH MÜLLER** **PETER RÜTH** **DR HENDRIK NEUMANN**

# IFRS CONSOLIDATED FINANCIAL STATEMENTS

of Amprion GmbH, Dortmund,
for the 2024 financial year

**Note**

This document is a translation of the German version. In case of uncertainty or conflict, the German version shall prevail.

# CONSOLIDATED INCOME STATEMENT FOR THE AMPRION GROUP

## For the reporting period from 1 January 2024 to 31 December 2024

| **in € million** | **Note** | **2024** | **2023** |
|---|---|---|---|
| Revenue | [1] | 5,635.3 | 4,829.4 |
| Other own work capitalised | | 259.2 | 172.5 |
| Other operating income | [2] | 39.2 | 17.3 |
| Cost of materials | [3] | – 3,698.1 | – 2,675.0 |
| Personnel expenses | [4] | – 364.7 | – 310.2 |
| Other operating expenses | [5] | – 183.8 | – 160.4 |
| **Earnings before interest, taxes, depreciation and amortisation (EBITDA)** | | **1,687.0** | **1,873.6** |
| Depreciation and amortisation | [6] | – 523.8 | – 443.1 |
| **Earnings before interest and taxes (EBIT, operating profit)** | | **1,163.2** | **1,430.5** |
| Financial result* | [7] | – 110.3 | – 54.4 |
| *of which financial income* | *[7]* | *22.5* | *24.6* |
| *of which financial expenses** | *[7]* | *– 132.8* | *– 79.0* |
| **Earnings before taxes (EBT)*** | | **1,052.9** | **1,376.1** |
| Income taxes* | [8] | – 348.2 | – 443.5 |
| **Consolidated net income*** | | **704.7** | **932.6** |

* Restatement of previous year's figure due to change in accounting policy.

# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE AMPRION GROUP

**For the reporting period from 1 January 2024 to 31 December 2024**

## After-tax figures

| in € million | Note | 2024 | 2023 |
|---|---|---|---|
| **Consolidated net income*** | | **704.7** | **932.6** |
| Revaluation of net defined benefit pension obligation and similar obligations | [8], [19], [20] | 29.1 | – 36.9 |
| ***Total income and expenses recognised in equity (other comprehensive income, OCI)*** | ***[8], [19], [20]*** | ***29.1*** | ***– 36.9*** |
| *Income and expenses recognised in equity, not to be reclassified through profit or loss* | | *29.1* | *– 36.9* |
| *Income and expenses recognised in equity, to be reclassified through profit or loss in the future* | | *0.0* | *0.0* |
| **Consolidated comprehensive income*** | | **733.8** | **895.7** |

* Restatement of previous year's figure due to change in accounting policy.

# CONSOLIDATED BALANCE SHEET FOR THE AMPRION GROUP

**As at 31 December 2024**

## ASSETS

| in € million | Note | 31 Dec. 2024 | 31 Dec. 2023 |
|---|---|---|---|
| **Non-current assets** | | | |
| Property, plant and equipment* | [9] | 14,134.5 | 10,397.4 |
| Right-of-use assets | [10] | 1,183.4 | 1,171.5 |
| Intangible assets | [11] | 59.2 | 47.6 |
| Financial assets | [12] | 5.2 | 5.2 |
| Net defined benefit asset | [20] | 199.0 | 160.9 |
| Deferred tax assets | [23] | 0.0 | 0.0 |
| ***Total non-current assets**** | | ***15,581.4*** | ***11,782.6*** |
| **Current assets** | | | |
| Inventories | [13] | 104.5 | 86.6 |
| Trade receivables and other receivables | [14] | 1,427.2 | 936.1 |
| Other financial assets | [15] | 34.1 | 29.6 |
| Income tax claims | [16] | 3.4 | 49.7 |
| Other non-financial assets | [17] | 11.5 | 9.9 |
| Cash and cash equivalents | [18] | 411.8 | 311.5 |
| ***Total current assets*** | | ***1,992.5*** | ***1,423.5*** |
| **Total ASSETS*** | | **17,573.9** | **13,206.1** |

* Restatement of previous year's figure due to change in accounting policy.

## LIABILITIES AND EQUITY

| in € million | Note | 31 Dec. 2024 | 31 Dec. 2023 |
|---|---|---|---|
| **Equity** | | | |
| Subscribed capital | [19] | 10.0 | 10.0 |
| Additional paid-in capital | [19] | 2,253.0 | 1,403.0 |
| Retained earnings | [19] | 2,429.1 | 1,666.4 |
| Accumulated other comprehensive income | [19] | 101.6 | 72.4 |
| Consolidated net income* | [19] | 704.7 | 932.6 |
| ***Total equity**** | | ***5,498.3*** | ***4,084.5*** |
| **Non-current liabilities** | | | |
| Provisions | [20] | 44.6 | 44.9 |
| Financial liabilities | | | |
| Financial debt | [21] | 7,053.8 | 4,875.0 |
| Other financial liabilities | [21] | 1,022.1 | 1,044.5 |
| Non-financial liabilities | [22] | 43.1 | 44.2 |
| Deferred tax liabilities* | [23] | 1,144.6 | 979.2 |
| ***Total non-current liabilities**** | | ***9,308.3*** | ***6,987.9*** |
| **Current liabilities** | | | |
| Provisions | [20] | 144.5 | 77.3 |
| Financial liabilities | | | |
| Financial debt | [21] | 81.1 | 50.5 |
| Trade payables and other liabilities | [24] | 2,263.4 | 1,794.7 |
| Other financial liabilities | [21] | 203.3 | 167.5 |
| Income tax liabilities | [16] | 35.4 | 16.9 |
| Non-financial liabilities | [22] | 39.5 | 26.9 |
| ***Total current liabilities*** | | ***2,767.2*** | ***2,133.7*** |
| **Total LIABILITIES AND EQUITY*** | | **17,573.9** | **13,206.1** |

* Restatement of previous year's figure due to change in accounting policy.

# CONSOLIDATED CASH FLOW STATEMENT FOR THE AMPRION GROUP

**For the reporting period from 1 January 2024 to 31 December 2024**

## 1. Operating activities

| in € million | Note | 2024 | 2023 |
|---|---|---|---|
| EBIT (per consolidated income statement) | | 1,163.2 | 1,430.5 |
| Depreciation and amortisation | [6], [9], [10], [11] | 523.8 | 443.1 |
| Change in provisions | [20] | 73.4 | – 61.8 |
| Income from disposals of non-current assets | [2], [5] | 8.9 | 16.1 |
| Other non-cash expenses/income | [28] | – 20.7 | – 10.3 |
| Changes in assets and liabilities from operating activities | | | |
| Inventories | [13] | – 16.6 | – 20.3 |
| Net value of trade receivables and trade payables | [14], [24] | – 179.2 | – 4,906.6 |
| Net value of other assets and liabilities | [14], [15], [17], [21], [22], [24] | 128.7 | – 49.3 |
| Income tax paid | [8], [16] | – 131.5 | – 16.5 |
| **Operating cash flow** | | **1,550.0** | **– 3,175.2** |
| *of which from grid business* | | *1,532.5* | *1,727.6* |
| *of which from EEG business* | | *– 38.6* | *– 4,995.2* |
| *of which from KWKG business* | | *56.2* | *92.4* |

## 2. Investing activities

| in € million | Note | 2024 | 2023 |
|---|---|---|---|
| Investments in intangible assets and property, plant and equipment | [7], [9], [11] | – 3,987.3 | – 2,986.7 |
| Sales of intangible assets and property, plant and equipment | [2], [5], [9], [11] | 23.4 | 10.8 |
| Interest received | [7] | 35.8 | 120.0 |
| Dividends received | [7] | 0.8 | 0.7 |
| **Cash flow from investing activities** | | **– 3,927.3** | **– 2,855.2** |
| *of which from grid business* | | *– 3,941.4* | *– 2,944.3* |
| *of which from EEG business* | | *10.2* | *87.3* |
| *of which from KWKG business* | | *3.9* | *1.9* |

## 3. Financing activities

| in € million | Note | 2024 | 2023 |
|---|---|---|---|
| Interest paid | [7] | – 227.3 | – 141.7 |
| Distributed profits | [19] | – 170.0 | – 130.0 |
| Entering into financial liabilities | [21] | 2,206.6 | 1,203.6 |
| Redemption of lease liabilities | [10] | – 171.1 | – 124.1 |
| Redemption of financial liabilities (excluding lease liabilities) | [21] | – 9.6 | – 0.2 |
| Cash inflows from capital increases | [19] | 850.0 | 0.0 |
| Cash inflows/outflows for short-term liquidity management | [21] | – 0.9 | 1.0 |
| **Cash flow from financing activities** | | **2,477.5** | **808.4** |
| *of which from grid business* | | *2,477.5* | *808.4* |
| *of which from EEG business* | | *0.0* | *0.0* |
| *of which from KWKG business* | | *0.0* | *0.0* |
| | | | |
| **Net change in cash and cash equivalents** | | **100.3** | **– 5,221.9** |
| Cash and cash equivalents at the start of period | [18] | 311.5 | 5,533.4 |
| **Cash and cash equivalents at the end of the period** | [18] | **411.8** | **311.5** |
| *of which from grid business* | | *80.7* | *12.1* |
| *of which from EEG business* | | *176.7* | *205.1* |
| *of which from KWKG business* | | *154.4* | *94.3* |

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE AMPRION GROUP

## For the reporting period from 1 January 2024 to 31 December 2024

| in € million | Subscribed capital | Additional paid-in capital | Retained earnings |
|---|---|---|---|
| **As at 1 January 2023** | **10.0** | **1,403.0** | **1,856.8** |
| **Transactions with shareholders** | **0.0** | **0.0** | **0.0** |
| *of which cash inflows from capital increases* | *0.0* | *0.0* | *0.0* |
| *of which distributed profits* | *0.0* | *0.0* | *0.0* |
| **Deposited net income for the previous year** | **0.0** | **0.0** | **– 190.4** |
| **Consolidated net income, current year*** | **0.0** | **0.0** | **0.0** |
| **Other comprehensive income, current year** | **0.0** | **0.0** | **0.0** |
| **As at 31 December 2023*** | **10.0** | **1,403.0** | **1,666.4** |
| **As at 1 January 2024** | **10.0** | **1,403.0** | **1,666.4** |
| **Transactions with shareholders** | **0.0** | **850.0** | **0.0** |
| *of which cash inflows from capital increases* | *0.0* | *850.0* | *0.0* |
| *of which distributed profits* | *0.0* | *0.0* | *0.0* |
| **Deposited net income for the previous year** | **0.0** | **0.0** | **762.6** |
| **Consolidated net income, current year** | **0.0** | **0.0** | **0.0** |
| **Other comprehensive income, current year** | **0.0** | **0.0** | **0.0** |
| **As at 31 December 2024** | **10.0** | **2,253.0** | **2,429.1** |

* Restatement due to change in accounting policy.

| Consolidated net income | Accumulated other comprehensive income (OCI) | Total equity |
|---|---|---|
| – 60.4 | 109.3 | **3,318.8** |
| – 130.0 | 0.0 | **– 130.0** |
| *0.0* | *0.0* | *0.0* |
| *– 130.0* | *0.0* | *– 130.0* |
| 190.4 | 0.0 | **0.0** |
| 932.6 | 0.0 | **932.6** |
| 0.0 | – 36.9 | **– 36.9** |
| 932.6 | 72.4 | **4,084.5** |
| 932.6 | 72.4 | **4,084.5** |
| – 170.0 | 0.0 | **680.0** |
| *0.0* | *0.0* | *850.0* |
| *– 170.0* | *0.0* | *– 170.0* |
| – 762.6 | 0.0 | **0.0** |
| 704.7 | 0.0 | **704.7** |
| 0.0 | 29.1 | **29.1** |
| 704.7 | 101.6 | **5,498.3** |

# NOTES

**to the IFRS consolidated financial statements 2024 of the Amprion Group**

## BASIS OF PRESENTATION

Amprion GmbH ("the company" or "the parent company") is a German limited liability corporation headquartered at Robert-Schuman-Straße 7 in 44263 Dortmund. It is registered with the District Court of Dortmund under the number HRB 15940.

The company operates as an independent transmission system operator (TSO) in Germany in accordance with the Energy Industry Act (EnWG) and is therefore responsible for the security and stability of the German energy supply system. Accordingly, in line with its statutory mandate, it is responsible for the non-discriminatory operation, maintenance, demand-driven optimisation, reinforcement and expansion of a secure, reliable and efficient energy supply network. The object of the company associated with these tasks is, on the one hand, the construction, operation, acquisition, marketing and use of network facilities and other transport and distribution systems for electricity. On the other hand, it includes the procurement of control and loss compensation energy as well as the provision and marketing of services in these areas.

Amprion GmbH is the parent company of Amprion Offshore GmbH, which as the sole subsidiary together with Amprion GmbH forms the Amprion Group (hereinafter also referred to as "Amprion" or "the Group"). Amprion GmbH prepares its consolidated financial statements in accordance with Section 315e (1) of the German Commercial Code (*Handelsgesetzbuch* – HGB) and with the International Financial Reporting Standards (IFRS) as they are to be applied in the European Union (EU) as at the reporting date. The mandatory interpretations of the International Financial Reporting Standards Interpretations Committee (IFRS IC) are taken into account in equal measure.

The IFRS and the interpretations of the IFRS IC already approved by the International Accounting Standards Board (IASB) but not yet endorsed by the EU are not applied. The IFRS consolidated financial statements of Amprion thus comply with those IFRS and interpretations adopted by the IASB and endorsed by the EU, the application of which is mandatory as at the reporting date. Furthermore, the requirements of Section 315e (1) HGB are also met.

These IFRS consolidated financial statements have been prepared by Amprion GmbH in full compliance with the IFRS required to be applied in the EU as at the reporting date (here and hereinafter 31 December 2024).

The consolidated financial statements were prepared under the going concern principle. This is based on the assumption that the company has sufficient resources to continue business operations for at least one year from the reporting date and that management intends to do so.

The consolidated financial statements have been based on historical costs for acquisition or production as the central measurement basis, unless specific IFRS require a deviation from this principle. The relevant details can be found in the chapter *Accounting policies – Significant accounting policies*.

The amounts in the consolidated financial statements are specified either in million euros (€ million) or thousand euros (€ thousand), whereby this is noted accordingly. Numbers are rounded to one decimal place, whereby rounding differences can occur for single values and totals due to the calculation methods applied.

The IFRS consolidated financial statements of Amprion are based on a separate presentation of the consolidated income statement and the consolidated statement of comprehensive income *(two statement approach)*, the consolidated balance sheet, the consolidated cash flow statement and the consolidated statement of changes in equity.

For the sake of clarity, individual items have been combined in the consolidated balance sheet, in the consolidated income statement and the consolidated statement of comprehensive income. These are presented and explained separately in the Notes to the consolidated financial statements.

The consolidated income statement is presented using the nature of expense method.

The consolidated financial statements are prepared as at the same date as the parent company's financial statements, with the parent company's fiscal year being the calendar year. It contains complete comparative information for the previous reporting period (1 January 2023 to 31 December 2023). The comparative figures for the previous year were adjusted retrospectively (restatement) as a result of a change in accounting policy implemented in the 2024 financial year. Details of the reasons for and the accounting effects of this change in accounting policies are provided in the Notes section *Changes in accounting policies*.

For a presentation of the Amprion Group's core activities, please refer to Note [26], *Segment reporting.*

The consolidated financial statements of Amprion GmbH for the financial year ending on 31 December 2024 were prepared on 24 March 2025 and released for publication by management resolution. Approval by the Supervisory Board is scheduled for 8 April 2025.

# ACCOUNTING POLICIES

## Applied accounting principles

The accounting principles presented below form the basis for recognition and measurement of business transactions and balance sheet items in the Group's consolidated financial statements. In addition, the significant assumptions, estimates and judgments associated with the accounting policies applied that had to be made in the preparation of the IFRS consolidated financial statements as at 31 December 2024 are described. Those accounting principles regarded by Amprion as immaterial for the fair presentation of assets, liabilities and financial and earnings positions of the Group are not described in the consolidated financial statements. From the Group's perspective and in accordance with IAS 1.117, disclosures on accounting policies are considered material if, in conjunction with other information contained in the financial statements, they can reasonably be expected to influence the economic decisions of the primary users of the IFRS consolidated financial statements. The term *accounting policies* according to IAS 8.5 refers to the specific principles, bases, conventions, rules and practices applied by the Amprion Group in preparing and presenting its consolidated financial statements.

## Principles and scope of consolidation

### Investments in subsidiaries

The Amprion consolidated financial statements comprise the financial statements of Amprion GmbH and its sole subsidiary, Amprion Offshore GmbH, as at 31 December 2024. Amprion Offshore GmbH, with its headquarters in Dortmund, was founded by Amprion GmbH, which holds 100% of the capital and voting rights in the subsidiary.

The qualification as a subsidiary requires the control of the investee, in this case Amprion Offshore GmbH, by the parent or the Group parent (investor, here Amprion GmbH).

Control is deemed to exist when the the investor is exposed to variable returns from its involvement with, or interest in, the investee and has the ability to use its power over the investee to affect those returns. In detail, the existence of control requires the cumulative fulfilment of three control criteria, according to which the investor

- has power over the investee by virtue of its currently existing rights to direct the relevant activities of the investee (i.e. those activities that significantly affect its returns),
- is exposed, or has rights, to variable returns from the investee and
- can influence the returns of the investee through its power over the investee.

Generally, a majority of voting rights held by the investor is accompanied by a rebuttable assumption of control over the investee. When assessing whether the investor can exercise power over the investee, the investor must also take into account all other control-relevant facts and circumstances. Examples of these include:

- Contractual agreements with others entitled to vote (e.g. voting trust agreements),
- Existing rights resulting from other contractual agreements,
- Voting rights and potential voting rights of the Group.

If such facts and/or changes in circumstances indicate that at least one of the three control criteria may have changed, the investor shall reassess whether it still controls the investee.

A subsidiary is to be fully consolidated in the consolidated financial statements of the parent company (full consolidation) for the first time on the day on which the parent company obtains control over the subsidiary. By way of full consolidation, the assets, liabilities, income and expenses of a subsidiary are recognised in full in the consolidated financial statements. The obligation to fully consolidate ends when the investor loses control over the subsidiary.

With regard to applied accounting principles, statements from subsidiaries are to be aligned with those of the Group. Accordingly, the statements included in the consolidated financial statements for both companies are based on the common, Group-wide accounting policies of Amprion.

All intercompany transactions (i.e. assets and liabilities, equity, income and expenses, and cash flows resulting from transactions between Group companies) are eliminated within the scope of full consolidation of investments, liabilities, income and expenses, and the elimination of intercompany profits and losses.

Changes in the ownership interest in a subsidiary that do not result in a loss of control by the parent or the Group parent are accounted for as equity transactions between owners.

In case of loss of control over the subsidiary, the connected assets (including any goodwill), liabilities, non-controlling interests and other equity components are derecognised. A resulting profit or loss is reflected in the income statement as result of deconsolidation. Any investment in the investee remaining at the time of loss of control is measured at fair value.

### Investments in associates and joint ventures

An associate is an entity (investee) over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee without controlling it or managing it jointly with other parties. However, when an investee is managed jointly with other parties, it is considered a joint venture. The criteria to assess whether significant influence or joint control exists are similar to those required to determine control of subsidiaries.

### Scope of consolidation

As at the reporting date and in the previous year, the scope of consolidation of the Amprion Group consists solely of Amprion GmbH as the parent company and the fully consolidated Amprion Offshore GmbH as its only subsidiary.

### Associates, joint operations and joint ventures in which the Group has an interest

The Group did not hold any shares in associates or joint ventures as at the reporting date or in the previous year.

The Group is involved in joint arrangements, classified as joint operations, to operate shared lines. Amprion establishes shared lines that become the property of both the Group and third parties outside the Group in contractually defined proportions (fractional ownership). In connection with these jointly owned assets, the Group recognises its share of the assets, liabilities, expenses and income, which are accounted for in accordance with the relevant IFRS.

Usually, Amprion bears sole responsibility for the construction of the joint lines in accordance with the contractual agreement. The Group is reimbursed by the third party for the construction costs incurred for the share that is transferred to the fractional ownership of the third party involved. Therefore, the Group recognises revenue from contracts with customers in accordance with IFRS 15 in the amount of the corresponding remuneration.

### Companies with significant influence on the Amprion Group

M31 Beteiligungsgesellschaft mbH & Co. Energie KG, Düsseldorf, held 74.9% (previous year: 74.9%) of Amprion GmbH at the end of the reporting year. Its shareholders consist of a consortium of predominantly German institutional financial investors from the insurance industry and pension funds.

The remaining shares in Amprion GmbH amounting to 25.1% (previous year: 25.1%) as at the reporting date and in the previous year were held by RWE Aktiengesellschaft (AG), Essen, a listed energy supply group.

## Significant accounting policies

### [a] Classification as current and non-current

An asset shall be classified as current if

- realisation of the asset is expected within the normal business cycle, or
- the asset is held for sale or consumption during this period,
- the asset is held primarily for trading purposes,
- realisation of the asset is expected within twelve months after the reporting date or
- the asset is cash or a cash equivalent within the meaning of IAS 7 and is not restricted from being exchanged or used to settle a liability for a period of at least twelve months after the reporting date.

In distinction to the preceding definition of current assets, all other assets are classified as non-current assets.

A liability is to be classified as current if

- fulfilment of the liability is expected within the normal business cycle,
- the liability is held primarily for trading purposes,
- fulfilment of the liability – regardless of its original maturity – is expected within twelve months after the reporting date or
- the company does not have an unconditional right to postpone fulfilment of the liability by at least twelve months after the reporting date.

In distinction to the preceding definition of current liabilities, all other liabilities are classified as non-current liabilities.

Deferred tax assets and deferred tax liabilities shall be reported as non-current assets or liabilities.

### [b] Fair value measurement

The Group measures its equity shares in other companies at fair value at each reporting date. Financial instruments, i.e. financial assets and financial liabilities, are generally to be measured at fair value at initial recognition, whereby an adjustment for transaction costs is required depending on the relevant subsequent measurement method. In addition, the fair values of financial instruments that are not subsequently measured at fair value are required to be disclosed in the Notes to the consolidated financial statements.

The fair value is the price between market participants that was/would be accepted in an orderly business transaction for the sale of an asset, or was/would be paid for the transfer of a liability. When measuring the fair value, it is assumed that the business transaction within which the asset is sold or the liability is transferred

- takes place predominantly on the principal market for the asset or the liability, or
- only if no principal market exists, is applied to the most advantageous market for the asset or the liability.

The prerequisite is that the Group has access to the principal market or to the most advantageous market.

Measuring the fair value of an asset or a liability is based on the assumptions that anonymous expert market participants would use when pricing the asset or liability, assuming that they act in their best economic interest.

If the fair value is determined for a non-financial asset, the most economically sensible and best possible usage is to be assumed. This perspective also includes the sale of the asset to another market participant, who would be able to put the asset to its most economically rational and best possible use to generate economic benefits.

To determine the fair value, the Group applies appropriate valuation techniques, for which sufficient data are available under the given circumstances. Principal attention is paid to observable input factors, followed by unobservable input factors, to determine the most objective market value possible.

The fair values determined for assets and liabilities or reported in the financial statements are to be classified within the fair value hierarchy below. Categorisation is based on the lowest-level input factor that is significant to the entire fair value measurement:

- Level 1: Immediate derivation of the fair value as quoted price (unadjusted) in an active market for an identical asset or an identical liability
- Level 2: Determination of the fair value based on valuation procedures, whereby the lowest-level input factor that has significant influence on the fair value can be observed directly or indirectly on the market
- Level 3: Determination of the fair value based on valuation procedures, whereby the lowest-level input factor that has significant influence on the fair value cannot be observed on the market

Assets and liabilities measured at fair value on a recurring basis require the assessment as to whether these are to be assigned to another level in the fair value hierarchy at the end of each reporting period. This estimation is based on the lowest-level input factor that significantly influences the determination of the fair value. In addition, an analysis is performed at the reporting date to determine whether the fair values of assets and liabilities that are subject to reassessment in accordance with the Group's accounting policies need to be adjusted. In particular, the main value-determining input factors are examined to determine whether they have changed since the last valuation.

Disclosures regarding the fair value of financial instruments for which a fair value is determined or reported can be found in the following sections of the Notes:

- Information on the Group's equity shares in external (non-Group), unlisted companies are contained in Note [12], *Financial assets*
- Quantitative information on the measurement of the fair value of financial instruments, broken down by hierarchy level, are provided in Note [25], *Reporting on financial instruments*

### [c] Revenue recognition from contracts with customers

As a regulated company, Amprion is responsible, in accordance with its legal mandate, for the non-discriminatory operation of a safe, reliable and efficient energy supply network as well as its maintenance, optimisation, reinforcement and expansion in line with demand (Section 11 (1) EnWG). The core activity of the Group is therefore the safe operation and demand-driven expansion of the German electricity transmission system. As a key service, the Group provides its customers with the transmission capacity required for electricity transport within the scope of grid usage. Additionally, system services are provided to comply with the obligation to operate a safe, reliable and efficient transmission system at all times.

The regulated business activities are usually based on standardised grid usage contracts concluded with Amprion's grid customers for an indefinite period of time. These give rise to regulatory and secured compensation claims for the Group in the amount of the grid fee to be paid for the electricity sector, which is calculated from the transport capacity used by the customer multiplied by the relevant regulatory tariff. In addition, the Group concludes standardised balancing group contracts with balancing group managers. On the basis of these contracts, Amprion processes the notified schedules and settles the balancing groups. As the system manager for the transmission system in its control area, Amprion is responsible, in particular, for the procurement and use of control energy.

In addition, Amprion realises revenues from contracts with customers from services rendered to third parties for the construction of joint lines and from occasional disposals of inventory assets. For a breakdown of revenues from contracts with customers, see Note *[1], Group revenue*.

Revenue from contracts with customers is recognised when control of the contractually agreed services (goods, services) is transferred to the customer. It is recognised in the amount of the expected consideration, to which the Group is directly entitled in exchange for services rendered. Revenue reductions (e.g. in the form of price discounts) and variable considerations are to be taken into account. In addition, revenue from contracts with customers to which the Group is entitled under such an agreement may also include amounts that are not paid directly by the customer but by a third party.

Value-added taxes are not reported as revenue in the consolidated income statement.

No economically relevant obligations from customer rights of return or guarantee obligations arise for the Group from the ordinary, regulated business model. Multi-component contracts are not concluded, so that the transaction price to be claimed can be allocated directly and uniquely to each separately identifiable performance obligation.

If a contractual consideration includes a variable consideration component, the Group determines the amount of consideration to which it is entitled for the fulfilment of its performance obligation(s). The amount of the variable consideration is to be estimated at contract inception. It may only be included in the transaction price if – as soon as the uncertainty regarding the amount of the variable consideration no longer exists – it is highly probable that the already realised cumulative revenue will not be cancelled.

With the few exceptions described below, the Group acts as principal in its revenue transactions as it usually has power over the services to be provided before these are transferred to the customer. As principal, the Group provides various services in the course of its ordinary business activities and, in exchange for the agreed consideration, enters into contractual performance obligations towards its customers (see Note *[1], Group revenue*).

With regard to various levies and levy mechanisms (EEG mechanism, KWKG levy, Section 19 StromNEV levy, etc.) and for the interim financing of costs incurred for the forwarding of reliefs under the Electricity Price Brake Act (StromPBG) in force from 1 January 2023 to 31 December 2023, the Group collects amounts on behalf of third parties and thus acts as agent. Therefore, the corresponding levy amounts and the aforementioned settlement payments are not reported as revenue in the income statement in accordance with IFRS 15, but are netted with the corresponding expenses.

For short-term advance payments from customers, the Group applies the relevant practical expedient whereby the promised consideration is not adjusted for the effects of a significant financing component if the period between the transfer of the promised service and the payment of the agreed consideration does not exceed one year.

### [d] Contract balances

#### CONTRACT ASSETS

Contract assets are recognised through profit or loss (revenue) when the Group transfers goods or services to the customer before the customer settles its corresponding payment obligation, without an unconditional right to payment already existing at the time of the transfer to the customer.

In the course of revenue recognition from the construction of shared lines, the Group initially recognises a contract asset, as the receipt of the consideration is initially dependent on the successful and defect-free acceptance of the completed shared line. Since this is a time-period-related performance obligation, revenue is recognised proportionally over the period of construction. Advance payments received from a customer are deducted from the gross carrying amount of the contract asset, so that the underlying contract – depending on which of the two amounts exceeds the other – is recognised in the balance sheet as a net contract asset or net contract liability. After construction and acceptance by the customer, a contract recognised as a contract asset is reclassified to trade receivables.

#### TRADE RECEIVABLES

Receivables are recognised when the Group receives an unconditional right to consideration from its customers (i.e. the receivables automatically become due once a specified period of time expires). The accounting policies for financial assets, here in the form of trade receivables, are explained in section *[m], Financial instruments – initial recognition and subsequent measurement.*

#### CONTRACT LIABILITIES

Contract liabilities are recognised when a customer either makes a payment or the payment becomes due before the Group has fulfilled its contractual obligation to perform, or transferred the agreed goods or services to the customer. Revenue is only recognised once the Group fulfils its contractual obligations, by transferring control of the contractually promised services to the customer.

The Group recognises contractual liabilities, in particular, from construction cost grants and connection cost contributions received from customers prior to the fulfilment of its performance obligation.

## [e] Taxes

### CURRENT INCOME TAXES

Current income tax assets and tax liabilities are measured at the expected amount to be recovered from or paid to the taxation authorities. The measurement of current taxes is based on the tax rates and tax laws that have been enacted or substantively enacted by the reporting date.

If actual income taxes relate to items recognised directly in equity, these are not recognised in the income statement but also directly in equity. In addition, individual income tax matters are regularly assessed to determine whether they are subject to uncertainties due to existing income tax regulations and therefore have a scope for interpretation. In individual cases, in accordance with IAS 12 in conjunction with IFRIC 23, this can lead to the recognition of uncertain income tax refund claims or income tax liabilities and the disclosure of an income tax-related contingent liability or contingent asset.

### DEFERRED TAXES

Deferred taxes are recognised using the liability method for all temporary differences between the carrying amount of an asset or liability in the consolidated IFRS balance sheet and the corresponding tax base as at the reporting date. This includes deferred taxes from consolidation processes.

Deferred tax liabilities result from future taxable temporary differences, deferred tax assets from future deductible temporary differences, unused tax losses and unused tax credits. The recognition of deferred tax assets also requires sufficient probability that taxable income will be available for offsetting in the future.

Deferred tax assets and liabilities are not recognised for non-deductible or non-taxable temporary differences that arise from the initial recognition of an asset or liability in a transaction that is neither a business combination nor – at the time of the transaction – affects the accounting profit or loss before tax or taxable profit or loss for the period. If, in contrast, a transaction leads simultaneously to the initial recognition of an asset and a liability, whereby both taxable and deductible differences arise in the same amount, but neither the IFRS accounting profit before tax nor the taxable profit is affected, the resulting deferred tax liabilities and assets must be recognised. Conceptually, this issue relates to the recognition of deferred taxes in connection with leases in accordance with IFRS 16 in these consolidated financial statements. However, due to Amprion's obligation to offset deferred tax assets and liabilities, this has no material impact on the presentation of deferred taxes in the balance sheet.

In individual cases, it may be necessary to assess whether it is probable that a tax authority will accept an uncertain tax treatment. If, in the Group' s opinion, this is unlikely, it is required to consider the effect of the uncertainty when measuring its income taxes.

The measurement of deferred taxes is based on the tax rates that are expected to apply in the period in which the underlying asset or liability is realised. Accordingly, the tax rates and tax laws to be applied are those that are enacted or substantively enacted at the reporting date. The combined tax rate applied in the reporting year is 31.73% (previous year: 31.67%).

Deferred taxes in connection with items recognised directly in equity likewise do not impact profit or loss. They are recognised in line with the underlying transaction either in other comprehensive income, such as actuarial gains and losses from defined benefit pension obligation, or directly in equity. The income and expenses recognised in other comprehensive income in the statement of comprehensive income are reported in equity on a cumulative basis across all periods.

Deferred tax assets and liabilities must be offset if the relevant conditions are met at the level of the individual companies or the tax group. This is the case for Amprion GmbH, which as the controlling company forms a tax group for VAT and income tax purposes with Amprion Offshore GmbH as its sole controlled company.

With effect from 1 January 2024, the domestic implementing legislation for the global minimum taxation (MinStG) has come into force. Under this law, the Group parent company (domiciled in Germany) will in future have to pay a top-up tax in Germany on the profits of all its subsidiaries if they are taxed at an effective tax rate of less than 15%. Pursuant to Section 83 of the MinStG, the Group is subject to a five-year transitional arrangement due to its limited international activities, which exempts it from the minimum tax in the first five years. In addition, the Group makes use of the temporary exemption for deferred taxes in connection with income taxes under the MinStG. Accordingly, the recognition, measurement and disclosure of information on deferred tax assets and liabilities in connection with top-up taxes under the Pillar 2 minimum taxation regime are excluded from the scope of IAS 12.

**VALUE-ADDED TAX**

Expenses and assets are generally recognised after deducting value-added tax from the gross amount. However, if the value-added tax incurred on the purchase of an asset or the use of a service cannot be recovered from the tax authorities, it is part of the acquisition or production costs of the asset or part of the expenses.

Receivables and liabilities from purchase and sales transactions on target are recognised including the VAT amount contained therein. The amount of VAT to be refunded by, or paid to, the tax authorities is, in this case, shown as a counter item in the balance sheet under receivables or liabilities.

### [f] Foreign currency transactions and balances

Foreign currency transactions carried out by Group companies are translated into the functional currency at the spot rate applicable at the time the transaction is first recognised in the balance sheet. The functional currency for the Group companies is the Euro. Where the Group has monetary assets or liabilities denominated in foreign currencies, these are translated into the functional currency at each reporting date using the spot exchange rate. Any resulting settlement or translation differences are recognised in profit or loss.

The Group had no monetary assets or liabilities in foreign currency at the reporting date or in the previous year. Foreign currency transactions were also insignificant.

### [g] Non-current assets held for sale and disposal groups

If the carrying amount of a non-current asset or disposal group is recovered through a planned sale or exchange transaction rather than through continued use, the Group classifies the asset or disposal group as *held for sale*. In this case, the non-current asset or disposal group is measured at the lower of its carrying amount and fair value less costs to sell. Costs of disposal are incremental costs directly attributable to the disposal of the non-current asset or disposal group, excluding finance costs and income tax expense.

For a non-current asset (disposal group) to be classified as *held for sale*, its sale must be highly probable at the reporting date, and it must be available for immediate sale in its present condition at the reporting date. Satisfaction of the probability criterion requires that it is unlikely, based on the actions necessary to complete the sale, that material changes will be made to the proposed sale. Similarly, it must also not be foreseeable that the decision to divest will be reversed. Rather, the management must have decided to implement a planned sale. Furthermore, the sale has to be expected to take place within one year from the date of classifycation as *held for sale*.

If a non-current asset with a finite useful life is classified as *held for sale* in accordance with the preceding criteria, it is no longer depreciated or amortised. Assets and disposal groups (including associated liabilities) classified as *held for sale* are to be reported separately in the balance sheet as current items.

The Group did not have any material non-current assets or disposal groups *held for sale* as at either the current or the previous year's reporting date.

### [h] Profit distributions

The company recognises a liability for profit distributions when the payout has been approved by the shareholders' meeting and is therefore no longer at the discretion of the company. The amount to be distributed is recognised directly in equity.

### [i] Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses (see *[o], Impairment of non-financial assets*). In exchange transactions with economic substance, the cost of the acquired item of property, plant and equipment is determined either by the fair value of the consideration given or, if this can be determined more reliably, by that of the acquired item of property, plant and equipment. Any difference between the carrying amount of the transferred asset and the cost of the newly acquired item of property, plant and equipment is recognised in profit or loss and reported as other operating income or other operating expenses.

Scheduled depreciation for assets under construction is only incurred from the time of their completion or their transfer to the operational state. Scheduled depreciation, impairment losses and reversals of impairment losses are recognised in profit or loss in the income statement (for details on the recognition of impairment losses and reversals of impairment losses, see notes section *Significant accounting policies – [o] Impairment of non-financial assets.*

Borrowing costs are capitalised as part of costs for acquisition or production for qualifying assets or long-term construction projects if they can be directly allocated to the acquisition or production and the recognition criteria under IAS 23 are met (please refer to notes section *[j] Capitalization of borrowing costs*).

If significant parts or components of property, plant and equipment have to be replaced regularly, they are depreciated separately based on their economic useful life. Renewal and maintenance costs are capitalised in the carrying amount of the respective tangible asset if the recognition criteria are met. All other maintenance, servicing and repair costs are recognised immediately in profit or loss.

The acquisition or production costs of property, plant and equipment also include the estimateed expenses for obligations in connection with their decommissioning and disposal as well as the restoration and recultivation of land. The corresponding payments are included at their present value in the acquisition or production cost of the corresponding asset if the recognition criteria for a provision are met.

Construction cost grants and contributions to building connection costs paid by customers, as well as investment grants and subsidies, are not taken into account to reduce acquisition costs, but are recognised as deferred income.

Depreciable tangible assets (i.e. other than land and rights equivalent to land) are depreciated on a scheduled basis in accordance with the expected useful life of their individual components. In the year of acquisition, this is carried out pro rata temporis. Depreciation is generally calculated on a straight-line basis, unless the expected consumption of future economic benefits is exceptionally better approximated by another depreciation method for the asset.

Scheduled depreciation is calculated on the basis of the following individual useful lives, which are based on the lower band in accordance with Annex 1 to Section 6 (5) StromNEV and are uniform throughout the Group:

### Individual useful lives by asset group

| | in years |
|---|---|
| **Buildings** | **30–50** |
| Operations buildings | 30 |
| Administrative and other buildings | 30–50 |
| **Extra-high-voltage installations** | **20–40** |
| Extra-high-voltage grid | 40 |
| Transformers | 35 |
| Extra-high-voltage switch panels | 35 |
| Station control system | 25 |
| Grid control system | 25 |
| AC/DC converter | 20 |
| **Other installations and technical equipment** | **8–35** |
| **Operating and office equipment** | **3–23** |
| **Other assets** | **10–19** |

The useful lives and depreciation methods of property, plant and equipment are reviewed annually and adjusted prospectively, if necessary.

Property, plant and equipment is derecognised either on disposal (i.e. when control of the item passes to the transferee) or when no further economic benefits are expected from the continued use or disposal of the recognised asset. A derecognition gain is determined on derecognition as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised immediately in profit or loss.

### [j] Capitalisation of borrowing costs

Borrowing costs include interest and other costs arising from borrowing external capital funds. Borrowing costs directly attributable to the acquisition, construction or production of a *qualifying* asset are capitalised as part of its cost. An asset is considered to be *qualifying* if a substantial period of time is required (more than twelve months) to bring it to its intended condition for use or sale.

If debt financing is directly attributable to a qualifying asset, the actual borrowing costs incurred from this financing are to be recognised. The Group does not have any corresponding dedicated project financing, but only general funding. In the reporting year, the uniform average borrowing cost rate was 3.27% (previous year: 2.92%) throughout the Group. Borrowing costs of €106.3 million (previous year [restated]: €64.7 million) were capitalised in the reporting year.

Borrowing costs that are not directly attributable to the acquisition or production of qualifying assets or are not likely to generate future economic benefits for the company are expensed in the financial result as incurred.

### [k] Leases

According to IFRS 16, a contractual agreement qualifies as a lease if it entitles a contractual partner to use an identifiable asset exclusively for a certain period of time in return for payment of a fee. Whether the respective agreement creates or contains a lease in accounting terms is to be assessed at the inception of the agreement. The Group has decided not to account for leases related to intangible assets as such under IFRS 16, but as intangible assets under IAS 38.

**AMPRION AS LESSEE**

In principle, the Group as a lessee recognises a liability to make lease payments (financial lease liability) and the right to use the underlying leased asset (right-of-use asset) for each contract that qualifies as a lease within the scope of IFRS 16. Short-term leases and low-value leases are exempt from this principle.

Right-of-use assets are capitalised at the date the leased asset is ready for use and are reported as a separate balance sheet item due to their material amount. They are measured at cost less accumulated depreciation and impairment losses and adjusted for any remeasurement of the related lease liability. The capitalisation amount comprises the amount of the recognised lease liability, the initial direct costs and the lease payments made up to the time of provision less any incentive payments received.

In subsequent measurement, right-of-use assets are amortised on a straight-line basis over the term of the lease. The terms of the leases for technical equipment are generally between two and ten years. The terms of leases for land and buildings can be up to 99 years due to agreements under hereditary building law. The usual duration bands are three to five years for vehicles and operating and office equipment.

In case of a triggering event for an impairment of right-of-use assets, these are to be tested for impairment by means of a quantitative assessment and, in the event of impairment, written down on an unscheduled basis to their realisable amount (see *[o], Impairment of non-financial assets*).

Lease liabilities are measured at the present value of the lease payments to be made over the term of the lease. This includes fixed or de facto fixed payments, variable lease payments linked to an index (e.g. consumer price index) or (interest) rate (e.g. LIBOR), and amounts expected to be paid under residual value guarantees. The Group's purchase and termination options must also be taken into account if they are reasonably certain to be exercised. Lease incentive payments received are to be deducted from the amount. Lease liabilities are reported as part of current and non-current other financial liabilities (see Notes *[10], Leases* and *[21], Financial liabilities*).

Variable lease payments that are not included in the carrying amount of the lease liability are recognised in profit or loss in the period in which the event or condition triggering these payments occurs and are disclosed separately in the Notes to the consolidated financial statements.

Since the (implicit) interest rates underlying the leases cannot be determined, the present value of the lease payments is determined regularly using the Group's incremental borrowing rate at the date of provision. The following term-dependent incremental borrowing rates were used for newly concluded contractual agreements to be recognised as leases:

### Lease interest rates applied: incremental borrowing rate

| Maturities | 31 Dec. 2024 | 31 Dec. 2023 |
|---|---|---|
| Less than 5 years | 2,76% – 4,08% | 3,60% – 4,59% |
| 5 to 10 years | 3,06% – 3,97% | 3,64% – 4,54% |
| 10 to 15 years | 3,52% – 4,10% | 4,05% – 4,74% |
| 15 to 20 years | 3,71% – 4,30% | 4,19% – 4,96% |
| More than 20 years | 3,77% – 4,60% | 4,18% – 5,34% |

Lease liabilities are subsequently measured using the effective interest method. The lease liability is increased by the effective interest expense from compounding the liability at the Group's incremental borrowing rate and reduced by the lease payments made. Interest expenses from the periodic compounding of lease liabilities are recognised in the financial result.

The carrying amount of lease liabilities is remeasured if there is a change in the lease, its term, the lease payments or the assessment of the exercise of a purchase option for the underlying asset.

For short-term leases (i.e. leases with a contractual term of twelve months or less from the date of provision) and low-value leases, the Group recognises the lease payments as an expense in the income statement on a straight-line basis over the term of the lease in accordance with the relevant exemption rule.

**AMPRION AS LESSOR**

Leases in which the Group acts as lessor but does not transfer substantially all risks and opportunities incidental to the ownership of the leased asset to the lessee are classified as operating leases in accordance with IFRS 16. Consequently, the resulting rental income is to be recognised on a straight-line basis over the term of the lease and, due to its operating character, reported as *miscellaneous revenues*. The leased asset is reported as a tangible asset and is depreciated over its useful life applying the cost model in accordance with the relevant accounting regulations and, if necessary, in the event of impairment.

If the Group transfers substantially all the risks and rewards incidental to ownership of the leased asset to the lessee under a lease agreement, the lease is accounted for as a finance lease. In this case, the Group recognises a financial lease receivable in the amount of the net investment in the lease by derecognising the leased asset. In subsequent measurement, the lease receivable is amortised pro rata using the effective interest method, under which the lease payments are divided into an interest income and a redemption portion.

In its role as lessor and as in the previous year, Amprion only accounts for operating leases.

### [l] Intangible assets

Intangible assets acquired for consideration are to be measured at acquisition or production cost upon initial recognition. Internally generated intangible assets are to be capitalised at the amount of their development costs, provided that the relevant recognition criteria are cumulatively met. In particular, their recognition as an intangible asset requires the generation of documented future economic benefits and the reliable measurement of the development expenditures attributable to the intangible asset. Research expenditures and non-capitalisable development costs are expensed immediately in the period in which they are incurred. Subsequent capitalisation of development expenditures incurred before the recognition criteria were cumulatively met is not permitted.

In subsequent measurement of intangible assets, their historical acquisition or production costs are reduced by accumulated scheduled amortisation and, if necessary, accumulated impairment losses. Scheduled amortisation is to be recognised corresponding to the consumption of the expected benefits over the individual useful life. If the pattern of consumption of benefits is unknown, the asset is depreciated on a straight-line basis.

After completion of the development phase, internally generated intangible assets are amortised on a scheduled basis over the period of the expected inflow of benefits from the start of usability. The production costs capitalised during the development phase have to be tested at least annually for impairment and additionally if there are indications of potential impairment (see *[o], Impairment of non-financial assets*). Both the amortisation period and the amortisation method shall be reviewed at least at the end of each reporting period.

The Group amortises its intangible assets on a straight-line basis over their individual useful lives. These are shown in the table below. The amortisation of intangible assets is reported in the income statement under amortisation expenses.

### Individual useful lives by asset group

| | **in years** |
|---|---|
| Rights and licenses | 20 |
| Patents | 20 |
| Purchased/self-developed software | 3–5 |

The derecognition of intangible assets conceptually follows that of property, plant and equipment. Similarly, any gains or losses realised in the course of derecognising intangible assets are recognised immediately in profit or loss.

### [m] Financial instruments – initial recognition and subsequent measurement

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### FINANCIAL ASSETS

Upon initial recognition, financial assets are to be allocated to one of the three measurement categories (1) *measured at amortised cost,* (2) *measured at fair value through other comprehensive income* or (3) *measured at fair value through profit or loss* for the purpose of subsequent measurement, depending on their characteristics and the company's intentions or management.

The starting point for categorisation is the qualification of the financial asset as an equity or debt instrument.

**Equity interests**

Equity interests in other companies are generally categorised as *measured at fair value through profit or loss*. However, equity instruments may be irrevocably classified as *measured at fair value through other comprehensive income* upon initial recognition, provided they meet the equity definition in IAS 32 *"Financial Instruments: Presentation"* and are not held for trading purposes. This classification option can be exercised individually for each equity instrument. When the option is exercised, all gains and losses from changes in fair value are recognised in other comprehensive income, presented cumulatively in equity and are not subsequently reclassified to profit or loss at any time thereafter. Only profit distributions received by the Group from these investments are recognised directly as income in the income statement when the legal claim to payment arises. Equity instruments *measured at fair value through other comprehensive income* are not subject to impairment testing.

The Group has irrevocably applied the classification option to all its equity interests in companies that do not qualify as subsidiaries, joint ventures or associates. These are thus classified as *measured at fair value through other comprehensive income*. There was no active market at the reporting date for any of these investments generally measured at fair value, so that no public price quotations were available for them. In this case, the fair value is to be measured on the basis of the most recent observable market transactions or by means of an appropriate valuation method (e.g. discounted cash flow models). Since the relevant input parameters – and thus also the fair value – cannot be reliably determined, the Group measures the investments at historical cost as long as no appropriate fair value indications are available.

**Debt instruments**

The categorisation of debt instruments at initial recognition depends on the characteristics of the contractual cash flows and the Group's business model for managing these debt instruments. Depending on this, the debt instruments are to be allocated for subsequent measurement to one of the three measurement categories: (1) *measured at amortised cost,* (2) *measured at fair value through other comprehensive income* or (3) *measured at fair value through profit or loss.*

The classification of a debt instrument as *measured at amortised cost*, as well as an allocation to the measurement category *measured at fair value through other comprehensive income*, requires that the contractual cash flows of the financial asset qualify exclusively as interest and redemption payments on the outstanding amount (so-called cash flow condition). The corresponding assessment is made at the level of the individual financial instrument. If a debt instrument does not meet the cash flow condition, it must be *measured at fair value through profit or loss*. The same applies if the cash flows of a debt instrument exclusively represent interest and redemption payments on the outstanding amount, but the entity manages these with the objective of realising cash flows through the sale of the assets (business model: *sell*). If, on the other hand, the business model provides for the exclusive collection of contractual cash flows (business model: *hold*), the financial assets are to be subsequently measured at amortised cost using the effective interest method, provided that the cash flow condition is also met at the same time. If the business model at portfolio level consists of both *hold and sell* of the debt instruments, these assets are to be categorised as *measured at fair value through other comprehensive income*.

The Group generally holds its financial assets to maturity with the sole intention of collecting the contractual interest and redemption payments. Specifically, this concerns loans and advances, trade receivables, other (financial) receivables and lease receivables from operating leases. These are allocated to the measurement category *measured at amortised cost*. Trade receivables result primarily from contracts with customers.

Apart from trade receivables without a significant financing component, which are initially measured at the transaction price in accordance with IFRS 15 "*Revenue from Contracts with Customers*", the Group measures its financial assets at fair value plus the transaction costs at initial recognition.

Financial assets subsequently measured *at amortised cost* are accounted for using the effective interest method, with impairment losses measured in accordance with IFRS 9 also being recognised. Loans and borrowings of the Group bearing interest at market rates are subsequently carried at nominal value.

Income or expenses resulting from modifications, derecognitions or impairments/reversals are recognised in profit or loss.

As almost all financial receivables (trade receivables) have short (i.e. up to one year) residual terms and thus no financing component, their carrying amounts recognised as at the reporting date correspond approximately to their fair value. This also applies to the other (financial) receivables reported under current assets (Note *[25], Reporting on financial instruments*).

**IMPAIRMENT OF FINANCIAL ASSETS (DEBT INSTRUMENTS)**

For all debt instruments that are not measured at fair value through profit or loss, an allowance for expected credit losses (ECL) is recognised in accordance with the three-stage impairment model of IFRS 9. Expected credit losses result from the difference between the contractually agreed payments and the total cash flows that the Group expects to receive. The corresponding amount is to be discounted with the original effective interest rate. The expected payments include cash flows from the sale of collateral held or other credit protection that is an integral part of the contractual terms.

For level 1 debt instruments, risk provisioning for the expected credit loss for the amount of the twelve-month loss is recognised at initial recognition. The twelve-month loss indicates the amount of the expected loss that would arise in relation to the respective financial instrument as a result of a default event within the next twelve months. As far as *the probability of default* (PD) has not increased significantly as compared to the time of initial recognition, risk provisioning for the amount of the twelve-month loss is also to be recognised for the subsequent periods.

For simplification purposes, it may be assumed that financial instruments with an *investment grade* credit rating have a low credit or default risk. In this case, there is generally no need to transfer such instruments to level 2. Where the Group holds debt instruments measured at amortised cost using the effective interest method, it applies this simplification for financial instruments with low credit risk.

If the creditworthiness of the debtor of the financial instrument in question deteriorates significantly compared to its date of acquisition (significant increase in the probability of default), it is to be allocated to level 2. Here, as in level 3, expected credit losses are recognised in the amount of the loss expected over the entire residual term of the financial instrument (lifetime expected credit loss). This indicates the amount of the total expected loss that would result from a default event within the entire term of the financial instrument (and thus regardless of when the specific default event occurs during the contract period). A significant increase in credit risk is assumed at the latest when the debtor is 30 days in arrears, unless the findings from the receivables management process suggest or require a different reclassification date. All reasonable and reliable information that is available without undue cost or effort is taken into account at each reporting date.

If the creditworthiness of the debtor is actually impaired or an actual default occurs, the financial instrument must be reclassified to level 3. This can be rebuttably assumed if the debtor is at least 90 days in arrears or overdue or if other internal or external events (e.g. the opening of insolvency proceedings) indicate that payment by the debtor is no longer probable. In contrast to levels 1 and 2, where the effective interest income is measured on the basis of the gross carrying amount of the financial instrument, any interest income in level 3 is determined by applying the original effective interest rate to the net carrying amount (i.e. after netting with the credit loss allowance).

For its trade receivables and contract assets, the Group applies the simplified approach to calculate expected credit losses, regardless of their maturity. According to this approach, changes in credit risk do not need to be tracked over time. Instead, the allowance for credit losses is recognised at each reporting date in the amount of the lifetime-expected credit loss. To quantify the expected credit losses, the Group uses externally available – as far as possible customer-specific – credit report information and the associated probabilities of default. As current and future-related information is included in such credit report information, no additional corrections of the default probabilities are made.

A write-off of receivables becomes necessary if they are classified as irrecoverable. In this regard, relevant indicators can be, for example, an unsuccessful enforcement order or the filing of an application for insolvency proceedings, or the rejection of the opening of insolvency proceedings due to a lack of insolvency assets.

Additions to the allowance for losses on loans from applying the expected loss model or the resulting impairment losses are presented net in the income statement under other operating expenses. Similarly, reversals of risk provisions are also recognised in other operating expenses.

For further details on the impairment of financial assets, please refer to the following Notes:

- *Significant assumptions, estimates and judgements in the application of the accounting policies*
- *[14], Trade receivables and other receivables*
- *[15], Other financial assets*
- *[25], Reporting on financial instruments*

**FINANCIAL LIABILITIES**

Financial liabilities are to be allocated to one of the two measurement categories *measured at fair value through profit or loss* or *measured at amortised cost* for subsequent measurement at the time of their initial recognition.

The former category includes financial liabilities held for trading (including derivatives that are not part of a hedging relationship) and financial liabilities designated as such at the time of initial recognition. The Group has not designated any financial liabilities as *measured at fair value through profit or loss*.

Financial liabilities categorised as *measured at amortised cost* are measured at fair value less directly attributable issuance and transaction costs (including any premiums and discounts) upon initial recognition. The Group assigns all current and non-current financial liabilities in the form of trade payables, other financial liabilities and credits and loans (including registered bonds, promissory note loans, commercial papers) including overdrafts to this category.

After initial recognition, interest-bearing financial liabilities are subsequently measured at amortised cost using the effective interest method. The effective interest expense, as well as any expense or income arising from derecognition, is recognised in profit or loss and reported as part of financial expenses in the income statement. The effective interest expense is calculated by multiplying the carrying amount of the financial liability at the beginning of the period by the debt-specific effective interest rate. The latter is determined on the basis of the nominal interest rate, taking into account a premium or discount as well as directly attributable fees and/or (transaction) costs.

The fair values of the bonds listed on the unregulated capital market in Luxembourg is calculated as the product of the nominal value and its price quotation at the reporting date. The fair value of the fixed-interest financial liabilities not traded on the capital market is determined by discounting the contractually agreed cash flows with the term-equivalent market interest rate as at the reporting date. For current financial liabilities, the fair value approximates the reported carrying amount.

Trade payables and other (financial) liabilities are recognised at their repayment amount. As the other (financial) liabilities regularly only have short residual terms (i.e. up to one year), their fair value corresponds approximately to the carrying amount reported at the reporting date. With regard to non-current trade payables, the fair value is determined for disclosure purposes analogously to the financial liabilities by discounting the contractual cash outflows with the market interest rate on the reporting date.

For further information, please refer to Notes *[24], Trade payables and other liabilities* and *[25], Reporting on financial instruments.*

**OFFSETTING OF FINANCIAL INSTRUMENTS**

Financial assets and financial liabilities as defined by IAS 32 are offset and the resulting net amount is recognised in the consolidated statement of financial position when there is a present legal right to set off the recognised amounts and the Group intends to exercise that right. This is assumed to be the case if settlement is to be effected on a net basis or the Group intends to settle the associated financial liability with the realisation of the financial asset concerned.

In the reporting year as well as in the previous year, the Group did not offset any financial instruments to a significant extent in accordance with IAS 32. In addition, the Group has not recognised any significant financial instruments that were subject to netting agreements.

### [n] Inventories

The Group accounts for inventories at the time of their recognition at acquisition or production cost (i.e. at the acquisition or production costs and other costs incurred to bring the inventories to their present location and condition).

The cost of acquisition includes the purchase price, import duties and other taxes not recoverable from the tax authorities as well as direct costs from the acquisition of finished goods, materials and services. Production costs include the costs directly attributable to the individual product (direct costs) as well as fixed and variable production-related overheads. In particular, the latter include material overheads, production overheads as well as depreciation and administrative overheads.

Raw materials and supplies are subsequently measured at moving average prices. They are then measured at the lower of historical cost and net realisable value. The net realisable value is determined by reducing the estimated selling price in the ordinary course of business by the estimated costs of completion and the estimated costs necessary for the sale.

### [o] Impairment of non-financial assets

The Group assesses at each reporting date whether there are any *triggering events* for impairment of non-financial assets. If there are such indications, the recoverable amount of the potentially impaired asset or a potentially impaired cash-generating unit needs to be determined. The recoverable amount is the higher of *value in use* and *fair value less costs to sell*.

The recoverable amount shall be determined primarily for each individual non-financial asset that generates cash inflows that are largely independent of those from other assets or groups of assets. If an asset does not generate independent cash flows, it shall be included in the smallest identifiable group of assets (cash-generating unit) that together generate cash flows independent of those from other assets or cash-generating units.

If the recoverable amount is less than the carrying amount of the asset or cash-generating unit tested for impairment, the asset or cash-generating unit is impaired. Accordingly, the carrying amount of the asset or cash-generating unit is written down to the recoverable amount through profit or loss.

The value in use is to be determined based on investment theory as the present value of the expected future cash flows before taking into account taxes and financing effects, whereby a risk-adjusted discount rate before taxes is to be used consistently for this purpose. This discount rate must adequately reflect current market expectations with regard to the interest effect and the specific risks of the asset.

To determine the fair value less costs to sell, primarily recent comparable market transactions are taken into account. If no such transactions are identifiable, the determination shall be made using an appropriate valuation model, taking into account valuation multiples, quoted market prices of shares in relevant comparable companies or other available (market) indicators of fair value.

As a basis for the quantitative impairment test, Amprion uses its most recent budget and forecast calculations, which are prepared for the individual cash-generating units of the Group and approved by the Management Board and the Supervisory Board.

In the income statement, impairment losses are recognised in profit or loss in the expense category consistent with the function of the impaired asset in the entity. Regarding non-financial assets in the form of property, plant and equipment, this relates to the income statement item *depreciation and amortisation*.

For assets that have already been impaired, a review must be conducted at each reporting date to determine whether there is any indication that the previously recognised impairment loss no longer exists or has decreased. If the reason for a previous impairment no longer exists, a write-up is recognised in profit or loss. The upper value limit is the recoverable amount or, if lower, the original carrying amount amortised up to the date of consideration. This is the value that would have resulted if the asset had not been written down in the past and had continued to be depreciated as scheduled.

#### [p] Cash and cash equivalents

The balance sheet item *Cash and cash equivalents* includes cash at hand, cash at banks and short-term highly liquid deposits with an original maturity of three months or less, which can be converted into fixed cash amounts at any time and are only subject to an insignificant risk of fluctuation in value.

With regard to the definition of cash and cash equivalents for the cash flow statement, the relevant cash and cash equivalents include the items defined above. Bank overdrafts are not included in the Group's cash and cash equivalents.

### [q] Other provisions

Provisions shall be recognised when

a) the Group has a present obligation (legal or constructive) as a result of a past event,
b) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and
c) the amount of the obligation can be reliably estimated.

Provisions are recognised at the settlement amount, whereby either the expected value or the amount with the highest probability of occurrence is used as the best possible estimate of the obligation amount. Debt-specific risks are considered when measuring the obligation amount.

If there is a material interest effect from discounting the obligation amount at a risk-free interest rate before tax on the reporting date, the provision shall be measured at the present value of the settlement amount. A significant interest effect is generally assumed for long-term provisions (i.e. those with expected maturities of more than one year). To determine the term-equivalent risk-free interest rates, yield curves and the corresponding estimates of Deutsche Bundesbank as at the reporting date are used, applying the Svensson method.

In subsequent measurement, the discounted provision amount is compounded using the risk-free interest rate, whereby the corresponding interest expense as well as expenses and income from interest rate changes are recognised in the income statement as part of the financial result.

If there is a full or partial reimbursement right in connection with a recognised provision that will almost certainly lead to a cash inflow (e.g. in the case of an insurance contract), the reimbursement is to be recognised as a separate asset without being netted. In contrast, the expense arising from the recognition of a provision for which a reimbursement claim is virtually certain is reported in the income statement netted with the reimbursement amount.

If the Group is threatened with an economic burden from a pending legal transaction (onerous contract), the current contractual obligation is recognised and measured as a provision. However, before recognising such a provision for contingent losses, any assets associated with the contract must be impaired first.

A contract is considered onerous if the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs reflect the minimum net costs of exiting the contract and are the lower of the contractual performance costs and any compensation or penalties resulting from non-performance.

### [r] Provisions for pensions and similar obligations

According to IFRS, a distinction is to be made between *defined contribution plans* and *defined benefit plans* when accounting for pension obligations. While an external (pension) provider bears the actuarial risk in the case of defined contribution plans, this risk lies with the employer in the case of defined benefit plans, even if only to a small extent. Provisions for pensions and similar obligations are recognised for defined benefit plans.

The Group recognises provisions for pensions and similar obligations in connection with its defined benefit plans, which are measured using the *projected unit credit method* in accordance with IAS 19. This forward-looking valuation method takes into account the pensions and entitlements known on the reporting date as well as expected future salary and pension trends, mortality rates, fluctuation and other actuarial parameters. Changes in pension obligations as a result of adjustments to these financial and demographic assumptions and parameters are recognised in full as actuarial gains and losses in the financial year in which they occur. They are reported as part of other comprehensive income and cumulated in equity across periods within the balance sheet item *Accumulated other comprehensive income*. These amounts are not subsequently reclassified to profit or loss.

The Group's pension obligations are secured by assets held in trust as part of *a contractual trust arrangement* (CTA). To cover its pension obligations, the Group makes regular payments to the trustee of the separately administered fund, which qualifies as plan assets within the meaning of IAS 19. Income and expenses from revaluation of plan assets (excluding amounts already included in net interest on the net defined benefit liability) is recognised analogously to actuarial gains and losses in other comprehensive income and cumulated in equity within *Accumulated other comprehensive income* over periods without being subsequently reclassified to profit and loss.

The provision (net pension obligation) or asset from overfunding recognised in the balance sheet represents the positive (underfunding) or negative (overfunding) balance of the present value of the defined benefit obligation determined at the reporting date and the fair value of the corresponding plan assets. Service cost (including past service cost and expenses and income from plan settlements) is recognised as part of personnel expenses. The net interest expense resulting from the multiplication of the relevant discount rate with the balance of the present value of the defined benefit obligation and the plan assets determined at the beginning of the period is recognised within the financial result in the consolidated income statement.

### [s] Contingent liabilities

Contingent liabilities only include possible but not probable obligations to third parties, as well as present obligations for which the outflow of resources is not probable or the amount of which cannot be quantified with sufficient reliability. Therefore, no provisions are recognised for contingent liabilities. A disclosure is merely required in the Notes to the consolidated financial statements. Details are provided in Note *[30], Contractual guarantees, contingent liabilities and other financial obligations*.

# SIGNIFICANT ASSUMPTIONS, ESTIMATES AND JUDGEMENTS IN THE APPLICATION OF THE ACCOUNTING POLICIES

In the process of applying the accounting policies used in the preparation of Amprion's consolidated financial statements, management makes forward-looking assumptions, estimates and judgements that affect the reported amounts of income and expenses as well as assets and liabilities. This concerns both the reported items in the financial statements and the related disclosures in the Notes, including the disclosure of contingent liabilities. Accounting-related estimates relate to monetary amounts stated in the consolidated financial statements that are subject to measurement uncertainties.

Due to the inherent uncertainties in accounting estimates and assumptions, there is a significant risk that actual results and amounts realised in future periods could require material adjustments to the carrying amounts of the assets and liabilities affected.

Assumptions and estimates about future developments are based on parameters that were available to the Group at the time the consolidated financial statements were prepared, are not within the Group's control and are sometimes sensitive to changes in market movements and conditions. Since assumptions and estimates are uncertain and subject to change, they are reviewed on an ongoing basis, considering realised results and experience, trends, forecasts and assessments by experts, as well as other appropriate methods, and are adjusted as necessary. The Russia-Ukraine war and the associated substantial uncertainties are also factored into the assumptions and estimates to be made where relevant. However, no material adjustments to the carrying amounts of assets and liabilities arose from the above matters in either the reporting year or the previous year.

The most important accounting items and financial statement items affected by discretionary decisions, assumptions and estimates from Amprion's perspective are shown in the following table. These are items for which there is a considerable risk that a significant adjustment to the carrying amount could result within the following financial year. In addition, further information on risks and uncertainties can be found in Notes *[25], Reporting on financial instruments*, *[29], Disclosures on capital management* and, regarding sensitivity analyses in connection with pension obligations, *[20], Provisions.*

| **Accounting issue / financial statements item** | **Explanation under** | **Assumptions, estimates and judgements** |
|---|---|---|
| **Significant judgements** | | |
| Impairment of financial assets | *(a)* | Accounting judgement in applying an appropriate method for determining expected credit losses (including assumptions on the counterparty default risk) |
| Accounting for commodity futures as pending transactions | *(b)* | Accounting judgement in the application of the own use exemption in the context of the forward management of grid losses |
| Revenue recognition from congestion management | *(c)* | Accounting judgement regarding the timing of revenue recognition from congestion management |
| Capitalisation of borrowing costs for qualifying assets in accordance with IAS 23 | *(d)* | Accounting judgement with regard to the interpretation of the criterion of probable future economic benefits from borrowing costs in accordance with IAS 23.9 |
| **Significant assumptions and estimates** | | |
| Calculation of the present value of the defined benefit pension obligation and personnel provisions | *(e)* | Determination of actuarial assumptions (financial, demographic) |
| Lease contracts – measurement of right-of-use assets and lease liabilities: estimation of the lease interest rate | *(f)* | Estimates of the term-equivalent incremental borrowing rate used to capitalise future lease payments |
| Recognition and measurement of tax refund claims, tax liabilities and deferred taxes as well as uncertainties over income tax treatments | *(g)* | Estimates in connection with the accounting of tax refund claims, the accounting of tax liabilities and the assessment of temporary differences between items in the IFRS financial statements and their tax base (formation of deferred tax assets and liabilities) and in the event of uncertainties regarding the income tax treatment of transactions and circumstances (IFRIC 23) |
| Accrual of expenses and liabilities from system services and grid operation | *(h)* | Estimates of compensation costs to be recognised as expenses and liabilities from system services and transmission volumes within the scope of grid operation |
| Accrual of revenues | *(i)* | Estimates of variable charges or transaction price components |

The aforementioned judgements, forward-looking assumptions and estimation uncertainties made as at the reporting date are explained briefly below.

### (a) Impairment of financial assets

To determine the impairment of financial assets, the default risk of the respective counterparty has to be determined. To calculate this risk and to quantify the related expected credit losses on financial receivables as well as on cash at banks and cash investments, the Group uses its accounting judgement with regard to the valuation approach applied here. For this purpose, the Group uses credit ratings from credit agencies and external credit ratings from established rating agencies to derive customer- and bank-specific probabilities of default.

Alternatively, the expected credit losses on trade receivables could have been quantified using a provision matrix, for example. However, the Group has decided to use external credit ratings and external bank ratings because established credit agencies and rating agencies usually base their external ratings on information that reflects the current company and market situation or industry situation, and also – as required by IFRS 9 – includes forward-looking information.

Further information on the expected credit loss model can be found in the corresponding Notes on financial instruments in the section *Accounting policies – significant accounting policies*.

### (b) Accounting for commodity futures as pending transactions

As part of its grid loss management, the Group procures the electricity required to compensate for grid losses via over-the-counter (OTC) transactions by means of public tenders. Long-term procurement is provided on the basis of physically settled commodity futures (forward purchase of electricity). In this respect, a decision must be made as to whether the corresponding forward transactions are to be accounted for as derivatives in accordance with IFRS 9 or as pending transactions in accordance with the provisions of IAS 37 under the *own use exemption*. Regarding this long-term component of its grid loss management, the Group only enters forward or electricity supply transactions with purely physical delivery. These forward transactions serve exclusively to cover grid losses that inevitably occur in transmission system operations. Against this background, the Group considers the application requirements of the own use exemption to be fully met and accounts for the forward transactions concluded as pending legal transactions in accordance with IAS 37.

### (c) Revenue recognition from congestion management

Capacity bottlenecks exist at Germany's borders with various countries which, under EU law, require the auctioning of cross-border transmission capacity as part of a market-based, transparent and non-discriminatory congestion management procedure. Accordingly, daily, monthly and annual auctions are held at the German external borders for the allocation of transmission rights. The Group generates revenue from these auctions, which are subject to restrictions on use in accordance with EU law.

On this basis, the Group has decided, in the exercise of its accounting discretion and in accordance with the IFRS 15 regulations, to recognise revenue over the period in which it satisfies its performance obligation to the service recipient by providing the auctioned transmission capacity. This is the period over which the Group makes the auctioned transmission capacity available to the entitled party and thus transfers the service to the holder of the transmission right. The additional restriction on use represents a public-law obligation of the Group that exists independently of the performance obligation to the holder of the auctioned transmission right and, to this extent, does not affect the timing and amount of the revenue recognition (for the scope of restricted funds see Note *[30], Contractual guarantees, contingent liabilities and other financial obligations*).

### (d) Capitalisation of borrowing costs for qualifying assets in accordance with IAS 23

In accordance with IAS 23.9, the borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are to be capitalised as part of its cost, provided that it is probable that they will result in future economic benefits. The economic benefits of borrowing costs can be interpreted in a narrow or broad sense due to the underlying real economic regulatory system. In the narrow interpretation, the economic benefits result from the direct refinancing of the interest on borrowed capital incurred via the underlying regulatory mechanism. In the broad interpretation of the economic benefits criterion, the borrowing costs incurred are offset by the aggregated cash flows from the underlying qualifying asset based on network charges or levies.

The Group applies the narrow interpretation when capitalising borrowing costs in accordance with IAS 23, as this provides reliable and useful information. As a consequence of this interpretation, interest on borrowed capital from the general financing of qualifying assets is only capitalised to the extent that it is refinanced by future cash flows directly related to the borrowing costs of the qualifying asset.

### (e) Calculation of the present value of the defined benefit pension obligation and personnel provisions

The expenses for defined benefit pension plans and the present value of the pension obligation are determined using an actuarial valuation method based on various actuarial assumptions. The same applies conceptually to various personnel provisions (partial retirement and anniversary obligations, long-term working time accounts and provisions for vacation entitlements). These assumptions include, among others, the interest rates used for discounting and compounding the pension obligation and personnel provisions, future salary and wage trends, the assumed mortality rate as well as future pension trends. The estimated parameters will regularly deviate from their actual future development. As pension obligations, in particular, qualify as a very complex and very long-term obligation to be valued, the defined benefit obligation reacts very sensitively to changes in actuarial assumptions. This applies specifically to the pension interest rate, which the Group determines using the “RATE-Link” method.

Further details on personnel provisions and defined benefit pension obligations as well as their sensitivity to changes in actuarial assumptions can be found in Note *[20], Provisions*.

### (f) Lease contracts – measurement of right-of-use assets and lease liabilities: estimation of the lease interest rate

The interest rate implicit in the lease for the lessor shall be used for the purposes of the initial measurement of right-of-use assets and lease liabilities and the subsequent measurement of lease liabilities. Since that rate is generally unknown to the Group, it uses the lessee's estimated incremental borrowing rate instead. This is the interest rate that the Group would have to pay to finance an asset comparable to the right-of-use asset in an economic environment similar to that of the lease in terms of risk and maturity. The Group estimates the incremental borrowing rate using observable input factors (term-equivalent risk-free base rate) and expert estimates (risk premium on the base rate).

### (g) Recognition and measurement of tax refund claims, tax liabilities and deferred taxes as well as uncertainties over income tax treatments

The capitalisation of tax refund claims, the recognition of tax liabilities and the determination of temporary differences between items in the IFRS financial statements and their tax base require estimates. For example, for recognising tax assets and tax liabilities, it must be probable that the forecasted payments will be received.

Deferred tax assets and liabilities are generally recognised when there are temporary differences between the tax base and the IFRS carrying amounts of items in the financial statements. The recognition of deferred tax assets is subject to the additional condition that the future tax benefits will be realised with sufficient probability or that corresponding deferred tax liabilities exist that offer a corresponding offsetting potential. Furthermore, the valuation of deferred tax assets that can be recognised require estimates of the timing and the amount of the expected taxable income.

IFRIC 23 serves to clarify the accounting treatment under IAS 12 when there is uncertainty as to how tax law is to be applied to a particular transaction or circumstance and whether the responsible tax authority will accept the company's tax treatment under tax law. In case of existing uncertainties about an income tax treatment that the Group has used or intends to use in its income tax filings, the Group must assess whether it is *probable* or *not probable* that the tax authority will accept the uncertain tax treatment. In the latter case, the effects of the existing uncertainty on current and deferred taxes must be estimated using an appropriate method, whereby consistent judgements must be made for both types of taxes. If relevant facts and circumstances change in this regard or new relevant information becomes known, the required estimates and judgements must be reviewed and adjusted if necessary.

### (h) Accrual of expenses and liabilities from system services and grid operation

In connection with the system services provided by the Group (see Note *[1] Group Revenue*), which comprise the measures taken by the Group to stabilise or secure the energy balance in the electricity grid, the associated expenses (balancing costs) must be recognised as a liability on an accrual basis as at the reporting date. To determine the amount of these balancing costs to be accrued in the balance sheet, they need be estimated as at the reporting date. The existing uncertainty results, in particular, from the total costs across control areas, which are not yet known, as well as from quantities not yet agreed with business partners as at the reporting date. Furthermore, in the course of normal grid operations, there are uncertainties regarding the actual volumes passed through in the most recent billing month, which are therefore also estimated as at the reporting date.

### (i) Accrual of revenues

Accruals of revenues are related mainly to income from balancing group billing and grid charges for which the Group has already fulfilled its performance obligations. Uncertainties in this regard are usually caused by quantities that have not yet been agreed with business partners as at the reporting date and which therefore have to be estimated. The variability of the transaction price results directly from the uncertainty of the expenses incurred while providing the service. Thus, on the respective reporting date, the Group must first estimate the expenses incurred while fulfilling its performance obligation (see *(h), Accrual of expenses and liabilities from system services and grid operation*), which are then accrued as revenue on an accrual basis as a result of the compensation claim of the Group arising directly therefrom. By recognising revenue, the Group neutralises the expenses it incurs resulting from fulfilling its performance obligation as at the reporting date, based on the Group's direct legal claim to reimbursement of these costs.

# CHANGES TO ACCOUNTING POLICIES

## First-time application of amended IFRS/IAS accounting standards and IFRS IC interpretations

The IASB had issued amendments to existing IFRS/IAS accounting standards, which the Group had to apply for the first time for its financial year ending 31 December 2024 following their adoption into European law. This concerns the following IFRS/IAS amendments:

- Amendments to IAS 7 *"Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Finance Arrangements"* (2023)
- Amendments to IAS 1 "*Presentation of Financial Statements"*:
  - *"Non-current Liabilities with Covenants"* (2022)
  - *"Classification of Liabilities as Current or Non-current"* (2020)
  - *"Classification of Liabilities as Current or Non-current – Deferral of Effective Date"* (2020)
- Amendments to IFRS 16 "*Leases: Lease Liability in a Sale and Leaseback"* (2022)

These regulations, which are mandatory for the first time for the 2024 financial year, had no material effect on the Group's consolidated financial statements as at the reporting date.

### Effects of new or amended IFRS/IAS accounting standards and IFRS IC interpretations published but not yet mandatory as at the reporting date

At the time the consolidated financial statements were prepared, the following new IFRS standards and amendments to IFRS/IAS standards had been approved by the IASB and adopted into EU law but were not yet mandatory for the reporting year.

The Group has not early-adopted any new or amended standards of the IASB or interpretations of the IFRS IC that have been published but are not yet effective as at the reporting date. It will apply these amended standards from the time of their mandatory entry into force, provided that they are relevant to the Group in terms of content.

| New or amended IFRS / IAS standards of the IASB and interpretations of the IFRS IC | Mandatory first time application |
|---|---|
| Amendments to IAS 21 *"The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability"* (2023) | 1 January 2025 |

According to current estimates and taking into account the current business activities and situation of the Amprion Group, the aforementioned amendments that are not yet mandatory in the reporting year will not have any impact on Amprion's IFRS consolidated financial statements in the future.

In addition, the following amendments to IFRS/IAS standards have already been adopted by the IASB, although at the time of preparation of the consolidated financial statements they had not yet been endorsed by the EU for mandatory future application.

| **New or amended IFRS / IAS standards of the IASB and interpretations of the IFRS IC (at the time of preparation of the consolidated financial statements not yet adopted into EU law)** | **Mandatory first time application (subject to adoption into EU law)** |
|---|---|
| IFRS 18 *“Presentation and Disclosure in Financial Statements”* (2024) | 1 January 2027 |
| IFRS 19 *“Subsidiaries without Public Accountability: Disclosures”* (2024) | 1 January 2027 |
| Amendments to IFRS 9 and IFRS 7 *“Contracts Referencing Nature-dependent Electricity”* (2024) | 1 January 2026 |
| Annual Improvements Volume 11 (2024): Amendments to<br>• IFRS 1 *“First-time Adoption of International Financial Reporting Standards”*: *“Hedge Accounting by a first-time adopter”*<br>• IFRS 7 *“Financial Instruments: Disclosures”*: *“Gain or loss on derecognition”*<br>• IFRS 7 *“Financial Instruments: Disclosures”* (implementation guidance only): *“Disclosure of deferred difference between fair value and transaction price”*<br>• IFRS 7 *“Financial Instruments: Disclosures”* (implementation guidance only): *“Introduction and credit risk disclosures”*<br>• IFRS 9 *“Financial Instruments”*: *“Lessee derecognition of lease liabilities”*<br>• IFRS 9 *“Financial Instruments”*: *“Transaction price”*<br>• IFRS 10 *“Consolidated Financial Statements”*: *“Determination of a ‘de facto agent’”*<br>• IAS 7 *“Statement of Cash Flows”*: *“Cost method”* | 1 January 2026 |
| Amendments to IFRS 9 and IFRS 7 *“Amendments to the Classification and Measurement of Financial Instruments”* (2024) | 1 January 2026 |

Regarding these new or amended IFRS/IAS standards not yet endorsed by the EU and according to current estimates, and considering the current business activities and situation of Amprion Group, only IFRS 18 *“Presentation and Disclosure in Financial Statements”* will have a significant impact on the IFRS consolidated financial statements of Amprion.

IFRS 18 will replace IAS 1 *“Presentation of Financial Statements”* with effect for financial years beginning on or after 1 January 2027 and will be mandatory to apply retrospectively from this date – pending its incorporation into EU law. At present, the Group is not ruling out the early first-time application of IFRS 18, where permissible, for the 2026 financial year.

The new standard provides for a uniform structure for the income statement with defined subtotals. Accordingly, expenses and income will in future be allocated to one of the five categories ‘Operating’, ‘Investing’, ‘Financing’, ‘Income Taxes’ and ‘Discontinued Operations’, whereby the ‘operating profit or loss’ and the ‘profit or loss before financing and income taxes’ will be mandatory subtotals. Based on the status quo, this restructuring of the income statement of the Amprion Group will essentially lead to reclassifications of finance income from the former financial result to the investing category and thus only affect the investing and finance categories.

In addition, IFRS 18 provides for the future disclosure of management-defined performance measures that have been commonly used in financial market communications to date. In relation to the status quo, this new regulation affects the adjusted earnings figures used by the Amprion Group, 'Adjusted EBITDA', 'Adjusted net income' and 'Adjusted total funds from operations', which have so far been reported on independently outside the consolidated financial statements and the group management report. These key figures are also to be reconciled in each case with the most comparable figure from the consolidated income statement while disclosing the relevant income tax effects.

The planned removal of the existing option for allocating interest and dividends received and paid in the cash flow statement will have no impact on Amprion. In conformity with the new IFRS 18 requirements, interest and distributed profits are already allocated to cash flow from financing activities, while interest and dividends received are allocated to cash flow from investing activities.

## Changes in accounting policies in the 2024 financial year

To provide users of the financial statements with reliable and more relevant information on the effects of the accounting treatment of borrowing costs in accordance with IAS 23 on the Group's financial position, financial performance and cash flows, the Group has changed its previous accounting policy for capitalising borrowing costs related to the acquisition, construction or production of qualifying assets for the financial year 2024. As a result, the carrying amounts of the qualifying assets concerned provide a more accurate reflection of the future economic benefits of the corresponding assets.

To date, the Group has capitalised borrowing costs arising from the general financing of qualifying assets in accordance with IAS 23, given that they were matched by future economic benefits in the form of general network-based payment reflow in a broad interpretation of the economic benefit criterion under IAS 23.9. In the narrow interpretation applied for the 2024 financial year, the economic benefits of the accrued borrowing costs result from their immediate refinancing via the underlying regulatory mechanism. If the borrowing costs incurred are not refinanced directly through future regulatory amortisations of the relevant qualifying asset, they are not matched by any direct future economic benefit in the form of future cash inflows. Accordingly, in these cases, borrowing costs are not capitalised on the relevant qualifying assets. In the current regulatory framework, this affects Amprion's investments in qualifying assets in the IFRS 8 *Offshore Grid Connections* segment. These are subject to the regulatory regime of the offshore grid levy, under which Amprion is reimbursed for the corresponding interest on borrowed capital, on a near-real-time basis and in line with planned costs.

On the other hand, borrowing costs for qualifying assets continue to be capitalised if they are directly refinanced by future cash inflows from the amortisation of the relevant regulatory depreciation insofar as these relate to a capitalized borrowing cost portion. In the current regulatory system, this aplplies to investments in qualified assets of the IFRS 8 *Transmission System Operation* segment. Here, the capitalized interest on debt capital is directly matched against the future amortization of the regulatory carrying amounts of the relevant assets over their regulatory useful lives.

The effects of the change in accounting policies described have been taken into account retrospectively, although this did not have any material impact on the opening balances of the previous year. The comparative figures for the 2023 financial year have been restated as if the amended accounting policy had already been applied in that year. Accordingly, the 2023 consolidated net income would have been reduced by €17.1 million. Without the change in accounting policy, the consolidated net income for the period in the 2024 financial year would have been €48.6 million higher.

The effects of the change in accounting policy on the affected line items of the consolidated balance sheet and the consolidated income statement for the reporting year and the previous year have been summarised in the following table:

## Adjustments to line items in the Consolidated income statement

| | 2024 | | | 2023 | | |
|---|---|---|---|---|---|---|
| in € million | before adjustments | adjustments | after adjustments | before adjustments | adjustments | after adjustments |
| Financial result | – 39.1 | – 71.2 | – 110.3 | – 29.3 | – 25.1 | – 54.4 |
| *of which financial expenses* | *– 61.6* | *– 71.2* | *– 132.8* | *– 54.0* | *– 25.1* | *– 79.0* |
| Earnings before taxes (EBT) | 1,124.1 | – 71.2 | 1,052.9 | 1,401.2 | – 25.1 | 1,376.1 |
| *Corporate income tax rate* | | 31.73 % | | | 31.67 % | |
| Income taxes | – 370.8 | 22.6 | – 348.2 | – 451.4 | 7.9 | – 443.5 |
| **Consolidated net income** | **753.3** | **– 48.6** | **704.7** | **949.8** | **– 17.1** | **932.6** |

## Adjustments to line items in the Consolidated balance sheet

| | 31 Dec. 2024 | | | 31 Dec. 2023 | | |
|---|---|---|---|---|---|---|
| in € million | before adjustments | adjustments | after adjustments | before adjustments | adjustments | after adjustments |
| Property, plant and equipment | 14,230.8 | – 96.3 | 14,134.5 | 10,422.4 | – 25.1 | 10,397.4 |
| Deferred tax liabilities | 1,175.2 | – 30.5 | 1,144.6 | 987.1 | – 7.9 | 979.2 |
| Retained earnings | 2,446.2 | – 17.1 | 2,429.1 | 1,666.4 | 0.0 | 1,666.4 |

# NOTES TO THE CONSOLIDATED INCOME STATEMENT, CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME, CONSOLIDATED BALANCE SHEET AND CONSOLIDATED CASH FLOW STATEMENT OF THE AMPRION GROUP

## [1] Group revenue

### Breakdown of revenues

The table below shows the total amount of consolidated Group revenue from contracts with customers broken down by revenue source and timing of revenue recognition, as well as the total of miscellaneous revenues. In addition, the revenues of the two Group segments recognised in accordance with IFRS (see Note *[26], Segment reporting*) are reconciled to the corresponding Group Revenues:

### Breakdown of revenues

**Financial year from 1 January 2024 to 31 December 2024**

| | Segments | | | |
|---|---|---|---|---|
| **in € million** | **Transmission system operation** | **Offshore grid connection** | **Other/ consolidation** | **Total consolidated** |
| Revenue from grid fees and grid connection | 4,308.8 | 0.0 | 0.0 | 4,308.8 |
| Revenue from system services | 895.1 | 0.0 | 0.0 | 895.1 |
| Revenue from offshore grid business | 117.2 | 0.0 | 0.0 | 117.2 |
| Other revenues | 85.9 | 3.3 | 0.0 | 89.1 |
| Inter-segment revenue | 202.9 | 117.2 | – 320.1 | 0.0 |
| **Total revenue from contracts with customers** | **5,609.8** | **120.5** | **– 320.1** | **5,410.3** |
| *of which control is transferred to a customer at a point in time* | *111.4* | *0.0* | *0.0* | *111.4* |
| *of which control is transferred to a customer over time* | *5,498.4* | *0.0* | *– 320.1* | *5,298.8* |
| Revenue from operating leases | 58.1 | 0.0 | 0.0 | 58.1 |
| Congestion revenue | 167.0 | 0.0 | 0.0 | 167.0 |
| Miscellaneous revenues | 225.0 | 0.0 | 0.0 | 225.0 |
| **Total revenue** | **5,834.8** | **120.5** | **– 320.1** | **5,635.3** |

## Breakdown of revenues

**Financial year from 1 January 2023 to 31 December 2023**

| in € million | Segments: Transmission system operation | Segments: Offshore grid connection | Other / consolidation | Total consolidated |
|---|---|---|---|---|
| Revenue from grid fees and grid connection | 3,076.1 | 0.0 | 0.0 | 3,076.1 |
| Revenue from system services | 1,151.1 | 0.0 | 0.0 | 1,151.1 |
| Revenue from offshore grid business | 53.9 | 0.0 | 0.0 | 53.9 |
| Other revenues | 80.5 | 2.5 | 0.0 | 83.0 |
| Inter-segment revenue | 56.4 | 54.6 | – 111.1 | 0.0 |
| **Total revenue from contracts with customers** | **4,418.0** | **57.1** | **– 111.1** | **4,364.1** |
| *of which control is transferred to a customer at a point in time* | *105.5* | *0.0* | *0.0* | *105.5* |
| *of which control is transferred to a customer over time* | *4,312.4* | *57.2* | *– 111.1* | *4,258.5* |
| Revenue from operating leases | 51.1 | 0.0 | 0.0 | 51.1 |
| Congestion revenue | 414.2 | 0.0 | 0.0 | 414.2 |
| **Miscellaneous revenues** | **465.3** | **0.0** | **0.0** | **465.3** |
| **Total revenue** | **4,883.3** | **57.1** | **– 111.1** | **4,829.4** |

The year-on-year increase in sales revenue by a total of €805.9 million to €5,635.3 million (16.7%) is mainly due to the €1,232.7 million increase in revenue from grid fees. As the federal subsidy to stabilise the network fees was no longer applicable in the reporting year, the higher uniform nationwide network fees had a significant positive effect. This was offset by a €247.2 million decline in congestion income and a €256.0 million decline in revenue from system services, which is due mainly to the decreased recharging of expenses for control energy to the balance responsible parties.

The main types of contracts, performance obligations, transaction price determinations and revenue recognition methods are briefly outlined below.

**REVENUE FROM GRID FEES AND GRID CONNECTION**

The Group realises most of its revenue from electricity transmission by making the transmission system available to its customers. Customers include regional distribution network operators, power plant operators and industrial firms. Amprion's main performance obligation with regard to grid usage consists in the provision of the electricity transmission system infrastructure and the associated possibility to transmit electricity at any time. The performance obligation and corresponding entitlement to consideration are based on standardised contracts and regulatory tariffs defined under German law and monitored by the regulator (Federal Network Agency – BNetzA). As Amprion provides its transmission services on a continuous basis and the benefit is consumed at the same time by customers as the service is provided, the Group recognises the corresponding revenue over time.

Agreements with customers to connect them to Amprion's transmission system form part of the grid usage contract. At the customer's request, the Group provides a physical interface to the transmission system for which the customer pays a fee contribution for the network connection (connection cost contribution, German abbreviation "AKB") and/or bears part of the investment cost for constructing, expanding and/or reinforcing the supply systems as necessary (construction cost contribution, German abbreviation "BKZ"). Even though this does not transfer control of the asset, the customer receives the right to direct access to the transmission system, which represents an economic benefit for the customer. The Group thus receives compensation in the form of non-refundable contributions made by the customer.

Since network usage and network access are inseparably linked as customers conclude a network usage contract simultaneously with receiving network access rights, granting network access and providing network usage do not represent separate performance obligations. Accordingly, this constitutes a single performance obligation. As customers receive the associated benefits at the same time as the service is provided, the corresponding revenues are recognised over time. Accordingly, the advance payments received are initially recognised as deferred income as a performance or contract liability. As the contracts with customers are concluded for an indefinite period of time, the revenue associated with BKZ or AKB is recognised pro rata temporis over the useful life of the related asset.

**REVENUE FROM SYSTEM SERVICES (MEASURES TO MAINTAIN ENERGY BALANCE)**

As a transmission system operator, Amprion is obliged to take the necessary measures to keep electricity feed-ins (supply) and electricity consumption (demand) in balance at all times, thus ensuring a secure supply of electricity. This requires keeping the frequency, voltage and power load in the electricity transmission system within specific limits at any time.

To fulfil its obligation to stabilise the grid and ensure energy balance at all times, ongoing corrective measures are required by means of various system services provided by Amprion:

- *Compensation for grid congestion management measures:* Grid congestion management is the practice of taking measures to avoid foreseeable, potential or existing grid congestion by geographically shifting electricity production as instructed by Amprion (redispatch). In addition, in the course of feed-in management, Amprion can, for example, shut down the power feed-in from renewable energy systems if sections of the transmission system are overloaded, risking grid stability. Amprion has to make compensation payments to the power generation plant operators affected by such measures, for which the Group is, in turn, compensated. Since Amprion's performance obligation is to maintain energy balance continuously at all times, revenue is recognised over time.

- *Compensation for frequency stabilisation measures (balancing energy)*: In principle, balancing group managers, who are financially responsible for balancing the supply and demand for electricity of the grid connections in their portfolios, have to jointly ensure a stable frequency in the transmission system. This involves keeping their responsible balancing groups (virtual energy volume accounts for electricity) in balance. If an imbalance nevertheless occurs, Amprion is responsible for stabilising the transmission system frequency and charges the balancing group manager for the costs incurred. The exchange of services is based on standardised balancing group contracts between Amprion and the balancing group managers. As Amprion's primary performance obligation is to continuously stabilise and secure the energy balance and to provide corresponding balancing services reliably on a permanent and continuous basis, revenue is generally recognised over time in the amount of the costs incurred by the Group for the measures taken in this regard.

- *Compensation for voltage support measures:* In addition to power frequency, power voltage also has to be kept within a specific technical range. To avoid voltage dips, Amprion has to take measures for the compensation of grid losses (loss energy) and to compensate for reactive power. The Group provides these services on an ongoing basis, thus satisfying the corresponding performance obligations over time. Accordingly, the corresponding revenues, derived from the costs of the measures taken, are also realised over the contractual service period.

- *Compensation for reserve capacity (grid reserve, capacity reserve and security readiness):* To maintain the energy balance, Amprion ensures that the necessary reserve capacities are available at all times. The Group receives compensation for the costs of the necessary and contracted reserve power plants. As the maintenance of the energy balance is provided on a continuous basis, revenue is recognised over time.

**REVENUE FROM OFFSHORE GRID BUSINESS (OFFSHORE GRID LEVY)**
Revenues from the offshore grid levy, which is billed as a surcharge on top of grid charges, compensate the transmission system operator for construction-related grid connection costs and for costs of operating the offshore grid connection. This levy also covers costs resulting from disruptions or delays affecting the connection to offshore wind farms. The underlying contracts and tariffs (levy rates) are determined via the underlying regulatory mechanism.

**OTHER REVENUES**
- *Contractual services for third parties (construction of shared lines):* The Group realises revenue from the construction of shared lines used jointly by Amprion and the contracting party upon completion. These shared lines are fractionally owned by the respective parties. The purpose for constructing shared lines is to minimise the negative impact on people, nature and the environment. In addition, within the framework of corresponding agreements, a contractually defined section of the constructed shared line becomes the sole property of the customer. An unconditional payment claim arises through transfer of the completed shared line into the customer’s ownership upon successful acceptance by the customer as defect-free. Since the customer receives benefit from the construction work on an ongoing basis as the line is progressively completed, Amprion’s performance obligation is satisfied over time. The customer reimburses the Group for the associated construction costs without a profit mark-up. Completion progress is measured on an input-basis, according to costs actually incurred relative to the total estimated cost (cost-to-cost method). Thus, the Group recognises revenue in the amount of costs actually incurred and billable to the customer within the respective reporting period.

- *Revenue from sales of inventory assets:* Occasionally, the Group sells inventory assets no longer required to external third parties. Corresponding revenue is realised at the point in time when control over the sold goods passes to the customer.

#### INTER-SEGMENT REVENUE

Inter-segment revenue results from intra-Group business relationships between Amprion GmbH and Amprion Offshore GmbH. These relate to transactions under the construction and usage agreement regarding offshore grid connections and the operating agreement concluded between the two companies. For details, please refer to Note *[31], Related-party disclosures – Transactions with related-party companies.*

#### MISCELLANEOUS REVENUES

The item *miscellaneous revenues* includes income from ordinary business activities of the Group which do not fall within the scope of IFRS 15 and are therefore not revenues from contracts with customers. This relates mainly to contractual agreements classified as operating leases, which the Group has contracted as lessor (Note *[10], Leases*), as well as auction revenue from cross-border congestion management (congestion revenue).

Congestion revenues are related to cross-border capacity bottlenecks at the national borders between Germany and certain neighbouring countries. Transmission system operators are obliged under EU law to auction the limited cross-border transmission capacity across the various national borders via a market-based mechanism. Amprion recognises revenue from auction sales over time, as the performance obligation is satisfied over the period in which the auctioned transmission capacity is made available to the purchaser.

**Revenue from outstanding performance obligations and fulfilled contract liabilities**

As at 31 December 2024, current and non-current contract liabilities totalled €80.2 million (31 December 2023: €70.5 million), resulting, foremost, from (partially) unfulfilled performance obligations to customers connected with construction cost contributions (BKZ) and connection cost contributions (AKB) (see Note *[22], Non-financial liabilities*). These items relate to non-refundable advance payments from customers that are deferred and released to income over remaining terms of six months to 33 years starting from the reporting date (previous year: three months to 33 years). In relation to the opening balance of BKZ and AKB of €43.9 million (previous year: €48.2 million) recognised as at 1 January 2024, €3.3 million was realised as revenue in the reporting year (previous year: €2.3 million).

The contract liabilities reported under non-financial liabilities essentially correspond to the total estimated revenue from existing performance obligations partially or wholly unfulfilled as at 31 December 2024. A large amount of these unsatisfied performance obligations concerns contract liabilities for BKZ and AKB contributions reported under non-current non-financial liabilities. The majority of these will fall due in the long term due to the expected long release periods. Within the next financial year, revenues of €2.1 million (previous year: €2.1 million) are expected from this matter. Revenue from satisfied performance obligations with an original term of one year or less is not included here. Similarly, expected revenue in connection with performance obligations from (framework) contracts concluded with customers for an indefinite period of time is not taken into account.

The Group recognises receivables upon fulfilling its performance obligation or upon completion of the underlying performance period, as it receives an unconditional legal claim to the agreed consideration at this point in time at the latest. For details on the receivables recognised, please refer to Note *[14], Trade receivables and other receivables*.

In the reporting period, €306.5 million (previous year: €379.9 million) was recognised as revenue for performance obligations that were fully or partially fulfilled in previous periods. As at 31 December 2024, of this total amount of aperiodic revenue, €3.6 million resulted from grid charges and grid connection revenue (previous year: €26.1 million). The remaining €302.9 million resulted from system service revenue (previous year: €353.8 million). The decline compared to the previous year is due mainly to revenue related to balancing group invoicing.

## [2] Other operating income

### Composition of other operating income

| in € million | 2024 | 2023 |
|---|---|---|
| Income from disposal of fixed assets | 9.3 | 2.0 |
| Non-periodic income | 20.4 | 12.1 |
| Reimbursement of insurance claims | 6.5 | 0.8 |
| Income from contractual penalties | 1.6 | 1.0 |
| Miscellaneous | 1.4 | 1.4 |
| **Total** | **39.2** | **17.3** |

The insurance-related reimbursements primarily concern compensation payments in connection with the transport damage to a transformer in the previous year, which was fully covered by insurance.

## [3] Cost of materials

### Composition of cost of materials

| in € million | 2024 | 2023 |
|---|---|---|
| Grid usage expenses | 1,315.6 | 432.3 |
| System services | 2,246.4 | 2,112.8 |
| Purchased services | 81.8 | 64.3 |
| Materials and purchased goods | 52.1 | 60.5 |
| Other cost of materials | 2.2 | 4.9 |
| **Total** | **3,698.1** | **2,675.0** |

Cost of materials from grid usage (*Grid usage expenses*) in the reporting year mainly includes the expenses from passing on the nationwide uniform federal share of grid charges collected by Amprion. The amount passed on to other TSOs (TenneT TSO GmbH and TransnetBW GmbH) totalled €1,313.1 million (previous year: €432.0 million).

Cost of materials from *System services* principally comprise expenses from the provision of control energy and network loss compensation as well as expenses from redispatch measures, feed-in management and reserve capacity. The increase in expenses for system services is due primarily to higher expenses for reserve capacity and network loss compensation in the reporting year.

Cost of materials from *Purchased services* concern primarily third-party plant operation and maintenance services.

The item *Materials and purchased goods* includes own consumption of raw materials and supplies as well as expenses from the resale of purchased goods and raw materials.

## [4] Personnel expenses

### Composition of personnel expenses

| in € million | 2024 | 2023 |
|---|---|---|
| Wages and salaries | 292.3 | 244.5 |
| Social security contributions | 47.3 | 39.0 |
| Pension expenses | 25.1 | 26.7 |
| **Total** | **364.7** | **310.2** |

The 17.6% increase in personnel expenses compared to the previous year is due, in particular, to the increase in wages and salaries as a result of the ongoing increase in personnel at Amprion and last year's inflation-driven wage and salary adjustments.

The aforementioned growth in personnel is evident in the year-on-year change in average number of employees, shown below, which increased by 15.9% in the reporting year.

### Average number of employees

| Full time equivalents (FTE) | 2024 | 2023 |
|---|---|---|
| Senior executives | 42 | 40 |
| Employees not covered by collective agreements | 632 | 543 |
| Employees covered by collective agreements | 2,282 | 1,967 |
| **Total** | **2,956** | **2,550** |

The preceding table refers to the average number of full-time equivalent employees (FTE) during the respective financial year. Part-time employees were included proportionately to their regular weekly working hours.

## [5] Other operating expenses

### Composition of other operating expenses

| in € million | 2024 | 2023 |
|---|---|---|
| Service expenses | 101.5 | 82.9 |
| Auditing, legal and consulting fees | 18.2 | 12.8 |
| Fees, charges, contributions | 7.7 | 4.2 |
| Travel expenses | 8.3 | 7.3 |
| Purchase of other materials | 6.2 | 12.6 |
| Insurance expenses | 2.8 | 2.1 |
| Partial retirement expenses | 3.7 | 10.9 |
| Fleet management | 3.8 | 3.0 |
| Losses from disposal of fixed assets | 18.2 | 15.4 |
| Other taxes | 2.5 | 2.2 |
| Miscellaneous | 10.8 | 7.2 |
| **Total** | **183.8** | **160.4** |

*Service expenses* relate primarily to IT operating and support services.

*Auditing, legal and consulting fees* cover, in particular, commercial, technical and legal consulting services. For the amount and breakdown of the remuneration of the auditor included in this item, see Note *[27], Auditor fees*.

Expenses recorded for *Fees, charges and contributions* included, among other things, membership fees for the European Transmission System Operators Association ENTSO-E, compensation payments and fees from the Federal Network Agency.

The decline in *Partial retirement expenses* is due mainly to a one-time effect regarding the increase in the related provision in the previous year. In the 2023 financial year, the company agreement on partial retirement was amended to allow for a longer partial retirement period by delaying the employee's entry into statutory retirement.

The increased year-on-year *Losses from disposal of fixed assets* relate mainly to book value losses from property exchange transactions and from the sale and scrapping of property, plant and equipment.

The item *Miscellaneous* mainly includes expenses for communication and public relations of €3.5 million, rents and leases of €1.4 million, and temporary employment of €2.0 million.

## [6] Depreciation and amortisation

### Composition of depreciation and amortisation

| in € million | 2024 | 2023 |
|---|---|---|
| Amortisation of intangible assets | 17.5 | 15.1 |
| Depreciation of property, plant and equipment | 316.8 | 284.8 |
| Amortisation of right-of-use assets from leases | 189.5 | 143.2 |
| **Total** | **523.8** | **443.1** |

The 18.2% year-on-year increase in depreciation and amortisation in the reporting year is attributable, on the one hand, to the higher depreciation of property, plant and equipment due to the steady expansion of the grid. On the other hand, it results from higher depreciation of right-of-use assets, which relate mainly to the special grid operating facilities in Biblis and Leipheim that were put into operation during the previous year.

In the reporting year, there was no impairment of assets in accordance with IAS 36 (previous year: €5.7 million on property, plant and equipment).

# [7] Financial result

## Financial income and expenses

### Composition of the financial result

| in € million | 2024 | 2023 |
|---|---|---|
| Interest and similar income | 21.7 | 24.0 |
| Income from investments | 0.8 | 0.7 |
| **Total financial income** | **22.5** | **24.6** |
| Financing interest expense | – 234.9 | – 142.5 |
| Capitalised borrowing costs (IAS 23)* | 106.3 | 64.7 |
| Interest expense from other provisions | – 3.4 | – 0.7 |
| Other interest and similar expenses | – 0.8 | – 0.5 |
| **Total financial expenses*** | **– 132.8** | **– 79.0** |
| **Financial result [+ income/– expense]*** | **– 110.3** | **– 54.4** |

* Restatement of previous year's figure due to change in accounting policy.

*Interest and similar income* mainly includes current account interest on cash at banks amounting to €21.1 million (previous year: €20.5 million).

*Income from investments* exclusively consists of dividend income from the Group's equity interests held as financial investments, which are allocated to the measurement category of financial assets *measured at fair value through other comprehensive income* (see Note *[12], Financial investments*).

*Financing interest expense* consists of effective interest expense from current and non-current financial liabilities (see Note *[21], Financial liabilities*), interest expense from lease liabilities (see Note *[10], Leases*) and net interest expense from the Group's pension accounting (see Note *[20], Provisions*). The considerable increase in *financing interest expenses* in the reporting year compared to the previous year is due mainly to the green dual-tranche bonds issued in 2023 and 2024 and the new promissory note loan taken out at the beginning of the reporting year.

*Interest expense from other provisions* relates to the effects of compounding and changes in interest rates (see Note *[20], Provisions*).

The item *Other interest and similar expenses* includes mainly interest on overdue payments.

## Financing interest expense

### Breakdown of financing interest expense

| in € million | 2024 | 2023 |
|---|---|---|
| Interest expense on promissory note loans, registered bonds, bonds, credit and syndicated loans | 184.6 | 109.1 |
| Interest expense from jouissance rights | 2.4 | 2.1 |
| Net interest expense [+]/income [–] from pension obligations | – 5.1 | – 6.2 |
| Interest expense from lease liabilities | 47.4 | 32.5 |
| Other finance costs | 5.6 | 5.1 |
| **Total** | **234.9** | **142.5** |

Financing interest expense includes, among others, effective total interest expense from subsequent measurement of non-current financial debt (without jouissance rights and lease liabilities) at amortised cost. The corresponding effective interest expense in the reporting year amounted to €184.1 million (previous year: €109.0 million) and resulted, in particular, from the subsequent measurement of promissory note loans, registered bonds, the long-term syndicated loan and bonds issued, applying the effective interest method mandated by IFRS 9.

## [8] Income taxes

### Income taxes recognised in the income statement

| in € million | 2024 | 2023 |
|---|---|---|
| Current income taxes [+ income/– expense] | – 196.4 | – 67.7 |
| Deferred income taxes [+ income/– expense]* | – 151.9 | – 375.8 |
| **Total [+ income/– expense]*** | **– 348.2** | **– 443.5** |

* Restatement of previous year's figure due to change in accounting policy.

### Income taxes recognised in other comprehensive income

| in € million | 2024 | 2023 |
|---|---|---|
| Deferred tax expense [–]/tax income [+] from revaluation of defined benefit obligations | – 10.2 | 16.0 |
| Deferred tax expense [–]/tax income [+] from revaluation of plan assets | – 3.4 | 1.0 |
| **Total [+ income/– expense]** | **– 13.6** | **17.0** |

The significant year-on-year increase in current income tax expenses recognised in the income statement is due mainly to the higher tax result compared to the previous year. The compensatory significant decline in deferred tax expenses realised in the income statement results mainly from the recognition of obligations from the regulatory account in accordance with Section 5 ARegV as required under tax law but not permitted under IFRS.

The following reconciliation shows the relationship between the effective income taxes and the respective product of earnings before taxes and the applicable tax rate (expected income taxes) for the 2024 and 2023 financial years.

## Tax reconciliation

| **in € million** | **2024** | | **2023** | |
|---|---|---|---|---|
| Earnings before taxes (EBT)* | 1,052.9 | | 1,376.1 | |
| Expected tax rate | | 31.73% | | 31.67% |
| **Expected income taxes* [+ income/– expense]** | **–334.1** | | **–435.8** | |
| Tax effects from: | | | | |
| Expenses not deductible for tax purposes | –2.1 | | –1.5 | |
| Trade tax add-ons/reductions | –4.8 | | –5.2 | |
| Taxes relating to other periods | –7.1 | | –0.1 | |
| Changes in tax rates | –1.8 | | –0.8 | |
| Other | 1.7 | | –0.1 | |
| **Effective income taxes [+ income/– expense]*** | **–348.2** | | **–443.5** | |
| **Effective tax rate*** | | **33.07%** | | **32.23%** |

* Restatement of previous year's figure due to change in accounting policy.

The tax rate applied to determine the expected income taxes, i.e. 31.729% (previous year: 31.672%), is composed of the applicable corporate income tax rate of 15% (previous year: 15%), the solidarity surcharge of 5.5% on the corporate income tax rate (previous year: 5.5%), and the Group's average trade income tax rate of 15.904% (previous year: 15.847%).

## [9] Property, plant and equipment

### Statement of changes in property, plant and equipment – reporting period

| in € million | Land, land rights and buildings | Technical plant and machinery | Other equipment, factory and office equipment | Plants under construction and advance payments | Total |
|---|---|---|---|---|---|
| **Historical cost** | | | | | |
| **Balance at 31 December 2023** | **1,074.5** | **10,910.3** | **111.3** | **3,246.5** | **15,342.6** |
| Additions | 97.5 | 1,138.0 | 14.3 | 2,842.1 | 4,091.9 |
| Disposals | – 9.9 | – 86.1 | – 3.4 | – 1.0 | – 100.4 |
| Transfers | 26.4 | 266.8 | 0.4 | – 293.6 | 0.0 |
| **Balance at 31 December 2024** | **1,188.5** | **12,229.0** | **122.6** | **5,793.9** | **19,334.0** |
| **Accumulated depreciation (including impairments)** | | | | | |
| **Balance at 31 December 2023** | **– 228.5** | **– 4,647.6** | **– 69.1** | **0.0** | **– 4,945.2** |
| Additions | – 17.1 | – 288.7 | – 11.0 | 0.0 | – 316.8 |
| Disposals | 1.3 | 58.0 | 3.2 | 0.0 | 62.5 |
| Transfers | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Write-ups | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| **Balance at 31 December 2024** | **– 244.3** | **– 4,878.3** | **– 76.9** | **0.0** | **– 5,199.5** |
| **Carrying amount 31 December 2024** | **944.2** | **7,350.7** | **45.7** | **5,793.9** | **14,134.5** |

## Statement of changes in property, plant and equipment – previous year

| in € million | Land, land rights and buildings | Technical plant and machinery | Other equipment, factory and office equipment | Plants under construction and advance payments | Total |
|---|---|---|---|---|---|
| **Historical cost** | | | | | |
| **Balance at 31 December 2022** | **877.2** | **9,943.2** | **98.6** | **1,484.5** | **12,403.6** |
| Additions* | 100.6 | 882.3 | 18.4 | 2,047.7 | 3,049.0 |
| Disposals | - 18.9 | - 81.1 | - 6.0 | - 4.0 | - 110.0 |
| Transfers | 115.7 | 165.8 | 0.3 | - 281.8 | 0.0 |
| **Balance at 31 December 2023*** | **1,074.5** | **10,910.3** | **111.3** | **3,246.5** | **15,342.6** |
| **Accumulated depreciation (including impairments)** | | | | | |
| **Balance at 31 December 2022** | **- 214.4** | **- 4,459.8** | **- 63.6** | **0.0** | **- 4,737.8** |
| Additions | - 16.0 | - 257.7 | - 11.1 | 0.0 | - 284.8 |
| Disposals | 2.0 | 69.9 | 5.5 | 0.0 | 77.4 |
| Transfers | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Write-ups | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| **Balance at 31 December 2023** | **- 228.5** | **- 4,647.6** | **- 69.1** | **0.0** | **- 4,945.2** |
| **Carrying amount 31 December 2023*** | **846.0** | **6,262.7** | **42.2** | **3,246.5** | **10,397.4** |

* Restatement of previous year's figure due to change in accounting policy.

Property, plant and equipment were not used as collateral to secure debts with banks or other third parties, neither in the reporting year nor in the previous year.

The Group capitalises borrowing costs for qualifying assets relating to plants under construction, network expansion investments and corresponding advance payments. Borrowing costs capitalised during the reporting year totalled €106.3 million (previous year [restated]: €64.7 million). To calculate capitalised interest on borrowings in the reporting year, a borrowing cost rate of 3.27% was applied (previous year: 2.92%). This rate represents the weighted average cost of debt, factoring in effective interest on all non-current and current Group-external financing, such as effective interest expense from financial liabilities (see Note *[7], Financial result*; for a breakdown of financial liabilities see also *[21], Financial liabilities*), net interest expense from a recognised net pension obligation (see Note *[20], Provisions*) and effective interest expense from the subsequent measurement of lease liabilities in accordance with IFRS 16 (see Note *[10], Leases).*

In the reporting year, the Group recognised disposals of property, plant and equipment from decommissioning or scrapping and sales with a net carrying amount of €38.1 million (previous year: €31.4 million). Net income/expense realised from disposals was reported on the income statement as *Other operating income* or *Other operating expenses* (see Notes *[2], Other operating income* and *[5], Other operating expenses*).

No impairment losses (previous year: €5.7 million) were realised on property, plant and equipment in the reporting year. The impairments recognised in the previous year related mainly to a transport damage in connection with a transformer, which was fully covered by insurance (see also Note *[2], Other operating income*). The corresponding insurance claim of around €6.0 million was settled in the reporting year.

## [10] Leases

### Disclosures on the Group as lessee

The Group has entered into contracts qualifying as leases according to IFRS 16 for various technical equipment assets concerning transmission system operation, land and buildings, motor vehicles as well as operating and office equipment. The table below shows the development of the carrying amount of right-of-use assets during the reporting year and the comparison period broken down by the aforementioned asset categories.

### Statement of changes in right-of-use assets

| in € million | Technical plant and machinery | Land and buildings | Other equipment, factory and office equipment | Total |
|---|---|---|---|---|
| **31 December 2022** | **122.4** | **17.8** | **1.2** | **141.3** |
| Additions | 1,160.2 | 10.3 | 2.8 | 1,173.4 |
| Amortisation | - 135.8 | - 6.3 | - 1.1 | - 143.2 |
| Disposals | 0.0 | 0.0 | 0.0 | 0.0 |
| **31 December 2023** | **1,146.9** | **21.7** | **2.9** | **1,171.5** |
| Additions | 194.8 | 2.7 | 3.9 | 201.4 |
| Amortisation | - 185.2 | - 2.3 | - 2.0 | - 189.5 |
| Disposals | 0.0 | 0.0 | 0.0 | 0.0 |
| **31 December 2024** | **1,156.4** | **22.2** | **4.8** | **1,183.4** |

In addition to the leases shown in the table above, the Group holds leases within the meaning of IFRS 16 with a maximum term of twelve months, as well as leases for information and communication technology hardware of low value.

For accounting purposes, the Group utilises the practical expedients granted by IFRS 16, optionally applicable to short-term and low-value asset leases. Accordingly, the Group does not recognise any right-of-use assets and lease liabilities, but recognises the lease payments as expenses on a straight-line basis over the lease term.

The table below shows the development of the carrying amount of the lease liabilities reported on the balance sheet under current and non-current other financial liabilities (see Note *[21], Financial liabilities*).

### Change in carrying amount of lease liabilities

| in € million | |
|---|---|
| **31 December 2022** | **141.5** |
| Additions | 1,173.4 |
| Disposals | 0.0 |
| Interest expense | 32.5 |
| Lease payments | – 156.7 |
| **31 December 2023** | **1,190.7** |
| Additions | 201.4 |
| Disposals | 0.0 |
| Interest expense | 47.4 |
| Lease payments | – 218.6 |
| **31 December 2024** | **1,221.0** |
| *of which current* | *200.1* |
| *of which non-current* | *1,020.9* |

The following table illustrates the effects of leases entered into by Amprion as lessee on the income statement.

## Lease expenses recognised in the income statement

| in € million | 2024 | 2023 |
| --- | --- | --- |
| Expenses from leases for low-value assets | 4.8 | 4.3 |
| Expenses for variable lease payments not included in the measurement of lease liabilities | 10.2 | 8.0 |
| Expenses from short-term leases | 1.7 | 0.0 |
| Amortisation of right-of-use assets | 189.5 | 143.2 |
| Interest expense incurred for lease liabilities (compounding) | 47.4 | 32.5 |
| **Total** | **253.6** | **188.0** |

Low-value lease assets include IT and office equipment. Variable lease payments not included in the carrying amount of the lease liability arose from a service contract.

In the cash flow statement, leases were recognised as follows:

## Cash outflows from leases recognised in the cash flow statement

| in € million | 2024 | 2023 |
| --- | --- | --- |
| **Lease payments** | **218.6** | **156.7** |
| *of which redemption payments on lease liabilities* | *171.1* | *124.1* |
| *of which interest payments on lease liabilities* | *47.4* | *32.5* |
| Cash outflows from leases for low-value assets | 4.8 | 4.3 |
| Expenses for variable lease payments not included in the measurement of lease liabilities | 10.2 | 8.0 |
| **Total** | **233.6** | **169.0** |

The redemption as well as the interest portion included in the lease payments are reported in the cash flow from financing activities. Expenses from low-value asset leases and variable lease payments are included in the operating cash flow.

Lease liabilities recorded under current and non-current financial liabilities had maturity profiles as follows as at the end of the reporting year and the previous year, respectively, where the amounts reported reflect the nominal interest and redemption portions of the lease payments (debt service cost):

### Maturity profiles of lease liabilities

| in € million | 31 Dec. 2024 | 31 Dec. 2023 |
|---|---|---|
| Due in up to 1 year | 244.7 | 192.9 |
| Due in 1 to 2 years | 218.7 | 155.0 |
| Due in 2 to 3 years | 151.0 | 149.4 |
| Due in 3 to 4 years | 150.1 | 144.0 |
| Due in 4 to 5 years | 149.3 | 143.8 |
| Due after 5 years | 509.8 | 645.8 |
| **Total** | **1,423.6** | **1,430.9** |

Some lease contracts – primarily for rented land and buildings – have limited extension and termination options which were not factored into initial measurement of the right-of-use assets and lease liabilities. The non-inclusion of these options is based on corresponding discretionary decisions of the management, according to which their exercise was not classified as sufficiently probable. In individual cases, variable lease payments linked to a consumer price index have been contractually agreed, which were included in the carrying amount of the lease liability.

The Group’s obligations under its leases are secured by the lessor’s ownership of the leased assets.

Future cash outflows from lease contracts that have not yet commenced because the provision date for the leased asset lies in the future are disclosed in the Notes on other Group financial obligations, see Note *[30], Contractual guarantees, contingent liabilities and other financial obligations*.

### Disclosures on the Group as lessor

The Group leases usage rights primarily to electrical substations and overhead line pylons as well as transformers to customers as exclusive-use equipment in accordance with Section 19 (3) of the Electricity Network Charges Ordinance (StromNEV).

The Group, in its role as lessor, has classified all of its leases as operating leases, as not all material risks and rewards incidental to the ownership of the leased asset have been transferred to the lessee. Income from operating leases amounted to €55.5 million in the reporting period (previous year: €48.8 million). The year-on-year increase is due to higher income from leases of exclusive-use equipment. Income from operating leases also includes contracts for land and buildings in the amount of €1.3 million (previous year: €1.3 million), with original terms ranging between one month (previous year: one month) and 83 years (previous year: 83 years). Due to their minor significance for the economic situation of the Group, these are not reported separately under property, plant and equipment.

The following table contains the maturity profiles of outstanding undiscounted lease payments under operating leases as at the reporting date and previous year's reporting date, taking into account the best estimate of the lease terms.

### Maturity profiles of nominal lease payments from operating leases

| in € million | 31 Dec. 2024 | 31 Dec. 2023 |
|---|---|---|
| Due in up to 1 year | 91.0 | 47.2 |
| Due in 1 to 2 years | 29.0 | 28.2 |
| Due in 2 to 3 years | 26.1 | 26.1 |
| Due in 3 to 4 years | 24.6 | 24.5 |
| Due in 4 to 5 years | 24.4 | 24.5 |
| Due after 5 years | 45.9 | 69.6 |
| **Total** | **241.0** | **220.1** |

The year-on-year increase in short-term outstanding lease payments "Due in up to 1 year" is due mainly to the rise in payments for exclusive-use equipment resulting from a change in the customer's voltage level.

The decrease in lease payments "Due after 5 years" compared to the previous period is due to a possible termination date for a co-utilisation agreement for Amprion's infrastructure facilities.

## [11] Intangible assets

### Statement of changes in intangible assets – reporting period

| in € million | Rights, licences and patents | Acquired software | Self-developed software | Advance payments | Total |
|---|---|---|---|---|---|
| **Historical cost** | | | | | |
| **Balance as at 31 December 2023** | **2.8** | **112.3** | **4.1** | **10.8** | **130.0** |
| Additions | 0.0 | 20.0 | 1.1 | 8.1 | 29.3 |
| Disposals | 0.0 | - 0.6 | 0.0 | 0.0 | - 0.6 |
| Transfers | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| **Balance as at 31 December 2024** | **2.8** | **131.8** | **5.2** | **18.9** | **158.7** |
| **Accumulated depreciation** | | | | | |
| **Balance as at 31 December 2023** | **- 2.7** | **- 76.8** | **- 2.9** | **0.0** | **- 82.4** |
| Additions | 0.0 | - 17.0 | - 0.5 | 0.0 | - 17.5 |
| Disposals | 0.0 | 0.4 | 0.0 | 0.0 | 0.4 |
| Transfers | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Write-ups | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| **Balance as at 31 December 2024** | **- 2.7** | **- 93.4** | **- 3.4** | **0.0** | **- 99.5** |
| **Carrying amount as at 31 December 2024** | **0.1** | **38.4** | **1.8** | **18.9** | **59.2** |

### Statement of changes in intangible assets – previous period

| in € million | Rights, licences and patents | Acquired software | Self-developed software | Advance payments | Total |
|---|---|---|---|---|---|
| **Historical cost** | | | | | |
| **Balance as at 31 December 2022** | **2.8** | **89.3** | **3.9** | **12.7** | **108.7** |
| Additions | 0.0 | 16.7 | 0.2 | 5.0 | 21.9 |
| Disposals | 0.0 | - 0.6 | 0.0 | 0.0 | - 0.6 |
| Transfers | 0.0 | 6.9 | 0.0 | - 6.9 | 0.0 |
| **Balance as at 31 December 2023** | **2.8** | **112.3** | **4.1** | **10.8** | **130.0** |
| **Accumulated depreciation** | | | | | |
| **Balance as at 31 December 2022** | **- 2.7** | **- 62.5** | **- 2.6** | **0.0** | **- 67.7** |
| Additions | 0.0 | - 14.7 | - 0.4 | 0.0 | - 15.1 |
| Disposals | 0.0 | 0.4 | 0.0 | 0.0 | 0.4 |
| Transfers | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Write-ups | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| **Balance as at 31 December 2023** | **- 2.7** | **- 76.8** | **- 2.9** | **0.0** | **- 82.4** |
| **Carrying amount as at 31 December 2023** | **0.1** | **35.6** | **1.2** | **0.0** | **47.6** |

Research and development expenses for the 2024 financial year, excluding the insignificant development expenses recognised as self-developed software under *additions*, in the statement of changes in intangibles assets totalled €4.5 million (previous year: €4.4 million). The IFRS criteria for capitalisation of development costs were not met for the latter.

## [12] Financial assets

In the reporting period and in the previous year, financial assets included exclusively minority interests in other companies, as well as an insignificant amount of long-term loans (employee loans).

### Composition of financial assets

| in € million | 31 Dec. 2024 | 31 Dec. 2023 |
|---|---|---|
| Equity stakes held as financial investments (< 20% equity share) | 5.2 | 5.2 |
| Loans | 0.0 | 0.0 |
| **Total** | **5.2** | **5.2** |

All equity interests in other companies held as financial investment are *measured at fair value through other comprehensive income*. The Group carries loans *measured at amortised cost*.

The table below provides an overview of the minority interests the Group holds in other companies. The Group had no ability to exercise significant influence over these companies or control them jointly with other partner companies. These non-controlling interests are instead held as strategic investments. Thus, the Group irrevocably classifies these as equity instruments *measured at fair value through other comprehensive income*.

### Carrying amounts of equity stakes held as financial investments

| in € million | 31 Dec. 2024 | 31 Dec. 2023 |
|---|---|---|
| Equity stake in Joint Allocation Office SA (JAO), Luxembourg/Luxembourg | 0.1 | 0.1 |
| *Equity share/shareholding* | *4.0%* | *4.0%* |
| Equity stake in TSCNET Services GmbH, Munich/Germany | 0.4 | 0.4 |
| *Equity share/shareholding* | *6.3%* | *6.3%* |
| Equity stake in H.G.R.T. SAS, Paris/France | 4.8 | 4.8 |
| *Equity share/shareholding* | *5.0%* | *5.0%* |
| **Total** | **5.2** | **5.2** |

### Equity and net income of equity stakes held as financial investments*

| | 31 Dec. 2024** | | 31 Dec. 2023*** | |
|---|---|---|---|---|
| in € million | Equity | Net income | Equity | Net income |
| Joint Allocation Office SA (JAO) | 8.3 | 1.0 | 7.4 | 0.3 |
| TSCNET Services GmbH | 12.0 | 1.4 | 10.6 | 0.9 |
| H.G.R.T. SAS | 91.6 | 13.3 | 91.3 | 12.9 |

* The equity and net income figures of the investment portfolio companies for the 2024 financial year were not available at the time of preparation of the consolidated financial statements.
** Equity and net income for the 2023 financial year.
*** Equity and net income for the 2022 financial year.

Equity interests held as financial investments are exclusively shares in unlisted companies, for which reason there are no price quotations in an active market (level 1 of the fair value hierarchy). The necessary input parameters being unavailable, fair value could not be reliably estimated, neither on the reporting date nor in the previous year, applying an appropriate measurement technique. Equity interests held as financial investments are thus carried at acquisition cost until new price information is available indicating that the fair value is higher or lower. Such price information may, for example, become available from recent transactions of the shares in the investee.

In the 2024 financial year, the Group reported dividends from these investments totalling €0.8 million (previous year: €0.7 million) as financial income in the consolidated income statement (Note *[7], Financial result*).

## [13] Inventories

### Composition of inventories

| in € million | 31 Dec. 2024 | 31 Dec. 2023 |
|---|---|---|
| Raw materials and supplies | 104.5 | 86.6 |
| **Total** | **104.5** | **86.6** |

In the reporting period and in the previous year, inventory assets consisted exclusively of raw materials and supplies.

Inventory assets are carried at the lower of acquisition cost or net realisable value as at the reporting date. On this premise, corresponding impairments amounting to €2.7 million (previous year: €4.0 million) were recorded in the reporting year. By contrast, reversals of impairment losses amounting to €4.0 million (previous year: €0.2 million) were recognised in the reporting period.

In the reporting period, €95.1 million (previous year: €110.5 million) was recognised in the cost of materials from the operational consumption of inventory assets.

## [14] Trade receivables and other receivables

### Composition of trade receivables and other receivables

| in € million | 31 Dec. 2024 | 31 Dec. 2023 |
|---|---|---|
| Trade receivables | 640.8 | 458.2 |
| *of which from grid business* | *607.3* | *311.0* |
| *of which from EEG business* | *19.4* | *18.1* |
| *of which from KWKG business* | *14.1* | *129.1* |
| Receivables from companies in which an equity stake is held | 6.6 | 0.4 |
| Unbilled services | 779.8 | 409.3 |
| *of which from grid business* | *670.1* | *366.9* |
| *of which from EEG business* | *9.2* | *6.4* |
| *of which from KWKG business* | *100.6* | *36.0* |
| **Trade receivables** | **1,427.2** | **867.8** |
| Other receivables from levies | 0.0 | 0.4 |
| Other tax receivables | 0.0 | 67.9 |
| **Other receivables** | **0.0** | **68.3** |
| **Total** | **1,427.2** | **936.1** |

As at 31 December 2024, current trade receivables totalled €1,302.1 million (previous year: €812.5 million) while non-current trade receivables came to €125.1 million (previous year: €55.4 million). The increase in non-current trade receivables is due to the Group's claims from the KWKG compensation mechanism and the Section 19 StromNEV levy.

Other receivables reported in the previous year were entirely current and related exclusively to VAT claims. The change in the amount of other receivables compared to the previous year is due to the turnover of the net VAT claim into a net VAT liability, which is recognized under other liabilities (see note *[24], Trade and other payables*).

The customary payment due period for billed grid charges and balancing group billing are ten working days or 14 calendar days from invoice receipt. Deviating from the above, however, the payment due period for the various levies varies from case to case between one day (daily clearing bank transfer of EEG marketing revenue) up to an invoice due date for corresponding annual invoices in year t+2 (value date 30 June). The payment due deadline for most levies is the 15th of the following month, based on the respective month of supply.

Trade receivables and other receivables are generally non-interest bearing.

Information on credit risk, impairment losses and the change in the loss allowance for expected credit losses associated with trade and other receivables can be found in Note *[25], Reporting on financial instruments*.

## [15] Other financial assets

### Composition of other financial assets

| in € million | 31 Dec. 2024 | 31 Dec. 2023 |
|---|---|---|
| Contract assets | 12.4 | 7.4 |
| Receivables from margin requirements (initial margins) and collaterals | 20.5 | 21.0 |
| Other | 1.2 | 1.2 |
| **Total** | **34.1** | **29.6** |

Contract assets were recognised on commissioned work for external third parties, primarily concerning the construction of (shared) lines that become the sole or partial property of the customer upon completion (fractional ownership).

Receivables from margin requirements and collaterals stemmed primarily from transactions on the spot market of the electricity exchange EPEX SPOT, which the Group has to back with collateral in the form of initial margin payments. The exchange is only allowed to claim this collateral if the Group fails to meet its payment obligations from transactions on the relevant exchanges. Of the receivables from margin payments, €5.0 million is attributable to the grid business (previous year: €3.0 million) and €15.5 million (previous year: €18.0 million) to the EEG business.

## [16] Income tax claims and liabilities

### Composition of income tax claims

| in € million | 31 Dec. 2024 | 31 Dec. 2023 |
|---|---|---|
| Corporate tax refund claim | 3.4 | 33.6 |
| Trade tax refund claim | 0.0 | 14.1 |
| Other tax refund claims | 0.0 | 2.0 |
| **Total** | **3.4** | **49.7** |

### Composition of income tax liabilities

| in € million | 31 Dec. 2024 | 31 Dec. 2023 |
|---|---|---|
| Corporate tax liabilities | 3.8 | 9.8 |
| Trade tax liabilities | 31.6 | 7.1 |
| **Total** | **35.4** | **16.9** |

The Group companies forming a VAT and income tax group pay income taxes in Germany. As in the previous year, the corporate income tax rate was 15.0% plus the solidarity pass-on charge of 5.5% on the corporate income tax. The trade tax rate was 15.904% (previous year: 15.847%). This resulted in a combined income tax rate of 31.73% (previous year: 31.67%).

Up to the reporting date, corporation and trade tax filings have been submitted for years up to and including the 2022 tax year. The tax authorities are currently reviewing the 2020/2021 financial years.

The income tax claims shown resulted from tax prepayments made in the reporting year. The year-on-year decline in income tax claims is due to an adjustment of income tax prepayments during the financial year.

Income tax liabilities include payment obligations from previous years of €12.2 million (previous year: €1.0 million) (trade tax) and €3.8 million (previous year: €9.8 million) (corporate income tax including solidarity surcharge).

## [17] Other non-financial assets

### Composition of other non-financial assets

| in € million | 31 Dec. 2024 | 31 Dec. 2023 |
|---|---|---|
| Advance payments | 10.3 | 8.8 |
| Other assets | 1.2 | 1.1 |
| **Total** | **11.5** | **9.9** |

The slight increase in advance payments made as at 31 December 2024 mainly reflects payments for IT operation services.

## [18] Cash and cash equivalents

Cash and cash equivalents consisted primarily of cash at banks invested as fixed-term and overnight deposits. Having original maturities of up to a maximum of three months, these are subject to only minimal value fluctuation risk and thus included as cash equivalents. As at the reporting date and for the previous year, cash and cash equivalents broke down as follows for the purposes of the cash flow statement:

### Composition of cash and cash equivalents

| in € million | 31 Dec. 2024 | 31 Dec. 2023 |
|---|---|---|
| Cash | 0.0 | 0.0 |
| Bank balances (demand deposits) | 411.8 | 311.5 |
| **Total** | **411.8** | **311.5** |

The cash and cash equivalents held at the end of the reporting year largely relate to credit balances at banks from the EEG (€176.7 million) and KWKG compensation mechanism (€154.4 million).

Due to the legal requirement to collect and hold the funds from the EEG and KWKG compensation mechanism as well as the liquidity reserved for interim financing of costs incurred in connection with relief under the German Electricity Price Brake Act (StromPBG) in separate accounts to finance corresponding payments, the relevant cash holdings totalling €398.0 million (previous year: €305.7 million) were subject to restrictions on disposal as at the reporting date, and were therefore not freely available to the Group.

Cash at banks earns interest at variable rates. These funds are callable on a daily basis. Short-term deposits have varying investment periods ranging from one day to three months, depending on the Group's cash requirements. They bear interest at the respective contractual short-term deposit rates.

## [19] Equity

The development of equity is shown in the statement of changes in equity, taking into account the consolidated comprehensive income.

A separate disclosure of the latter Group-relevant components can be found in the Group's statement of comprehensive income.

### Subscribed capital

As at 31 December 2024, Amprion GmbH had share capital of €10.0 million (previous year: €10.0 million), consisting of three shares (previous year: three) with nominal amounts of €2.5 million, €6.4 million and €1.1 million. All share capital is fully paid-in. In the reporting year and in the previous year, 74.9% of the shares were held by M31 Beteiligungsgesellschaft mbH & Co. Energie KG, Düsseldorf, and 25.1% by RWE AG, Essen.

### Additional paid-in capital

Additional paid-in capital includes the difference between the nominal amount and the amount upon issuance of the shares of Amprion GmbH, as well as separate equity contributions from the shareholders. In the reporting year, a capital increase resulted in a payment of €850.0 million into the additional paid-in reserve of Amprion GmbH (previous year: €0.0 million).

### Retained earnings

Based on the equity effect resulting from the first-time application and transition to IFRS as at 1 January 2020, the retained earnings reported in the balance sheet include the accumulated retention amounts from the realised consolidated net income and the accumulated withdrawals from retained earnings.

By resolution of the Supervisory Board of 9 April 2024, a partial amount of €170.0 million (2022 financial year: €130.0 million) of the HGB net income of Amprion GmbH amounting to €293.2 million realised for the 2023 financial year (2022 financial year: €213.4 million) was distributed to the shareholders. The [restated] consolidated surplus of €762.6 million remaining after profit distribution to shareholders in the 2023 financial year (2022 financial year: consolidated surplus after profit distribution to shareholders of €190.4 million) was transferred to the Group's retained earnings in the 2024 financial year.

### Accumulated other comprehensive income

*Accumulated other comprehensive income* represents the cumulative total amount of those items that are recorded in other comprehensive income through the end of the reporting period. This concerns particularly changes in the fair value of equity interests in other companies held by the Group as financial investments, for which the OCI option has been irrevocably chosen, as well as remeasurements of pensions and similar obligations (including pension plan assets) and the corresponding deferred tax effects.

Up to now, the equity interests held – consisting exclusively of shares in unlisted companies – were carried at the acquisition cost approximately due to the lack of reliable determinability of their fair values. Therefore, the subsequent measurement of these investments did not result in any changes in value to be recognised in other comprehensive income, neither in the reporting year nor in the previous years.

Please refer to Note *[20], Provisions* regarding expenses and income from pension obligations and outsourced plan assets recognised in other comprehensive income in the reporting year and the previous year, as well as Notes *[8], Income taxes* and *[23], Deferred taxes* regarding corresponding tax effects.

The income and expenses from the above-mentioned items recognised in other comprehensive income, including the related tax effects, will not be reclassified subsequently to profit or loss at any time.

### Consolidated net income (consolidated net profit or loss)

The consolidated net income is the balance of all expenses and income recognised in the consolidated income statement in a specific period. It represents – together with the amount recognised in other comprehensive income for the respective period – the net increase in the Group's net assets realised during the period that is not attributable to transactions with equity investors.

### Paid and proposed profit distributions to shareholders

Pursuant to the resolution of the Supervisory Board of 9 April 2024, of the net profit under HGB of €293.2 million realised for the 2023 financial year (2022 financial year: €213.4 million) by Amprion GmbH a partial amount of €170.0 million (2022 financial year: €130.0 million) was distributed to the shareholders.

For the appropriation of the 2024 net income of Amprion GmbH amounting to €381.4 million, the Management Board proposes a distribution amount of €200.0 million to the Supervisory Board in accordance with Section 16 (1) of the Articles of Association. The Management Board proposes to transfer the remaining amount of €181.4 million to other retained earnings in accordance with Section 266 (3) A. III. No. 4 HGB, to build up appropriate reserves for future investments.

## [20] Provisions

### Other provisions

In the following, rather than addressing provisions according to expected maturity as shown on the consolidated balance sheet, other provisions are summarised in the Notes to the consolidated financial statements and broken down into the categories of *Personnel provisions, Energy provisions* and *Miscellaneous provisions.*

The development of other provisions in the reporting year and the comparative year is shown in the following tables:

### Statement of changes in other provisions – reporting period

| in € million | Personnel provisions | Energy provisions | Miscellaneous provisions | Total |
|---|---|---|---|---|
| **Balance as at 31 December 2023** | **93.2** | **2.3** | **26.7** | **122.2** |
| Increases | 48.8 | 52.8 | 16.9 | 118.5 |
| Amounts used | – 40.9 | – 2.3 | – 5.3 | – 48.5 |
| Unused amounts released | 0.0 | 0.0 | – 6.2 | – 6.2 |
| Interest effects | 3.1 | 0.0 | 0.0 | 3.1 |
| **Balance at 31 December 2024** | **104.3** | **52.8** | **32.1** | **189.1** |
| *of which current* | *63.2* | *52.8* | *28.6* | *144.5* |
| *of which non-current* | *41.1* | *0.0* | *3.5* | *44.6* |

### Statement of changes in other provisions – previous year

| in € million | Personnel provisions | Energy provisions | Miscellaneous provisions | Total |
|---|---|---|---|---|
| **Balance as at 31 December 2022** | **77.2** | **14.2** | **53.6** | **145.0** |
| Increases | 50.6 | 2.3 | 20.3 | 73.1 |
| Amounts used | – 35.2 | – 1.6 | – 32.2 | – 69.1 |
| Unused amounts released | 0.0 | – 12.6 | – 15.1 | – 27.7 |
| Interest effects | 0.7 | 0.0 | 0.2 | 0.9 |
| **Balance at 31 December 2023** | **93.2** | **2.3** | **26.7** | **122.2** |
| *of which current* | *56.1* | *2.3* | *18.9* | *77.3* |
| *of which non-current* | *37.1* | *0.0* | *7.8* | *44.9* |

The item *Interest effects* consists of the expenses from compounding of the relevant provisions, the expenses and income from interest rate changes and the interest income from the plan assets related to the personnel provisions.

*Personnel provisions* include mainly obligations arising from partial retirement schemes, employee jubilee obligations, future bonuses and other one-off payouts, long-term working time accounts as well as holiday entitlements. The provisions for jubilee benefits and for partial retirement benefits are formed on the basis of actuarial calculations, taking into account company-specific adjusted Klaus Heubeck 2018 G mortality tables. Wage and salary increases of 2.75% and 3.50% p.a. (previous year: 2.75% and 3.50% p.a.) were, depending on the specific anniversary regulation, assumed for the anniversary obligations and 3.50% p.a. (previous year: 3.50% p.a.) for the partial retirement obligations. The relevant actuarial interest rates were 3.14% p.a. for the anniversary obligations (previous year: 3.70% p.a.) and 2.93% p.a. for the partial retirement obligations (previous year: 3.70% p.a.).

The obligations from partial retirement and long-term working time accounts are partially funded. The credit balances from the block model for partial retirement in accordance with Section 8a of the German Part-Time Retirement Act (AltTZG) and the credit balances on long-term working accounts in accordance with Section 7e of the German Social Security Code (SGB IV) are secured by assets held in trust within the framework of a contractual trust arrangement (CTA), which qualifies as plan assets under IFRS. These were measured at fair value as at the reporting date and amounted to €15.2 million (previous year: €13.0 million). Based on this, the personnel provisions shown in the provisions table include the Group's net obligations from partial retirement and long-term working accounts remaining after offsetting against the plan assets. Provisions for partial retirement and long-term working time accounts amounted to €50.0 million before netting with the CTA assets as at the reporting date (previous year: €45.6 million).

The current portion of personnel provisions reported in the consolidated balance sheet corresponds to the outflows expected for 2025 (previous year: for 2024). It is estimated that 67% of expected outflows for non-current personnel provisions (previous year: 64%) will be utilised between 2026 and 2029 (previous year: 2025–2028), and that 33% (previous year: 36%) will be utilised between 2030 and 2064 (previous year: 2029–2063). The wide maturity range of the expected outflows reflects the long-term forecast horizon of the employee jubilee obligations.

*Energy provisions* concern mainly provisions for repayment obligations from annual invoices as well as compensation claims from reserve power plants in accordance with Section 50d of the German Energy Industry Act (EnWG). The significant increase compared to the previous period is due to the assertion of these compensation claims for the period in which certain reserve plants were in the supply reserve outside the call-up periods.

*Miscellaneous provisions* consist mainly of provisions for legal proceedings (provisions for legal costs) and legal disputes. Provisions were also recorded for business document archiving and expected credit losses according to IFRS 9 (expected loss provisioning).

The current portion of miscellaneous provisions carried reflects the outflows expected for 2025 (previous year: 2024). It is estimated, based on the latest projections, that 92% of non-current *miscellaneous provisions* will be utilised between 2026 and 2029 (previous year: 96% utilised between 2025 and 2028). We estimate that the rest of the *non-current other provisions* will be utilised between 2030 and 2034 (previous year: 2029–2033).

### Pension provisions

The Group recognises provisions for pension obligations arising from defined benefit plans in respect of retirement, disability and surviving dependants' benefits. The following pension systems are in place, depending on when employees joined the company:

- Most employees hired before 2001 are in final salary-based retirement systems in which pension benefits are calculated based on years of employment and final pensionable income. The final-salary systems comprise comprehensive and decoupled pension plans. The pension commitments each define a specific pension target depending on the final salary.

- With comprehensive (or total retirement earnings) schemes, a specific pension level is guaranteed which includes the statutory pension. The employer thus fills the gap between the target pension and the amount of the employee's statutory pension.
- The decoupled pension schemes introduced later, which replaced the comprehensive pension schemes for new hires, involve pension commitments that do not factor in the statutory pension.

As at 31 December 2024, pension commitments from final salary-based schemes totalled €182.2 million (previous year: €190.9 million).

- For employees hired after 2001, pension commitments are based on a pension components system; benefits are accumulated as annual pension credits. In this system, a pay-based pension contribution is converted into a lifelong pension entitlement applying annuity factors. When benefits are to be drawn, the pension credits accrued each year are added up.

  Fixed-amount commitments from pension settlements are converted into credits under the pension components system as well. The pension amount is thus based on the underlying settlement amount.

  Obligations under employer-funded pension credit plans totalled €71.3 million as at 31 December 2024 (previous year: €66.1 million).

- In addition to the employer-funded pension commitments, Group employees can also accrue pension credits by funding their own personal retirement accounts through deferred compensation. Pension credits accrue annually based on the same system as under the employer-funded credit-based pension plan (pension components system). Deferred compensation contributed to the retirement account is converted into a lifelong pension entitlement applying annuity factors.

  Obligations under deferred compensation retirement plans totalled €74.9 million as at 31 December 2024 (previous year: €69.7 million).

Other commitments totalled €15.0 million as at the reporting date (previous year: €12.3 million). These consist mainly of energy price concessions that became effective during the retirement period of employees hired before 2002 as well as deferred compensation plan pension commitments with pledged reinsurance.

The breakdown of staff with prospective pension entitlements, departed employees with a vested pension entitlement and pensioners by the various employer-funded pension plans was as follows as at 31 December of 2024 and 31 December of 2023:

### Number of employees

| | 31 Dec. 2024 | | | 31 Dec. 2023 | | |
|---|---|---|---|---|---|---|
| | Staff with prospective pension entitlements | Vested pension entitlement | Pensioners | Staff with prospective pension entitlements | Vested pension entitlement | Pensioners |
| Closed systems dependent on final salary | 323 | 11 | 316 | 352 | 14 | 288 |
| Pension components systems | 2,792 | 163 | 24 | 2,384 | 134 | 16 |
| **Total** | **3,115** | **174** | **340** | **2,736** | **148** | **304** |

The pension provisions recognised were calculated via the *projected unit credit method* required under IAS 19 referencing actuarial reports.

The recognised amount of either the pension provisions or the net defined benefit asset corresponds to the balance of the present value of the expected future pension obligations and the plan assets formed exclusively to cover these obligations.

In the actuarial determination of the defined benefit obligation, the pro rata benefit entitlements acquired are measured at the respective reporting date. The measurement takes into account actuarial assumptions for, among other things, the discount rate, the compensation and pension trend, the fluctuation rate and life expectancy. The plan assets were recognised in accordance with IAS 19.8 and IAS 19.113-119 and are used exclusively to cover the Group's pension obligations. A *contractual trust arrangement* (CTA) is in place as a legal framework model. This is a structured trustee agreement providing for the covering of direct pension commitments by separate assets held in trust outside of the company.

The primary objective of asset management is to cover the pension provisions through the outsourced assets held in trust (plan assets) while accepting low investment risks. In line with this, the investment strategy of the plan assets invested in MI-Fund 87 in the reporting period and in the previous year was to hedge 100% of the value of the pension entitlements recognised in the financial statements of Amprion GmbH under HGB. The pension entitlements determined in accordance with HGB serve as a value reference to fully cover the pension obligations recognised in the balance sheet. Accordingly, the Group's pension obligations are managed on the basis of their measurement in the separate financial statements of Amprion GmbH under HGB in such a way that they are fully funded at the end of a financial year (net pension obligation in the financial statements under HGB of zero). A funding shortfall measured in accordance with HGB is therefore closed at the end of a financial year by a corresponding addition to plan assets.

The pledged reinsurance policy in connection with the *deferred compensation* pension commitments from *deferred compensation* included under other commitments is a qualified reinsurance policy. In the event of insolvency, this serves exclusively to offset the *deferred compensation* pension obligation and therefore also qualifies as plan assets within the meaning of IAS 19. Due to the resulting netting with the *deferred compensation* pension obligation, the status of a defined contribution plan is economically achieved.

As the valuation of pension obligations differs between HGB and IFRS, the capital management presented in the IFRS consolidated financial statements regularly does not lead to a congruence of plan assets and pension obligations of the Group. If, as in the reporting year and the previous year, there is a surplus of plan assets over pension obligations as at the end of a financial year, this has to be recognised in full as an asset due to the fact that the reimbursement of a surplus at the end of the plan is not limited to a certain amount according to the trust agreement. Accordingly, the Group can reclaim any remaining surplus after all pension commitments under the pension plan have been fulfilled. The economic benefit from this refund and the corresponding asset to be recognised is realisable in full at the planned end of the pension plan and corresponds to the surplus determined in accordance with IAS 19.64 in conjunction with IFRIC 14.13 as at the reporting date.

As at 31 December 2024, the CTA plan assets and *deferred compensation* plan assets covered by the pledged reinsurance totalled €542.4 million (previous year: €499.9 million).

The expected development of cash flows from the various pension plans is shown in the following table:

## Cash flow development of the pension schemes

| | Cash flow development as at 31 Dec. 2024 | | | |
|---|---|---|---|---|
| **in € million** | **Closed systems dependent on final salary** | **Pension components systems** | **Other commitments** | **Total** |
| 2025 | 3.6 | 0.3 | 0.3 | 4.2 |
| 2026 | 4.4 | 0.4 | 0.3 | 5.1 |
| 2027 | 5.0 | 0.6 | 0.3 | 5.9 |
| 2028 | 5.5 | 0.7 | 0.4 | 6.6 |
| 2029 | 6.2 | 1.0 | 0.4 | 7.6 |
| 2030–2034* | 8.5 | 2.0 | 0.5 | 11.0 |
| 2035–2039* | 11.1 | 4.1 | 0.7 | 15.9 |
| 2040–2044* | 12.0 | 7.4 | 0.8 | 20.2 |
| 2045–2049* | 12.2 | 13.2 | 0.9 | 26.3 |
| 2050–2054* | 11.4 | 21.6 | 0.9 | 33.9 |
| 2055–2059* | 9.4 | 31.5 | 0.8 | 41.7 |
| 2060–2064* | 6.6 | 36.5 | 0.6 | 43.7 |
| 2065–2069* | 3.8 | 36.8 | 0.4 | 41.0 |
| 2070–2074* | 1.8 | 35.1 | 0.2 | 37.1 |

* Five-year averages.

| | Cash flow development as at 31 Dec. 2023 | | | |
|---|---|---|---|---|
| in € million | Closed systems dependent on final salary | Pension components systems | Other commitments | Total |
| 2024 | 3.1 | 0.3 | 0.2 | 3.6 |
| 2025 | 3.8 | 0.3 | 0.2 | 4.3 |
| 2026 | 4.8 | 0.5 | 0.2 | 5.5 |
| 2027 | 5.3 | 0.6 | 0.3 | 6.2 |
| 2028 | 6.0 | 0.8 | 0.3 | 7.1 |
| 2029–2033* | 8.3 | 1.7 | 0.4 | 10.4 |
| 2034–2038* | 10.9 | 3.4 | 0.5 | 14.8 |
| 2039–2043* | 12.0 | 6.0 | 0.6 | 18.6 |
| 2044–2048* | 12.3 | 10.7 | 0.7 | 23.7 |
| 2049–2053* | 11.7 | 17.2 | 0.7 | 29.6 |
| 2054–2058* | 9.9 | 25.5 | 0.6 | 36.0 |
| 2059–2063* | 7.1 | 29.8 | 0.5 | 37.4 |
| 2064–2068* | 4.2 | 30.2 | 0.3 | 34.7 |
| 2069–2073* | 2.0 | 28.8 | 0.2 | 31.0 |

* Five-year averages.

The calculation for the reporting year was based on an average duration of 23.8 years (previous year: 24.3 years).

The company pensions are subject to an adjustment review obligation every three years in accordance with the Act on the Improvement of Company Pensions (Section 16 BetrAVG). In addition, some commitments grant annual pension adjustments that may be higher than the adjustment under the statutory adjustment obligation.

Comprehensive pension schemes may be affected by future reductions in the statutory pension level due to the statutory pension being factored into the guaranteed pension level, thus leading to potentially higher pension payments.

The following key actuarial assumptions were applied for the calculation of pension provisions (average values):

### Significant actuarial assumptions

| in % | 2024 | 2023 |
|---|---|---|
| Actuarial interest rate | 3.50 | 3.12 |
| Wage and salary increase rate | 3.50 | 3.50 |
| Pensions increase rate | 1.00/2.50 | 1.00/2.50 |

The actuarial interest rate is determined based on the yields on top-rated corporate bonds whose maturities correspond to the respective obligations. The Bloomberg Barclays Classification System (BCLASS) was utilised as the basis for determining the interest rate via the "RATE:Link" method.

The mortality assumptions were based on the company-specific adjusted mortality tables 2018 G by Klaus Heubeck.

The salary increase rate includes expected wage and salary increases, which also take into account increases due to career developments.

An annual pension adjustment factor of 1.00% is stipulated in the pension plan regulations of pension components systems. With final salary pension schemes, pension adjustments are either tied to changes in the consumer price index or to collective bargaining pay indexing. Provisions are measured applying an average annual pension increase factor of 2.50% (previous year: 2.50%).

Potential changes in the actuarial assumptions would have the following simulated effects on the present value of the defined benefit obligation:

### Sensitivity analyses for significant actuarial assumptions

| | 31 Dec. 2024 | | 31 Dec. 2023 | |
|---|---|---|---|---|
| **in € million** | **Closed systems dependent on final salary** | **Pension components systems** | **Closed systems dependent on final salary** | **Pension components systems** |
| Discount rate +/– 50 basis points | –14.5/16.4 | –20.7/25.0 | –16.0/18.1 | –19.7/24.0 |
| Salary trend +/– 50 basis points | 2.7/–2.7 | 0.0/–0.0 | 3.2/–3.1 | 0.1/–0.0 |
| Pension trend + – 50 basis points | 12.7/–11.5 | –/– | 13.9/–12.6 | –/– |
| Life expectancy +/– 1 year | 5.5/–5.6 | 3.0/–3.0 | 6.0/–6.1 | 2.9/–3.0 |

The above sensitivity analyses reflect a change in one respective assumption, with the other assumptions remaining unchanged in each scenario to avoid interactive effects. The methods used to calculate the aforementioned sensitivities and to calculate the pension provisions were applied consistently.

Expenses for pension and similar obligations broke down as follows for the reporting period and the previous year:

### Breakdown of pension expenses

| **in € million** | **2024** | **2023** |
|---|---|---|
| Current service cost | 23.8 | 17.4 |
| Interest income from plan assets | – 15.6 | – 15.5 |
| Interest costs | 10.5 | 9.3 |
| **Recording in the income statement [+ expense / – income]** | **18.7** | **11.3** |
| Income [–] / expense [+] from plan assets excluding interest income | – 10.7 | 3.0 |
| Actuarial gains [–] / losses [+] from changes in demographic assumptions | 0.0 | 0.0 |
| Actuarial gains [–] / losses [+] from changes in financial assumptions | – 28.5 | 36.9 |
| Actuarial gains [–] / losses [+] from experience-based adjustments | – 3.5 | 14.0 |
| **Recording in other comprehensive income (OCI) [+ expense / – income]** | **– 42.7** | **53.9** |
| **Total [+ expense / – income]** | **– 24.0** | **65.2** |

Pension expenses on the income statement also include annual pension expenses to be reimbursed by the Group to RWE AG for obligations under warranty agreements (see Note *[30], Contractual guarantees, contingent liabilities and other financial obligations*). These totalled €0.8 million in the reporting year (previous year: €8.8 million).

For the reporting year and the previous year, the development of pension provisions or of a net defined benefit asset from overfunding is shown below, broken down into present value of the defined benefit obligation and fair value of plan assets.

### Development of pension provisions

| in € million | 2024 | 2023 |
|---|---|---|
| **Defined benefit obligation at the beginning of the financial year** | **339.0** | **259.7** |
| Current service cost | 23.8 | 17.4 |
| Interest cost | 10.5 | 9.3 |
| Benefits paid | – 2.4 | – 2.2 |
| Actuarial gains [–] / losses [+] | – 32.0 | 50.9 |
| *of which from changes in financial assumptions* | *– 28.5* | *36.9* |
| *of which from experience-based adjustments* | *– 3.5* | *14.0* |
| Employee contributions | 4.5 | 3.9 |
| **Present value of the defined benefit obligation at the end of the financial year** | **343.4** | **339.0** |
| **Fair value of plan assets at the beginning of the financial year** | **499.9** | **430.3** |
| Interest income | 15.6 | 15.5 |
| Appropriations to [+] / transfers from [–] plan assets* | 16.0 | 57.2 |
| Benefits paid | 0.0 | – 0.1 |
| Income [+] / expense [–] from plan assets excluding interest income | 10.7 | – 3.0 |
| **Fair value of plan assets at the end of the financial year** | **542.4** | **499.9** |
| **Provisions for pensions and similar obligations [+] or net defined benefit asset from overfunding [–]** | **– 199.0** | **– 160.9** |

* Applies almost exclusively to the employers' contributions.

Contributions to plan assets for the subsequent period starting after 31 December 2024 are forecast to total €15.4 million (previous year: €24.2 million).

Pension entitlements are secured by plan assets, which are primarily invested within the eurozone in the fund MI-Fund 87. As at the reporting date and the end of the previous year, the fair values of plan assets by asset class were as follows:

### Composition of plan assets transferred to MI-Fund 87 based on fair values

| in % | 31 Dec. 2024 | 31 Dec. 2023 |
|---|---|---|
| Fixed income securities (bearer instruments) | 76.3 | 75.4 |
| Pension funds | 19.9 | 23.4 |
| Cash and cash equivalents | 3.1 | 0.5 |
| Other | 0.7 | 0.7 |
| **Total** | **100.0** | **100.0** |

The asset class *Fixed income securities (bearer instruments)* consists of bonds, mortgage certificates *(Pfandbriefe)* and public treasury notes. The asset class *Other* consists mainly of accrued interest. As at the reporting date, the fund equity ratio, which is the ratio of equity market exposure managed via equity futures to fund volume, was 0.0% (previous year: 0.0%). The asset class *Cash and cash equivalents* comprises mainly cash at banks and money market investments.

As at the reporting date and the end of the previous year, the fair values of securities in the asset classes *Fixed income securities* and *Pension funds* were derived from market prices in active markets (level 1 fair values).

The financial resources invested in the special fund described above already include the total plan assets transferred to the CTA fund as at December 31, 2024, including the allocation of €16.0 million made in a timely manner by the end of the reporting year (allocation previous year: €57.2 million, with this amount being included at the end of the previous year in the liquid funds not yet invested in the special fund). The amount of the allocation was determined so that the pension obligations calculated in accordance with the accounting principles of commercial law (HGB) were fully covered by the plan assets contributed to the CTA fund as at the reporting date.

## [21] Financial liabilities

Financial liabilities measured at amortised cost as at 31 December 2024, compared with the previous year, were as follows:

### Composition of financial liabilities*

| in € million | 31 Dec. 2024 | 31 Dec. 2023 |
|---|---|---|
| Financial debt – non-current | 7,053.8 | 4,875.0 |
| Other financial liabilities – non-current | 1,022.1 | 1,044.5 |
| Trade payables and other liabilities – non-current | 0.0 | 43.9 |
| **Total financial liabilities – non-current** | **8,075.9** | **5,963.4** |
| Financial debt – current | 81.1 | 50.5 |
| Trade payables and other liabilities – current | 2,263.4 | 1,750.7 |
| Other financial liabilities – current | 203.3 | 167.5 |
| **Total financial liabilities – current** | **2,547.8** | **1,968.7** |
| **Total** | **10,623.7** | **7,932.2** |

* For detailed remarks on credit and liquidity risk, fair values and maturity profiles based on undiscounted cash flows, see Note *[25], Reporting on financial instruments.*

## Financial debt

The following individual items of current and non-current financial debt were recognised as at 31 December 2024 compared with the previous year:

### Financial debt

| in € million | 31 Dec. 2024 | 31 Dec. 2023 |
|---|---|---|
| Promissory note loans – non-current | 330.6 | 230.7 |
| Registered bonds – non-current | 638.9 | 638.8 |
| Bank loans (syndicated loan) – non-current | 199.8 | 199.8 |
| Bonds – non-current | 5,845.3 | 3,773.6 |
| Jouissance rights – non-current | 39.2 | 32.2 |
| **Total financial debt – non-current** | **7,053.8** | **4,875.0** |
| Promissory note loans – current | 0.0 | 9.0 |
| Bank credit/overdraft lines – current | 0.0 | 1.0 |
| Terminated jouissance rights – current | 0.1 | 0.1 |
| Interest liabilities – current | 81.0 | 40.4 |
| **Total financial debt – current** | **81.1** | **50.5** |
| **Total** | **7,134.9** | **4,925.5** |

The maturity profiles of non-current financial debt, excluding lease liabilities reported as *Other financial liabilities* (see Note *[10], Leases*), were as follows at the end of the reporting year and the previous year. The amounts stated represent the contractually fixed nominal interest and redemption payments until final maturity:

### Maturity profiles of non-current financial debt (excluding lease liabilities)

| in € million | 31 Dec. 2024 | 31 Dec. 2023 |
|---|---|---|
| Due in up to 1 year | 220.4 | 140.7 |
| Due in 1–2 years | 240.0 | 159.9 |
| Due in 2–3 years | 1,123.9 | 147.1 |
| Due in 3–4 years | 704.7 | 1,047.1 |
| Due in 4–5 years | 226.8 | 627.9 |
| Due after 5 years | 6,659.3 | 4,119.0 |
| **Total** | **9,175.1** | **6,241.7** |

### Overview of outstanding promissory note loans

As at the reporting date and the end of the previous year, the Group held the following outstanding promissory note loans *(Schuldscheindarlehen)*, all of which have a bullet repayment structure. All promissory note loans reported in the balance sheet were classified as non-current financial liabilities due to their maturities at the end of the reporting year:

### Composition of promissory note loans (PNL)

| | | | | Carrying amount | |
|---|---|---|---|---|---|
| **in € million** | **Effective interest rate** | **Due date** | **Redemption** | **31 Dec. 2024** | **31 Dec. 2023** |
| 1.397% PNL; €33 million | 1.427% | 12 Jul. 2027 | At maturity | 33.0 | 33.0 |
| 0.929% PNL; €9 million | 0.965% | 9 Dec. 2024 | At maturity | 0.0 | 9.0 |
| 1.377% PNL; €31 million | 1.403% | 8 Dec. 2027 | At maturity | 31.0 | 31.0 |
| 1.377% PNL; €8.5 million | 1.402% | 8 Dec. 2027 | At maturity | 8.5 | 8.5 |
| 1.100% PNL; €32.5 million | 1.127% | 25 Nov. 2030 | At maturity | 32.5 | 32.4 |
| 0.900% PNL; €27 million | 0.933% | 23 Nov. 2027 | At maturity | 27.0 | 27.0 |
| 1.100% PNL; €81.5 million | 1.127% | 25 Nov. 2030 | At maturity | 81.4 | 81.4 |
| 1.302% PNL; €17.5 million | 1.321% | 23 Nov. 2035 | At maturity | 17.5 | 17.5 |
| 3.700% PNL; €100 million | 3.725% | 17 Jan. 2031 | At maturity | 99.9 | 0.0 |
| **Total** | | | | **330.6** | **239.6** |

In December 2023, Amprion GmbH entered into a fixed-interest promissory note loan with Bayerische Landesbank and LfA Förderbank Bayern, both Munich, with a nominal volume of €100 million, a nominal interest rate of 3.700% p.a. (effective interest rate: 3.725%) and a term of seven years for general corporate financing. The loan was paid out to the company at nominal value on 17 January 2024 and is due for repayment at nominal value on 17 January 2031. No new promissory note loans were taken out in the reporting year.

## Overview of outstanding registered bonds

As at the reporting date and the end of the previous year, the Group had the following registered bonds *(Namensschuldverschreibungen)* outstanding, all of which were bullet bonds, which were to be classified as non-current financial liabilities due to their maturities and recognised accordingly in the balance sheet:

### Composition of registered bonds (RB)

| | | | | Carrying amount | |
|---|---|---|---|---|---|
| **in € million** | **Effective interest rate** | **Due date** | **Redemption** | **31 Dec. 2024** | **31 Dec. 2023** |
| 1.932% RB; €14 million | 1.954% | 12 Jul. 2032 | At maturity | 14.0 | 14.0 |
| 2.154% RB; €48 million | 2.171% | 10 Jul. 2037 | At maturity | 47.9 | 47.9 |
| 2.267% RB; €65 million | 2.282% | 10 Jul. 2042 | At maturity | 64.9 | 64.9 |
| 2.418% RB; €40 million | 2.431% | 10 Jul. 2047 | At maturity | 39.9 | 39.9 |
| 1.914% RB; €39 million | 1.933% | 8 Dec. 2032 | At maturity | 39.0 | 38.9 |
| 2.250% RB; €34.5 million | 2.265% | 8 Dec. 2037 | At maturity | 34.4 | 34.4 |
| 2.250% RB; €15 million | 2.265% | 8 Dec. 2037 | At maturity | 15.0 | 15.0 |
| 2.375% RB; €10 million | 2.388% | 8 Dec. 2042 | At maturity | 10.0 | 10.0 |
| 2.500% RB; €53 million | 2.512% | 9 Dec. 2047 | At maturity | 52.9 | 52.9 |
| 2.228% RB; €30 million | 2.234% | 10 Aug. 2038 | At maturity | 30.0 | 30.0 |
| 2.084% RB; €70 million | 2.091% | 11 Jan. 2039 | At maturity | 69.9 | 69.9 |
| 2.200% RB; €30 million | 2.206% | 11 Jan. 2044 | At maturity | 30.0 | 30.0 |
| 1.100% RB; €10 million | 1.127% | 25 Nov. 2030 | At maturity | 10.0 | 10.0 |
| 1.302% RB; €14 million | 1.321% | 23 Nov. 2035 | At maturity | 14.0 | 14.0 |
| 1.302% RB; €34 million | 1.322% | 23 Nov. 2035 | At maturity | 33.9 | 33.9 |
| 1.588% RB; €18 million | 1.604% | 23 Nov. 2040 | At maturity | 18.0 | 18.0 |
| 1.869% RB; €65.5 million | 1.883% | 23 Nov. 2050 | At maturity | 65.3 | 65.3 |
| 1.588% RB; €35 million | 1.603% | 23 Nov. 2040 | At maturity | 34.9 | 34.9 |
| 1.869% RB; €15 million | 1.880% | 23 Nov. 2050 | At maturity | 15.0 | 15.0 |
| **Total** | | | | **638.9** | **638.8** |

### Overview of bank and syndicated loans

Bank and syndicated loans include a long-term, fixed-interest syndicated loan with two banks, one of which is a development bank. This syndicated loan is subject to compliance with a financial covenant. As at the reporting date and in the previous year, the condition for compliance with this financial covenant was met.

In addition, a short-term syndicated loan agreement exists with a bank consortium, which is used for operational processing and interim financing of investments.

### Composition of bank loans and syndicated loans

| | | | | Carrying amount | |
|---|---|---|---|---|---|
| **in € million** | **Effective interest rate** | **Due date** | **Redemption** | **31 Dec. 2024** | **31 Dec. 2023** |
| 1.710% syndicated loan; €200 million | 1.740% | 30 June 2033 | from October 2028 | 199.8 | 199.8 |
| **Total loans – non-current** | | | | **199.8** | **199.8** |
| Bank loans – current | | | | 0.0 | 1.0 |
| **Total loans – current** | | | | **0.0** | **1.0** |
| **Total** | | | | **199.8** | **200.7** |

The long-term syndicated loan concluded in the amount of €200 million with a coupon of 1.710% had an original term of 15 years (remaining term as at the reporting date: 8.5 years) and is to be repaid quarterly on an annuity basis by the end of June 2033, starting in October 2028.

The short-term, variable-interest syndicated loan with a total of eight banks and a term until October 2027 had a total volume of €2,600.0 million (previous year: €2,000.0 million) as at the reporting date. Interest on the syndicated loan is based on the EURIBOR reference interest rate plus a margin. As of the reporting date, the syndicated loan had only been utilised by guarantees in the amount of €11.1 million (previous year: €1.0 million and an additional €6.3 million in guarantees).

As at 31 December 2024, the uncommitted short-term credit facilities amounting to €600.0 million (previous year: €600.0 million) were not used, as in the previous year. An uncommitted credit line is a non-binding credit line agreement without a definite financing commitment. Credit decisions are made case-by-case per drawdown request, and the borrowing terms are as at the request date. No credit line fees are paid. The interest rate is based on internal bank reference rates.

## Overview of outstanding bonds

### Composition of bonds

| | | | | Carrying amount | |
|---|---|---|---|---|---|
| **in € million** | **Effective interest rate** | **Due date** | **Redemption** | **31 Dec. 2024** | **31 Dec. 2023** |
| 0.625% bond; €800 million | 0.767% | 23 Sep. 2033 | At maturity | 790.4 | 789.4 |
| 3.450% bond; €800 million | 3.523% | 22 Sep. 2027 | At maturity | 798.4 | 797.9 |
| 3.971% bond; €1,000 million | 4.012% | 22 Sep. 2032 | At maturity | 997.2 | 996.9 |
| 3.875% bond; €500 million | 3.994% | 7 Sep. 2028 | At maturity | 498.0 | 497.5 |
| 4.125% bond; €700 million | 4.261% | 7 Sep. 2034 | At maturity | 692.5 | 691.9 |
| 3.625% bond; €500 million | 3.698% | 21 May 2031 | At maturity | 497.9 | 0.0 |
| 4.000% bond; €500 million | 4.124% | 21 May 2044 | At maturity | 491.7 | 0.0 |
| 3.125% bond; €500 million | 3.454% | 27 Aug. 2030 | At maturity | 491.6 | 0.0 |
| 3.850% bond; €600 million | 4.039% | 27 Aug. 2039 | At maturity | 587.6 | 0.0 |
| **Total** | | | | **5,845.3** | **3,773.6** |

In the reporting year, Amprion GmbH placed two green dual-tranche bonds with a total volume of €2,100.0 million (previous year: €1,200.0 million) and discounts totalling €24.2 million on the "Euro MTF" market segment and thus on the unregulated capital market in Luxembourg under its Green Finance Framework established in 2022. The nominal values of the two tranches issued in May 2024 amount to €500.0 million (maturity: seven years) and €500.0 million (maturity: 20 years). The seven-year bond bears a nominal interest rate of 3.625%, the 20-year bond of 4.000%. In addition, the second green dual-tranche bond with a total nominal value of €1,800.0 million was issued in August 2024. The nominal values and terms of these two bond tranches are €500 million and six years (nominal interest rate: 3.125%) and €600.0 million and 15 years (nominal interest rate: 3.850%).

In addition, a green dual-tranche bond with a nominal value totalling €1,200.0 million was issued in the previous year. The nominal values and original maturities of these two bond tranches are €500.0 million and five years (nominal interest rate: 3.875%) and €700.0 million and eleven years (nominal interest rate: 4.125%). When this dual-tranche bond was issued, a discount totalling €6.9 million was recognised at the time of issue.

**Jouissance rights (by tranches)**

Company employees hold unsecuritised jouissance rights which are non-transferable. Each tranche can be terminated after a minimum holding period of at least five years. They grant a limited claim to interest on the nominal value depending on company profits, which outranks shareholder entitlement to profits. They do not grant a share in the liquidation proceeds.

In the reporting period, interest expenses of €2.3 million (previous year: €2.0 million) were attributable to jouissance rights. At the end of the reporting year, the following tranches of jouissance rights were outstanding:

## Composition of jouissance rights (by tranches)

| | | | | Carrying amount | |
|---|---|---|---|---|---|
| in € million | Effective interest rate | Due date | Redemption | 31 Dec. 2024 | 31 Dec. 2023 |
| Jouissance rights 2011 tranche | 7.0% | Open-ended | Upon termination | 0.9 | 0.9 |
| Jouissance rights 2012 tranche | 7.0% | Open-ended | Upon termination | 1.0 | 1.0 |
| Jouissance rights 2013 tranche | 7.0% | Open-ended | Upon termination | 1.0 | 1.1 |
| Jouissance rights 2014 tranche | 7.0% | Open-ended | Upon termination | 1.1 | 1.1 |
| Jouissance rights 2015 tranche | 7.0% | Open-ended | Upon termination | 2.2 | 2.2 |
| Jouissance rights 2016 tranche | 7.0% | Open-ended | Upon termination | 2.1 | 2.2 |
| Jouissance rights 2017 tranche | 7.0% | Open-ended | Upon termination | 2.3 | 2.3 |
| Jouissance rights 2018 tranche | 7.0% | Open-ended | Upon termination | 2.5 | 2.5 |
| Jouissance rights 2019 tranche | 7.0% | Open-ended | Upon termination | 3.0 | 3.1 |
| Jouissance rights 2020 tranche | 7.0% | Open-ended | Upon termination | 3.5 | 3.5 |
| Jouissance rights 2021 tranche | 7.0% | Open-ended | Upon termination | 3.9 | 4.0 |
| Jouissance rights 2022 tranche | 7.0% | Open-ended | Upon termination | 4.0 | 4.0 |
| Jouissance rights 2023 tranche | 7.0% | Open-ended | Upon termination | 4.3 | 4.4 |
| Jouissance rights 2024 tranche | 7.0% | Open-ended | Upon termination | 7.5 | 0.0 |
| **Total jouissance rights – non-current** | | | | **39.2** | **32.2** |
| Unsettled redemption amounts for terminated jouissance rights | | | | 0.1 | 0.1 |
| **Total terminated jouissance rights – current** | | | | **0.1** | **0.1** |
| **Total** | | | | **39.3** | **32.4** |

Jouissance rights terminated as at the reporting date are reported as current. Termination entitles the holder of jouissance rights to an unconditional payment claim which is due within one year. Unterminated jouissance rights outstanding as at the reporting date are thus classified as non-current financial liabilities.

Group obligations to related parties under jouissance rights totalled €1.6 million as at the reporting date (previous year: €1.4 million).

As at the reporting date and for the previous year, unterminated jouissance rights were outstanding in the following denominations and reported as non-current financial liabilities:

### Jouissance rights – denomination

| | 31 Dec. 2024 | | 31 Dec. 2023 | |
|---|---|---|---|---|
| **Jouissance right nominal amount** | **Number of outstanding rights** | **Amount (in € thousand)** | **Number of outstanding rights** | **Amount (in € thousand)** |
| € 180 | 213,056 | 38,350.1 | 174,101 | 31,338.2 |
| € 360 | 14 | 5.0 | 14 | 5.0 |
| € 720 | 264 | 190.1 | 274 | 197.3 |
| € 1,220 | 66 | 80.5 | 67 | 81.7 |
| € 1,720 | 356 | 612.3 | 360 | 619.2 |
| **Total** | **213,756.0** | **39,238.0** | **174,816** | **32,241.4** |

### Commercial paper programme

The Group has set up a commercial paper programme for short-term financing purposes, the maximum permitted issue volume of which was increased from €1,500.0 million in the previous year to €2,000.0 million in the reporting year. This had neither been utilised as at the reporting date nor the end of the previous year. For further information on the commercial paper programme, see the discussion of risk management objectives and methods under Note *[25], Reporting on financial instruments.*

## Other financial liabilities

### Composition of other financial liabilities

| in € million | 31 Dec. 2024 | 31 Dec. 2023 |
|---|---|---|
| Lease liabilities – non-current | 1,020.9 | 1,043.2 |
| Other financing | 1.2 | 1.3 |
| **Total other financial liabilities – non-current** | **1,022.1** | **1,044.5** |
| Lease liabilities – current | 200.1 | 147.5 |
| Other liabilities | 3.3 | 19.9 |
| **Total other financial liabilities – current** | **203.3** | **167.5** |
| **Total** | **1,225.4** | **1,212.0** |

The Group recognises obligations from rental, leasehold, service and leasing contracts as lease liabilities, provided that they qualify as leases under IFRS 16 and are not classified as short-term leases or as leases of low-value assets (see Note *[10], Leases*).

*Other liabilities* cover obligations from exchange-based electricity trading transactions on the EPEX SPOT market. This includes cash collateral, deposits and security deposits received from corresponding transactions in the form of initial margins amounting to €3.0 million (previous year: €5.0 million).

## [22] Non-financial liabilities

### Composition of non-financial liabilities

| in € million | 31 Dec. 2024 | 31 Dec. 2023 |
|---|---|---|
| Other non-financial liabilities – non-current | 0.0 | 0.4 |
| Contract liabilities – non-current | 43.1 | 43.9 |
| **Non-financial liabilities – non-current** | **43.1** | **44.2** |
| Other non-financial liabilities – current | 2.5 | 0.2 |
| Contract liabilities – current | 37.0 | 26.7 |
| **Non-financial liabilities – current** | **39.5** | **26.9** |
| **Total** | **82.7** | **71.1** |

Non-financial liabilities include mainly contract liabilities from construction cost contributions (BKZ) and connection cost contributions (AKB) from contracts with customers (see Note *[1], Group Revenue*) and contract liabilities from prepayments received in connection with contract work and deliveries of goods to third parties.

Contract liabilities from BKZ and AKB contributions were recorded in the total amount of €45.2 million as at 31 December 2024 (previous year: €46.0 million). Of this amount, €43.1 million (previous year: €43.9 million) were classified as non-current and €2.1 million (previous year: €2.1 million) as current at the end of the reporting year.

*Other non-financial liabilities* primarily comprise prepayments received for operating leases in which the Group is lessor and from cross-border congestion management.

## [23] Deferred taxes

Deferred taxes recognised resulting from temporary differences in the measurement of assets and liabilities recognised under IFRS compared to the respective tax base are composed as follows as at 31 December 2024 and in the previous year:

### Breakdown of deferred taxes

| | Deferred taxes | |
|---|---|---|
| **in € million** | **31 Dec. 2024** | **31 Dec. 2023** |
| **Balance sheet effects** | | |
| Non-current assets* | – 1,053.4 | – 888.7 |
| *of which regulatory claims* | *34.6* | *27.8* |
| *of which property, plant and equipment** | *– 798.6* | *– 638.3* |
| *of which right-of-use assets* | *– 375.5* | *– 371.0* |
| *of which other non-current assets* | *86.1* | *92.8* |
| Current assets | – 25.8 | 4.9 |
| Special tax items | 9.2 | 9.0 |
| Non-current liabilities | – 120.3 | – 133.1 |
| *of which pension provisions* | *– 53.7* | *– 46.5* |
| *of which regulatory obligations* | *– 386.6* | *– 378.0* |
| *of which lease liabilities* | *323.9* | *330.4* |
| *of which other non-current liabilities* | *– 4.0* | *– 38.9* |
| Current liabilities | 45.7 | 28.7 |
| **Net amount deferred tax assets [+]/deferred tax liabilities [–]*** | **– 1,144.6** | **– 979.2** |

* Restatement of previous year's figure due to change in accounting policy.

| in € million | Deferred taxes | |
|---|---|---|
| | **31 Dec. 2024** | **31 Dec. 2023** |
| **Effects on comprehensive income** | | |
| Non-current assets* | – 164.7 | – 417.5 |
| *of which regulatory claims* | *6.8* | *– 12.8* |
| *of which property, plant and equipment** | *– 160.3* | *– 96.0* |
| *of which right-of-use assets* | *– 4.5* | *– 326.3* |
| *of which other non-current assets* | *– 6.7* | *17.6* |
| Current assets | – 30.7 | – 2.6 |
| Special tax items | 0.2 | 0.2 |
| Non-current liabilities | 12.8 | 36.0 |
| *of which pension provisions* | *– 7.2* | *– 5.6* |
| *of which regulatory obligations* | *– 8.5* | *– 261.7* |
| *of which lease liabilities* | *– 6.5* | *307.4* |
| *of which other non-current liabilities* | *35.0* | *– 4.2* |
| Current liabilities | 16.9 | 25.1 |
| **Deferred tax expense [–]/tax income [+]*** | **– 165.5** | **– 358.8** |

* Restatement of previous year's figure due to change in accounting policy.

Deferred tax liabilities on non-current assets result largely from temporary differences due to different depreciation methods (tax accounting: partial application of declining balance depreciation) and shorter useful lives for tax purposes for property, plant and equipment. Deferred tax assets have an offsetting effect as a result of the IFRS prohibition on recognising regulatory claims recognised under tax law in accordance with Section 21b (1) EnWG.

While deferred taxes in connection with non-current liabilities arise mainly from the non-recognition of regulatory obligations under IFRS, temporary differences in pension obligations result, in particular, from differing discount rates and the inclusion of trend assumptions, which is not permitted under tax law. Furthermore, the valuation of the corresponding plan assets for tax purposes is – in contrast to their valuation at fair value under IFRS – limited to a maximum of their historical cost.

The development of the unnetted and netted carrying amounts of deferred taxes and their recognition in profit or loss and other comprehensive income in the IFRS statement of comprehensive income for the reporting year and the previous year are shown in the following table:

### Deferred taxes recognised in the balance sheet

| | Deferred taxes | | |
|---|---|---|---|
| **in € million** | **Deferred tax assets** | **Deferred tax liabilities** | **Net amount** |
| **Carrying amount as at 31 December 2022** | **192.5** | **– 812.8** | **– 620.4** |
| Tax expense [–]/tax income [+] recognised in the income statement for the period* | 334.9 | – 710.7 | – 375.8 |
| Tax expense [–]/tax income [+] recognised in other comprehensive income for the period | 0.0 | 17.0 | 17.0 |
| **Carrying amount as at 31 December 2023*** | **527.4** | **– 1,506.5** | **– 979.2** |
| Tax expense [–]/tax income [+] recognised in the income statement for the period | 20.9 | – 172.7 | – 151.9 |
| Tax expense [–]/tax income [+] recognised in other comprehensive income for the period | 0.0 | – 13.6 | – 13.6 |
| **Carrying amount as at 31 December 2024** | **548.2** | **– 1,692.9** | **– 1,144.6** |

* Restatement of previous year's figure due to change in accounting policy.

As at 31 December 2024, deferred tax assets of €548.2 million (previous year: €527.4 million) were offset against deferred tax liabilities of €1,692.9 million (previous year [restated]: €1,506.5 million). The restatement of the previous year's figures is based on the change in accounting policy implemented in the reporting year with regard to the capitalisation of interest on borrowed capital in accordance with IAS 23. The netting of deferred taxes shown was carried out at the level of the consolidated tax group for VAT and income tax purposes, which Amprion GmbH forms together with Amprion Offshore GmbH (tax group company) for tax purposes.

Tax expenses and income shown in other comprehensive income are exclusively attributable to the recognition of actuarial gains and losses and the remeasurement of plan assets in connection with net pension obligations.

## [24] Trade payables and other liabilities

### Composition of trade payables and other liabilities

| in € million | 31 Dec. 2024 | 31 Dec. 2023 |
|---|---|---|
| Trade payables | 389.5 | 442.3 |
| *of which from grid business* | *384.9* | *398.5* |
| *of which from EEG business* | *4.4* | *12.0* |
| *of which from KWKG business* | *0.3* | *31.8* |
| Trade payables to companies in which an investment is held | 14.3 | 11.8 |
| Unbilled services | 1,729.9 | 1,284.0 |
| *of which from grid business* | *1,222.2* | *804.8* |
| *of which from EEG business* | *236.7* | *251.0* |
| *of which from KWKG business* | *271.0* | *228.1* |
| **Total trade payables** | **2,133.7** | **1,738.1** |
| Other payables from levies | 102.0 | 36.0 |
| Other tax liabilities | 11.8 | 8.5 |
| Other personnel liabilities | 8.4 | 12.1 |
| Miscellaneous other liabilities | 7.4 | 0.0 |
| **Total other liabilities** | **129.7** | **56.6** |
| **Total** | **2,263.4** | **1,794.7** |

As at the reporting date, non-current *trade payables* totalled €0.0 million (previous year: €43.9 million), while current *trade payables* totalled €2,133.7 million (previous year: €1,694.1 million).

All *other liabilities*, totalling €129.7 million (previous year: €56.6 million), were due in the short term in relation to the respective reporting date.

Trade payables and other liabilities are generally non-interest bearing.

Trade payables for investments and operating resources have different due dates of up to 30 days after the month of performance, depending on the service provided. In addition, depending on the underlying transaction, the due dates range from ten working days after the invoice is created, through due dates on the 15th of the month following the month of performance, to due dates of levy-related annual invoices in year t+2 with a value date of 30 June of the respective year.

## [25] Reporting on financial instruments

Financial instruments include both primary and derivative financial instruments. On the asset side of the consolidated balance sheet, primary financial instruments within the scope of IFRS 9 and IFRS 7 include financial investments, other financial assets, trade receivables, other financial receivables and cash and cash equivalents. Financial instruments carried on the liabilities side include financial debt, miscellaneous financial liabilities, trade payables and other (financial) liabilities.

In the reporting year and in the previous year, the Group neither held any stand-alone derivatives or derivatives designated as hedging instruments nor any financial assets *measured at fair value through profit or loss.*

### Fair value disclosures

The table contained in this section shows carrying amounts, fair values and fair value hierarchy levels of the financial instruments of the various categories recognised. This does not apply to those financial assets and financial liabilities for which a corresponding disclosure requirement is waived, as well as those whose carrying amounts reasonably approximate or reflect their fair values at the respective reporting date.

In the opinion of the Group's management, the fair values of cash and short-term deposits, trade receivables, bank overdrafts and other current (financial) liabilities approximate their carrying amounts due to their short maturities.

The fair values of the bonds issued by the Group in the years 2021 through 2024 on the unregulated capital market in Luxembourg are each based on quoted prices as at the reporting date (level 1 fair value).

To determine the fair values shown in the table, which are classified as level 3 of the fair value hierarchy, the Group applied the following approach and assumptions:

- The fair values of long-term promissory note loans, registered bonds, bank loans and non-current trade payables as well as other financial liabilities not traded on an active market are estimated using the discounted cash flow method.
- The discount rate applied is a debt interest rate determined for debt instruments of comparable terms and conditions, default risk and term to maturity. This rate reflects the issuer's borrowing interest rate at the end of the financial year. As in the previous year, default risk as at 31 December 2024 was classified as low in view of the Group's *investment-grade* rating.
- The risk-free interest rate factored into the maturity-equivalent discount rates was determined from swap rates observed at the respective reporting date. The derived risk-free interest rate was then increased by a maturity- and risk-equivalent credit spread, the determination of which was essentially based on Amprion-specific bank indications that were condensed to their mean value in the corresponding maturity bands.

## Financial instruments: carrying amounts and fair values

| in € million | Carrying amount 31 Dec. 2024 | Carrying amount 31 Dec. 2023 | Fair value 31 Dec. 2024 | Fair value 31 Dec. 2023 | Level of fair value hierarchy |
|---|---|---|---|---|---|
| **Financial assets** | | | | | |
| Financial investments and loans* | 5.2 | 5.2 | – | – | – |
| Trade receivables and other receivables** | 1,427.2 | 936.1 | 1,427.2 | 936.1 | – |
| Other financial assets** | 34.1 | 29.6 | 34.1 | 29.6 | – |
| Cash and cash equivalents | 411.8 | 311.5 | 411.8 | 311.5 | – |
| **Total** | **1,878.5** | **1,282.5** | **1,873.1** | **1,277.2** | **–** |
| **Financial liabilities** | | | | | |
| Registered bonds | 638.9 | 638.8 | 507.4 | 496.4 | Level 3 |
| Promissory note loans | 330.6 | 239.6 | 315.8 | 214.2 | Level 3 |
| Bonds | 5,845.3 | 3,773.6 | 5,823.0 | 3,717.5 | Level 1 |
| Bank loans | 199.8 | 200.7 | 180.7 | 177.3 | Level 3 |
| Interest liabilities** | 81.0 | 40.4 | 81.0 | 40.4 | – |
| Jouissance rights** | 39.3 | 32.4 | 39.3 | 32.4 | – |
| Lease liabilities*** | 1,221.0 | 1,190.7 | – | – | – |
| Trade payables and other liabilities** | 2,263.4 | 1,794.7 | 2,263.4 | 1,761.1 | – (previous year: Level 3) |
| Other financial liabilities (excluding lease liabilities)** | 4.5 | 21.3 | 4.5 | 21.3 | – |
| **Total** | **10,623.8** | **7,932.2** | **9,215.1** | **6,460.6** | **–** |

* Financial instruments measured at fair value through other comprehensive income are financial investments in equity instruments (investments) for which there is no quoted price in an active market (i.e. hierarchy level 1) and whose fair value cannot be reliably determined. Since the fair value of these investments cannot be reliably determined, no corresponding disclosure is required (IFRS 7.29).
** The carrying amount recognised at the reporting date is a reasonable approximation of fair value.
*** According to IFRS 7.29, disclosures on the fair value of lease liabilities are not required.

## Financial instrument risk management objectives and methods

### NOTES ON THE FINANCIAL RISK MANAGEMENT SYSTEM

As at the reporting date, the Group had exposure to financial risks from financial instruments due to its operational business activities as a transmission system operator and in connection with cash at banks and short-term, usually overnight holdings of money market investments. Such exposure primarily includes default, liquidity and refinancing risk as well as, to an insignificant extent at present, market risks. Risk management is the responsibility of Group management. This includes both taking and monitoring suitable measures for the early detection of risks that could jeopardise the company's existence. The risks of the individual departments are summarised by the risk management team to create a complete picture that also includes the risk-bearing capacity. The risk management committee and the Management Board are then informed of the overall risk situation. The Management Board in turn informs the Audit Committee and the Supervisory Board of Amprion GmbH about the overall risk situation.

The control and monitoring of the group-wide risk management process is the responsibility of the Risk Management Committee, which is formed by the Management Board and the heads of the organisational units at the second management level (department heads) and the Chairman of the Risk Management Committee. The objective of the Group-wide risk management process is to identify risks at an early stage and to obtain information about them in order to be able to derive and take appropriate measures based on defined risk management strategies. In addition to a conscious acceptance of risks, further risk management measures in the form of limitation or reduction, avoidance, transfer or diversification can be considered within the framework of risk management.

The measures involved in managing the Group's financial risks are designed primarily to ensure solvency at all times, maintain a financially appropriate equity base and generate stable annual profits under German commercial accounting principles. The focus of financial risk management is therefore on earnings and liquidity risks as the primary management parameters. Accordingly, risks are distinguished and separately presented according to their risk effect on the HGB-result before taxes and on liquidity. This relates to market price, liquidity and default risks. Appropriate risk management measures are designed to ensure that the Group is able to generate a return on equity in line with the market for its shareholders while maintaining business operations at all times.

The risk management process (risk identification, assessment, control, aggregation in connection with risk monitoring, reporting, decision-making, approval and information to the Supervisory Board) as well as the risk responsibilities are documented in an internal risk management guideline, which was adopted by the Management Board. Complementary to the risk management guideline, the risk management manual concretises the risk management process and presents the detailed business processes and procedures. The manual is updated on an ongoing basis by Risk Management and, in the case of substantial adjustments, adopted by the Risk Management Committee. In addition, the overarching objectives, general principles, tasks and responsibilities of group-wide financial management are set out in an internal Group financial guideline adopted by the Management Board.

The Group's approach to managing financial risks is presented in this section of the Notes, taking into account specific disclosure requirements under IFRS. These disclosures include, for example, maturity analyses of financial liabilities based on undiscounted future cash flows, which include contractual interest and redemption payments.

The Finance department manages the Group's funding and liquidity risk in accordance with the requirements under the Group-internal risk management guideline, the risk management manual and finance policies. The implementation of appropriate (re)financing measures and the target-oriented management of financial risk are intended to contribute to the achievement of the company's financial and strategic objectives.

To date, the Group does not use derivative financial instruments for risk management purposes. Trading in financial instruments (including derivatives) for speculative purposes is not permitted as a result of internal Group regulations documented in the financial guidelines. Accordingly, only financial instruments approved by the CFO may be used for risk management purposes, with the corresponding list of approved financial instruments being managed by the Finance department.

There have been no significant changes since the previous year in the risks arising from financial instruments or in the methods used by the Group to measure and manage these risks.

**MARKET PRICE RISK**

Market price risk is the risk of fluctuations in the fair value or future cash flows of a financial instrument due to changes in market prices. It generally comprises interest rate risk, currency risk and the risk of other price changes (e.g. in the form of energy and commodity price risk).

Price risks for Amprion generally result from interest rate fluctuations on the money and capital markets as well as from commodity price fluctuations (especially electricity, coal and gas, as well as steel and copper). Financial instruments exposed to such risks which could affect earnings and equity are limited on the asset side of the balance sheet to equity interests in other unlisted companies *measured at fair value through other comprehensive income*. On the liability side, these are limited to variable-interest current financial liabilities. Due to the immateriality of the above-mentioned items and their associated immaterial potential impact on equity and earnings, the sensitivities with regard to interest rate risks are not presented herein, as was the case in the previous year.

Any effects from changes in relevant market variables or financial actuarial parameters on the pension obligations are outlined in Note *[20], Provisions.*

**Interest rate risk**

Interest rate risk concretises itself in changes in the fair value of future cash flows from a financial instrument due to fluctuating market interest rates. The Group is exposed to such interest rate risk, with potential effects on earnings and equity, through current variable-rate liabilities with banks. There was no significant utilisation of the corresponding syndicated loan as at the reporting date. The Group is only exposed to interest rate risks on positions denominated in euros.

Amprion’s exposure to earnings risk due to interest rate changes was very minor as at the reporting date for the reporting period and the previous year due to measures taken to avoid and reduce interest rate risk to the extent possible. To meet this financial policy objective, the Group bases its portfolio of long-term financing on fixed-interest agreements to the greatest possible extent. In line with this, non-current financial liabilities as at 31 December 2024 consisted – apart from the outstanding jouissance rights – exclusively of fixed-interest debt instruments, as in the previous year.

As the Group was not exposed to any significant interest rate risks, neither at the reporting date nor in the previous year, the simulated effects of interest rate changes on consolidated profit before tax and equity are not presented here.

**Currency risk**

Currency risks generally result from changes in exchange rates and manifest themselves in exchange rate-induced fluctuations in the fair value or future cash flows of financial instruments. As in the previous year, the Group is currently not exposed to any significant currency risks due to its operating activities being generally limited to the eurozone and seeks to invoice transactions exclusively in euros.

**Energy and commodity price risk**

Group operations can be significantly impacted by the volatility of energy and certain commodity prices. The Group has to purchase electricity to properly fulfil its legal responsibilities as transmission system operator – for example, to compensate for grid losses that inevitably occur. Accordingly, the Group is exposed to the risk of price fluctuations in its forecast electricity purchases. To hedge this price risk, the Group concludes forward contracts based on the forecast grid loss profile within the framework of weekly tenders. These forward contracts are exclusively for physical delivery in the context of the company's usual purchase, sale or usage requirements. They are therefore not accounted for as financial instruments under IFRS 9 in application of the *own use exemption* and are therefore not taken into account with regard to the requirement to conduct sensitivity analyses in relation to price risks. With regard to these contracts, which are to be accounted for as pending legal transactions, and the future financial obligations associated with them, please refer to Note *[30], Contractual guarantees, contingent liabilities and other financial obligations.*

**Market price risk from unlisted equity instruments**

Unlisted equity instruments held by the Group as financial investments (see Note *[12], Financial investments*) are subject to market price risk resulting from the uncertainty of the future performance of the equity shares. The Group holds these as long-term financial investments based on existing business relationships with the investees concerned. Therefore, the existing risk of price changes, which from the Group's point of view can be regarded as immaterial in terms of its magnitude, is of only minor importance for the economic situation of the Group. There is no active management and assessment of this risk.

As with their fair value, the sensitivities from price change risks cannot be reliably determined for these unlisted equity instruments, so no quantification is provided here. Subsequent measurement of these equity instruments classified as *measured at fair value through other comprehensive income* does not have any effect on consolidated profit or loss before tax. Any – in this case immaterial – price risks only affect other comprehensive income and consolidated equity.

**DEFAULT RISK**

In the course of its operating activities, the Group is exposed to default risks from its financial receivables (in particular trade receivables), cash investments and cash at banks and deposits with banks. For Amprion, default risk is the potential that a customer or business partner cannot or does not meet its financial obligations and that the Group incurs a financial loss from the partial or complete non-fulfilment of agreed services.

Nevertheless, the risk of default by customers and business partners is limited to some extent by contractual provisions that allow the Group to demand appropriate collateral or advance payments in justified cases. This is supplemented by continuous receivables management. In addition, the vast majority of network charges are collected by the distribution network operators, who are also subject to regulation. Accordingly, the insolvency risk is still considered to be very low.

With regard to some of the outstanding receivables that are subject to a significant risk of default, information on the creditworthiness of the business partners is regularly obtained and monitored to reduce the risk. This serves as a further basis for decisions on any measures to be taken (see Notes below on the default risk of trade receivables).

Financial and money market transactions are only entered into with business partners approved under company finance policies and that conform with defined investment limits thereunder.

The Group's maximum default risk exposure without taking into account corresponding securities is the total carrying amount of the individual financial assets (debt instruments) carried on the balance sheet as at the reporting date and also as at the beginning and end of the previous year. The items specifically concerned are loans reported under [*12], Financial investments* as well as *[14], Trade receivables and other receivables, [15], Other financial assets* and *[18], Cash and cash equivalents*. The total maximum amount at risk as at 31 December 2024 was €1,873.2 million (previous year: €1,277.2 million).

**Trade receivables and other receivables**
The default risk from receivables from network customers and balancing group managers is monitored on the basis of the Group's standardised default risk management procedures and controls. Bad debt insurance is not taken out due to the associated cost-benefit ratio. Instead, the creditworthiness of network customers and balancing group managers is assessed on the basis of regularly obtained external credit reports from an established credit agency or, if no credit report is available or if it is slightly below or above a relevant threshold, (additionally) on the basis of an individual credit assessment. Based on these credit assessments, a decision is then made on further measures that may need to be taken on a case-by-case basis.

Default risks exist in the context of balancing group settlement and on the grid customer side in the event of non-payment of receivables by a balancing group manager or grid customer. Appropriate security deposits may only be demanded in justified cases that are limited to ex ante recognisable or probable defaults on receivables (e.g. in the event of enforcement measures against the balancing group manager or grid customer, application for the opening of insolvency proceedings, or in the event of justified concern of non-performance of the contract due to insufficient creditworthiness as well as repeated, non-insignificant delay in payment). Comprehensive hedging of default risks by means of security is therefore not possible or permissible.

In connection with balancing group settlement, Amprion counters default risks by monitoring the schedule registration of the balancing group management in a timely manner and by demanding collateral on a case-by-case basis. In accordance with the provisions of the balancing group contract, the directly enforceable guarantee of a creditworthy third party as well as account pledges and, if applicable, cash collateral can be considered as collateral. If the permissible trading volume of a balancing group manager is exceeded, an increase in the collateral to be deposited is usually requested.

To determine the need for impairment losses on receivables, the probability of default of the counterparty is calculated using the expected loss model required by IFRS 9 and external credit ratings. The lifetime expected credit loss is calculated by multiplying the exposure at default by the individual – derived from the external credit rating – probability of default and the expected loss given default. The individual default rate is calculated as the share of the receivable amount reduced by the collateral deposited in the individual case in the total receivable amount. Interest effects are negligible due to the generally short-term maturity of the receivables. The Group applies the simplified impairment approach to these trade receivables, which do not contain a significant financing component.

The impairment loss determined in accordance with the approach described above is recalculated at each reporting date on the basis of updated parameter values. As the external credit assessments take into account past events, current circumstances and expected developments, the impairment loss requirement has not yet been further adjusted or calibrated.

As in the previous year, there were no material reductions in the Group's expected credit losses from trade and other receivables as of the reporting date as a result of the credit collateral provided by the balance group managers.

Due to the nature and degree of diversification of the customer structure and business partners, the Group considers the risk concentration in trade receivables to be low, similar to the previous year.

**Money market investments and deposits with banks and financial institutions**
The risk of default on short-term deposits and on balances with banks and financial institutions is managed by the Finance department in accordance with the Group's financial guidelines. This includes the measurement, limit monitoring and management of counterparty risks, with a daily counterparty determination for banks.

As part of the management of counterparty default risks, risk diversification of cash at banks and cash investments among various banks is ensured, taking into account economic aspects and compliance with limits. Risk limitation includes the definition of approved counterparties, on the one hand, and the establishment and, if necessary, adjustment of the limits applicable to the approved counterparties, on the other hand. External long-term deposit ratings from established rating agencies, the bank's equity base and current credit default swaps are used to assess bank limits. The counterparty limits are reviewed on a daily basis before any financial transactions are entered into. Transactions involving (potential) counterparty risk may only be carried out within the limits set for the respective counterparty.

**Expected credit losses and loss allowance for receivables, other financial assets and bank deposits**

Expected credit losses on financial assets in the form of trade receivables, other receivables as well as cash investments and cash at banks, which are each subsequently measured at amortised cost, developed as follows from the beginning of the previous year to the end of the reporting period:

### Loss allowance for financial assets

| in € million | Trade receivables and other receivables | Money market investments and bank balances | Total |
|---|---|---|---|
| **As at 31 December 2022** | **1.5** | **1.4** | **2.8** |
| Additions | 0.0 | 0.0 | 0.0 |
| Amounts used | 0.0 | 0.0 | 0.0 |
| Unused amounts released | –0.5 | –1.4 | –1.9 |
| **As at 31 December 2023** | **0.9** | **0.0** | **0.9** |
| Additions | 1.0 | 0.1 | 1.1 |
| Amounts used | 0.0 | 0.0 | 0.0 |
| Unused amounts released | 0.0 | 0.0 | 0.0 |
| **As at 31 December 2024** | **1.9** | **0.1** | **2.0** |

The increase in the loss allowance for trade and other receivables is due to the higher volume of receivables compared to the previous year.

**LIQUIDITY RISK**

Through its current financial obligations, Amprion is exposed to liquidity risks, of potentially not being able to meet its payment obligations in full or on time. Therefore, a key objective of the Group is to ensure full solvency at all times through centralised liquidity management. To this end, measures are taken to ensure a continuous balance between the coverage of short-, medium- and long-term financial requirements and to maintain financing flexibility through the use of overdrafts, bank loans, promissory note loans, registered bonds, leasing contracts and financing via the public capital market. Against this background, Amprion GmbH had launched its first *Debt Issuance Program* (DIP) in 2021 with an initial total financing framework of €6,000.0 million, which was already increased in the previous year to the relevant volume of €9,000.0 million as of the reporting date. On the basis of the DIP, the Group was able to place two green dual-tranche bonds with a nominal total volume of €2,100.0 million in the Euro MTF market segment of the Luxembourg Stock Exchange in May and August of the reporting year. These two dual-tranche bonds have the following conditions:

- Dual-tranche bond from May 2024 with a total nominal value of €1,000 million: The first bond tranche has a nominal value of €500.0 million, a term of seven years, a coupon of 3.625% (IFRS effective interest rate: 3.6976%) and an issue price of 99.897% (discount: €0.52 million). The second tranche also has a nominal value of €500.0 million, a term of 20 years, a coupon of 4.000% (IFRS effective interest rate: 4.1244%) and an issue price of 98.666% (discount: €6.67 million). The bond was given a “Baa1” rating by Moody’s.

- Dual-tranche bond from August 2024 with a total nominal value of €1,100 million: The first bond tranche has a nominal value of €500.0 million, a term of six years, a coupon of 3.125% (IFRS effective interest rate: 3.4539%) and an issue price of 98.636% (discount: €6.82 million). The second tranche has a nominal value of €600.0 million, a term of 15 years, a coupon of 3.850% (IFRS effective interest rate: 4.0387%) and an issue price of 98.299% (discount: €10.21 million). The bond was given a “Baa1” rating by Moody’s and an “A-” rating by Fitch.

Amprion GmbH had already successfully placed two green dual-tranche bonds with total nominal values of €1,800.0 million (2022) and €1,200.0 million (2023) on the unregulated capital market in Luxembourg in 2022 and 2023. In addition, the Group has the option of obtaining short-term financing through the commercial paper program set up in the 2020 fiscal year. The maximum permissible issue volume was already increased in the previous year from €900.0 million to €1,500.0 million and in November of the reporting year by a further €500 million to the amount of €2,000 million as of the reporting date. The steady use of the public capital market planned for the future and the associated establishment as a frequent issuer has become a central source of financing for the Group, alongside bank financing.

Amprion's cash management includes the centralised execution of payment transactions, bank accounting, liquidity management and liquidity balancing including cash pooling under a corresponding agreement with Amprion Offshore GmbH (see Note *[31], Related party disclosures*).

To monitor liquidity risk and avoid liquidity shortfalls, Amprion uses Group-wide central liquidity planning tools and takes the measures described below:

**Liquidity planning**

***Grid business***

Group liquidity planning is a set of processes building upon the primary objective of ensuring solvency at all times that are aimed at optimising the capital structure and the financial result. Achieving this requires not only determining the short-term liquidity trend, but also that of the forecast year as well as the liquidity trend within the framework of the long-term planning process.

The Group's short-term liquidity is planned and monitored on a rolling basis with a forecast time window that extends from the respective point in time under consideration to the end of the following financial year. Liquidity planning and the future liquidity trend are updated at regular intervals through integration in the general corporate planning process. Liquidity planning thus factors in actual figures, current and forecast data, market data and corporate planning. As Amprion GmbH operates a cash pooling system with Amprion Offshore GmbH, this is also included in the Group liquidity planning.

***Business that does not affect net income***

In addition to its responsibilities as a transmission system operator (grid business), Amprion is also responsible for the settlement of accounts for the EEG compensation mechanism within its balancing area (EEG business). The same applies to the KWKG compensation mechanism, under which Amprion has been required to – analogous to EEG compensation – maintain a separate KWKG bank account in accordance with Section 47 (1) EnFG. All income and expenses are to be processed via this KWKG account on the basis of EnFG in conjunction with KWKG. Analogous to the EEG compensation mechanism, this ensures transparency for the financial KWKG load balancing as well as for the KWKG levy system and the smooth processing of vertical and horizontal cost balancing.

The clearing activities of Amprion, which are associated, in particular, with the EEG and KWKG compensation, have a significant impact on the short-term liquidity requirements for this, which need to be financed separately for regulatory reasons. Accordingly, in addition to the liquidity planning for the grid business, Amprion maintains a separate EEG and KWKG liquidity planning based on monthly updated data for the current and, if necessary, the following financial year.

**Monitoring liquidity risk and ensuring sufficient liquidity**

With the accounting separation of the EEG, KWKG and grid business, liquidity management and liquidity risks are also considered separately. To control and monitor the essential liquidity risks, the planned liquidity developments for the EEG, KWKG and grid business are determined along with different stress-test scenarios. For the grid liquidity risk, the risks at company level are used for the stress test. Stress testing for EEG liquidity risk is carried out under scenario risk parameters specified by an independent expert. The change in liquidity indicated in stress testing is compared against the available cash and cash equivalents and credit lines so as to identify a possible liquidity shortfall early in advance and to initiate appropriate countermeasures. Top- and second-level management and the Supervisory Board receive regular reporting on the liquidity situation and stress testing findings, in order to assess the Group's liquidity risk.

***Grid business***

To reduce the liquidity risk and to maintain and secure its financial flexibility, the Group has concluded a syndicated loan agreement with eight credit institutions. As at the reporting date, the Group had revolving confirmed credit facilities amounting to €2,600.0 million (previous year: €2,000.0 million), whereby the total volume of the syndicated loan agreement was increased by €600.0 million in the second quarter of the reporting year. In contrast to unconfirmed credit lines, committed credit facilities are contractually guaranteed credit lines with fixed credit margins that are available to the borrower at any time. The borrower usually pays a commitment fee for this.

The aforementioned credit facilities were available to the Group for free use within the scope of general corporate purposes or normal business activities. As at 31 December 2024, these were drawn in the amount of €0.0 million (previous year: €1.0 million). In addition, guarantees were utilised in the amount of €11.1 million (previous year: €6.3 million).

As at 31 December 2024, the Group had a further €600.0 million (previous year: €600.0 million) in unconfirmed short-term credit facilities. As in the previous year, these were not utilised as at 31 December 2024.

As in the previous year, the commercial paper programme, which currently has a total financing framework of €2,000.0 million (previous year: €1,500.0 million), was not used for short-term interim financing in the reporting year. As at 31 December 2024, Amprion had not issued any commercial paper, in line with the previous year's reporting date. The commercial paper programme was confirmed by Moody's in the reporting year with a short-term rating of "Prime-2" (P-2) as in the previous year.

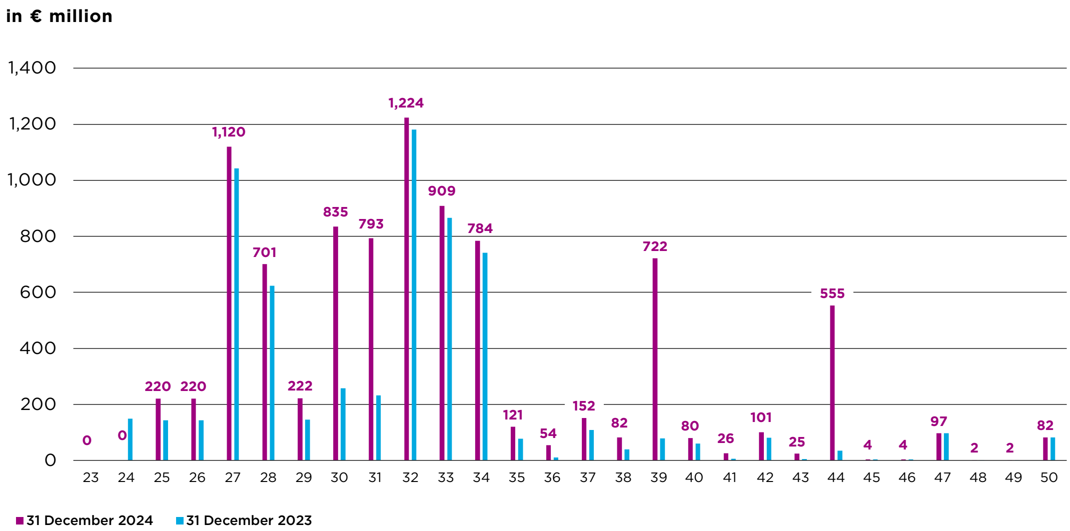
***Business that does not affect net income – EEG settlement***

In principle, the EEG settlement by way of the EEG compensation mechanism can result in liquidity risks for the Group. Due to the systematic control and monitoring of this risk, the financing of the EEG mechanism from federal funds in accordance with the Energy Financing Act and the EEG liquidity reserves that are now held, which amounted to €176.7 million as of the reporting date (previous year: €205.1 million), there was no specific need in the reporting year, as in the previous year, to maintain earmarked confirmed EEG credit facilities to reduce any liquidity risk potentially resulting from EEG processing. Nevertheless, the Group still has the option to utilise its credit line under the current syndicated loan agreement for interim EEG financing if necessary.

**Ensuring a balanced liability maturity structure**

The following chart illustrates the maturity profiles of the promissory note loans, registered bonds, the syndicated loan (promotional loan) and the bonds listed in Luxembourg shown in the consolidated balance sheet under non-current financial liabilities as at the reporting dates of the reporting year and the previous year. Presented is the sum of the contractually agreed, undiscounted interest and redemption payments. This does not include payment obligations from contracts recognised as leases under IFRS 16 or payment obligations connected with jouissance rights (see Note *[10], Leases* and *[21], Financial liabilities*).

**Maturity structure of interest and redemption payments for promissory note loans, registered bonds, syndicated loans and bonds presented by reporting dates**




The maturity profiles reveal a diversified maturity structure of non-current financial debt utilised for Group financing (see Note *[21], Financial liabilities*), which is beneficial for reducing both long-term liquidity and refinancing risks.

The table below shows the aggregated maturity structure of all recognised current and non-current financial liabilities (here including jouissance rights and trade payables) and other (financial) liabilities, individually for each of the following five financial years and in total for financial years beyond that horizon.

### Maturity profiles of financial liabilities (excluding lease liabilities)

| in € million | 2024 | 2023 |
| --- | --- | --- |
| Due in up to 1 year | 2,635.6 | 1,968.0 |
| Due in 1–2 years | 240.0 | 203.9 |
| Due in 2–3 years | 1,123.9 | 147.1 |
| Due in 3–4 years | 704.7 | 1,047.1 |
| Due in 4–5 years | 226.8 | 627.9 |
| Due after 5 years | 6,659.3 | 4,119.0 |
| **Total** | **11,590.3** | **8,113.0** |

#### REFINANCING RISK

The Group has significant funding requirements in the coming years to finance its onshore and offshore investment projects. There is a risk that the liquidity required for this might not be available either at attractive conditions or through external – neither public nor private – financing channels. Events having a negative impact on national and international capital markets can adversely affect the general availability of funds and the Group's financing costs.

If Amprion were unable to procure the planned financing, there would be a risk that the planned investments could not be made, or not to the planned extent or within the planned time frame. The associated negative impact on the feasibility of the strategic plans could have an adverse effect on business, financial positions and net profit. If, in an extreme scenario, the capital markets were not available even for a longer period of time, sufficient access to external sources of financing might not be ensured. This would entail the risk for the Group of not being able to meet its financial obligations in full or on time.

In addition to debt financing, the considerable investment volume of the years to come will require the steady injection of additional equity in order to secure a stable credit rating in the investment-grade range targeted by the Group. As a non-listed company, refinancing risks for Amprion result from the potentially limited possibility to steadily finance itself through external equity injections. Therefore, the Group holds regular early discussions with its shareholders about possible injections of additional equity and about the scope and timing of such injections. Nevertheless, the risk remains that equity may not be available in sufficient amounts or in a timely manner and that Amprion may not receive further equity commitments. This could adversely impact investment plans and thus the Group's business activities, financial situation, earnings as well as credit ratings.

Amprion takes, in particular, the measures outlined below in reducing its refinancing risk:

(1) The Group pursues an active financing strategy to maintain an *investment-grade* credit rating, striving to create and maintain an optimally sustainable capital structure based on long-term forecast investment portfolio. In addition, the maturity profile of existing debt instruments is actively managed in the context of a revolving financing strategy.

(2) Additional capital requirements for long-term investment projects are proactively coordinated with Amprion shareholders in a timely fashion to ensure sufficient available equity and debt capital at the times required, while adhering to the planned capital structure and the agreed funding requirements.

(3) Amprion maintains a high degree of flexibility for securing financing for its long-term investment projects through diversification of its external financing instruments, including bank loans, promissory note loans, registered bonds and the public bond market in addition to equity financing sources. Particularly regarding public capital market financing, Amprion is striving to position and establish itself as a reliable frequent issuer.

(4) The Group has published a Green Finance Framework, which defines the framework conditions for green financing and specifies project categories for which funds from green financing instruments can be used. In addition, Amprion was given a low-risk ("negligible risk") ESG risk rating of "9.0" (previous year: "9.6") by the ESG rating agency Sustainalytics and an ESG entity, framework and instrument rating of "2" in each case by Sustainable Fitch in the reporting year. A sustainable economic strategy is considered indispensable by Amprion to be able to continue to finance the financial resources required for the grid expansion to a sufficient extent and at attractive conditions via the public capital market.

(5) Amprion remains in continuous dialogue with politics to ensure that the regulatory system/framework provides an appropriate basis for the Group to completely fulfil its tasks and obligations as a transmission system operator while generating a risk-adequate and fair market return for existing and potential shareholders.

**RISK CONCENTRATIONS**

Risk concentrations can arise from significant transactions with individual clients or business partners or from transactions of a significant volume conducted with several business partners with similar economic characteristics. Such homogeneous groups may be impaired in their ability to meet their contractual obligations on time and in full due to changes in the economic or political situation as well as other especially regulatory (framework) conditions, which would expose the Group to concentrated default risks and thus also to liquidity risks.

Based on the existing receivables structure of the Group, a significant concentration of risk can be identified in the bundling of receivables with distribution grid operators. However, it should be noted that these distribution grid operators also operate within the regulatory framework and also have a large number of end consumers. Therefore, the Group assesses any default and liquidity risks from risk concentration as low as at the reporting date and in the previous year, due to the nature of its customers and the existing customer structure.

## [26] Segment reporting

In line with corporate management structures, the Group is divided into the two segments *Transmission System Operation* and *Offshore Grid Connections*. These are distinguished as being subject to different regulatory regimes formed by different regulatory systems, which significantly shape the economic framework conditions and business activities of the two segments and thus also of the Group as a whole.

The regulatory framework for the *Transmission System Operation* segment is derived from the legal requirements of the Energy Industry Act (EnWG), the Electricity Grid Fee Ordinance (StromNEV), the Electricity Grid Access Ordinance (StromNZV) and the Incentive Regulation Ordinance (ARegV). The revenues for the access to the transmission grid are collected by setting revenue caps by means of an incentive-based regulation. The regulatory framework for the *Offshore Grid Connections* segment is derived from the statutory obligation to construct and operate offshore grid connection systems pursuant to Section 17d (1) EnWG. The revenues from the apportionable grid costs for the construction and operation of offshore connection lines are collected separately from the other grid costs via the offshore grid levy pursuant to Section 17f (1) sentence 2 EnWG or, from 1 January 2024, in accordance with Section 10 EnFG in conjunction with Section 17f EnWG. These leviable grid costs are determined on the basis of the provisions of Section 3a StromNEV.

Activities in the *Transmission System Operation* segment are conducted by Amprion GmbH as an independent legal entity, while Amprion Offshore GmbH is the independent legal entity conducting operations in the *Offshore Grid Connections* segment.

Activities in the *Transmission System Operation* business segment revolve around the safe, reliable and efficient operation and provision of the transmission grid in the Group's balancing zone as codified in the Energy Management Act (EnWG). In addition to providing non-discriminatory access and ensuring system security at all times, the company is also responsible for expansion of the transmission system as demand requires. Business activity is influenced by incentive regulations forming the legal framework.

Activities in the *Offshore Grid Connections* segment are likewise influenced by the regulatory framework, revolving around the construction, commissioning, maintenance, repair and intragroup leasing of grid connection systems lying outside the scope of the existing onshore transmission system.

No business segments were combined to form the two business segments reported.

Given the proximity to the calculatory standards and measurements of the incentive regulation, the net profit of Amprion GmbH and the investments in property, plant and equipment of Amprion GmbH (*Transmission System Operation* segment) and of Amprion Offshore GmbH (*Offshore Grid Connections* segment) determined in accordance with the accounting principles under HGB serve as the key internal management parameters and financial performance indicators of the Group.

In addition, property, plant and equipment determined in the two business segments according to HGB is reported as a key figure with a significant influence on the company's performance.

In the context of external capital market communication and the external ratings, *net debt* determined in accordance with IFRS is also utilised as a parameter within the framework of the Group's capital management. Due to the current centralised Group financing, financial debt to third parties outside the Group only arises at the level of the *Transmission System Operation* segment. Therefore, the segment key figure *net debt* corresponds to the Group-wide net debt figure. For the quantitative derivation of Group *net debt*, please refer to Note *[29], Disclosures on capital management*.

Based on the Amprion Group's internal financial (performance) indicators presented above, the following IFRS segment reporting reconciles the segment figures determined in accordance with HGB with the items reported in the IFRS consolidated financial statements. The classification of the segment figures determined in accordance with HGB already follows the IFRS structure, which forms the basis for the reporting of expenses and income in the consolidated income statement. In addition to the remeasurement effects from the application of IFRS recognition and measurement rules, the table column *Remeasurements and reclassifications* also includes individual reporting adjustments resulting from the different classification structures of the HGB annual financial statements and the IFRS consolidated financial statements.

The internal revenues shown in the reconciliation of earnings are revenues generated between the two Group companies (intra-group revenue). These intercompany proceeds, which also reflect the transactions between the two segments, are eliminated in the consolidation of income and expenses along with the corresponding expenses and are shown in the *Consolidation* column. The same applies to the interest income in the *Transmission System Operation* segment and the corresponding interest expenses at the level of the *Offshore Grid Connections* segment arising from the intra-group debt financing of Amprion Offshore GmbH by Amprion GmbH. The intra-group, purely cost-based settlements between the business segments do not include any intercompany profits.

*Total property, plant and equipment* relates to the assets reported in the statement of changes in property, plant and equipment. Their carrying amounts under HGB are reconciled to the amounts shown in the IFRS consolidated balance sheet.

*Investments in property, plant and equipment* represent additions to property, plant and equipment of both Amprion GmbH and Amprion Offshore GmbH, consistent with the financial performance indicator under HGB. The corresponding amount can be found in the segment reporting in the *Investments in property, plant and equipment* line and the *Total for the business segments* column.

## Segment reporting – reporting period

| Business segments | Transmission system operation | Offshore grid connections | Total for the business segments |
|---|---|---|---|
| **Accounting system** | | German GAAP (HGB) | |
| **in € million** | | | |
| External revenue | 13,066.4 | 3.3 | 13,069.7 |
| Intra-group revenue | 202.9 | 117.2 | 320.1 |
| **Total revenue** | **13,269.3** | **120.5** | **13,389.8** |
| Other income | 264.2 | 0.0 | 264.2 |
| Operating expenses | – 12,673.8 | – 3.6 | – 12,677.4 |
| Depreciation and amortisation | – 326.3 | 0.0 | – 326.3 |
| Investment result | 60.6 | 0.0 | 60.6 |
| Interest income | 95.1 | 0.0 | 95.1 |
| Interest expenses | – 116.0 | – 57.1 | – 173.1 |
| Income tax expense | – 191.7 | – 19.1 | – 210.8 |
| Expenses from profit/loss transfer | 0.0 | – 40.7 | – 40.7 |
| **Result** | **381.4** | **0.0** | **381.4** |
| **Total property, plant and equipment** | **10,978.1** | **2,987.8** | **13,965.9** |
| **Investments in property, plant and equipment** | **2,526.5** | **1,546.4** | **4,072.9** |

| | Remeasurements and reclassifications | Consolidation | Amprion Group |
|---|---|---|---|
| | International Financial Reporting Standards (IFRS) | | |
| | | | |
| | – 7,434.4 | 0.0 | 5,635.3 |
| | 0.0 | – 320.1 | 0.0 |
| | **– 7,434.4** | **– 320.1** | **5,635.3** |
| | – 17.6 | 51.8 | 298.4 |
| | 8,162.4 | 268.3 | – 4,246.6 |
| | – 197.5 | 0.0 | – 523.8 |
| | 0.0 | – 59.8 | 0.8 |
| | – 16.2 | – 57.1 | 21.7 |
| | – 16.9 | 57.1 | – 132.8 |
| | – 156.5 | 19.1 | – 348.2 |
| | 0.0 | 40.7 | 0.0 |
| | **323.3** | **0.0** | **704.7** |
| | **168.6** | **0.0** | **14,134.5** |
| | **19.0** | **0.0** | **4,091.9** |

## Segment reporting – previous year

| Business segments | Transmission system operation | Offshore grid connections | Total for the business segments |
|---|---|---|---|
| **Accounting system** | | German GAAP (HGB) | |
| **in € million** | | | |
| External revenue | 15,424.8 | 2.5 | 15,427.3 |
| Intra-group revenue | 56.4 | 54.6 | 111.0 |
| **Total revenue** | **15,481.2** | **57.1** | **15,538.3** |
| Other income | 254.1 | 0.1 | 254.2 |
| Operating expenses | – 15,063.6 | – 3.6 | – 15,067.2 |
| Depreciation and amortisation | – 294.5 | 0.0 | – 294.5 |
| Investment result | 25.9 | 0.0 | 25.9 |
| Interest income | 150.1 | 0.0 | 150.1 |
| Interest expenses* | – 113.6 | – 28.3 | – 141.9 |
| Income tax expense* | – 146.5 | – 8.1 | – 154.6 |
| Expenses from profit/loss transfer | 0.0 | – 17.2 | – 17.2 |
| **Result*** | **293.1** | **0.0** | **293.1** |
| **Total property, plant and equipment*** | **8,797.5** | **1,441.8** | **10,239.3** |
| **Investments in property, plant and equipment*** | **1,736.9** | **1,308.5** | **3,045.4** |

* Restatement of IFRS figures due to change in accounting policy.

| | Remeasurements and reclassifications | Consolidation | Amprion Group |
|---|---|---|---|
| | International Financial Reporting Standards (IFRS) | | |
| | | | |
| | –10,598.0 | 0.0 | 4,829.4 |
| | 0.0 | –111.1 | 0.0 |
| | **–10,598.0** | **–111.1** | **4,829.4** |
| | –98.2 | 33.9 | 189.8 |
| | 11,844.5 | 77.2 | –3,145.6 |
| | –148.6 | 0.0 | –443.1 |
| | 0.0 | –25.3 | 0.7 |
| | –97.8 | –28.3 | 24.0 |
| | 34.5 | 28.3 | –79.0 |
| | –297.0 | 8.1 | –443.5 |
| | 0.0 | 17.2 | 0.0 |
| | **639.4** | **0.0** | **932.6** |
| | **158.0** | **0.0** | **10,397.4** |
| | **3.7** | **0.0** | **3,049.0** |

Significant adjustments and remeasurements resulting from the reconciliation of the amounts under HGB to the consolidated IFRS amounts presented in the segment reporting concern, in particular

- the required netting of income and expenses under IFRS from EEG compensation mechanism, regulatory levy mechanisms and – especially in the case of the previous year – from the fees received for the interim financing of costs incurred in connection with relief under the Electricity Price Brake Act, all of which are presented gross in revenue under national GAAP (HGB),
- the recognition of regulatory claims and obligations that is not permitted under IFRS, in particular in connection with the regulatory account pursuant to Section 5 ARegV and with regard to congestion income subject to regulatory utilisation restrictions,
- lower operating (rental) expenses under IFRS as well as higher IFRS depreciation and amortisation and higher IFRS interest expenses due to the recognition of right-of-use assets and lease liabilities as part of lease accounting in accordance with IFRS 16,
- deviating interest expenses from the accounting of financial liabilities according to the effective interest method and the associated neutralisation of discounts granted as part of bond issues and realised transaction costs,
- deviating financial income and interest expenses from the accounting of personnel provisions and net pension obligations or net plan assets, and
- different amounts of capitalised borrowing costs.

The remeasurement effect on *Total of property, plant and equipment* results from the cumulative valuation effect of different depreciation and capitalisation of borrowing costs as well as valuation differences from property exchange transactions.

The remeasurement effect in *Investments in property, plant and equipment* is due mainly to the different levels of capitalisation of borrowing costs under HGB and IFRS as well as the different valuation of property exchange transactions.

The following table shows the reconciliation of the annual net income under HGB – based on the total of the segment amounts – to the IFRS consolidated net income differentiated by accounting topics:

## Reconciliation of earnings

| **in € million** | **2024** | **2023** |
|---|---|---|
| **Total segment earnings (German GAAP [HGB])** | **381.4** | **293.2** |
| Regulatory items | 458.0 | 892.9 |
| Personnel provisions (including pension obligations) | – 9.7 | 52.9 |
| Property, plant and equipment* | 10.6 | – 1.3 |
| Other provisions | – 1.2 | 1.7 |
| Financial debt | 28.2 | 10.1 |
| Deferred taxes* | – 151.8 | – 297.0 |
| Other | – 10.8 | – 19.8 |
| **Consolidated net income (IFRS)*** | **704.7** | **932.7** |

* Restatement of previous year's figure due to change in accounting policy.

The amounts shown in the reconciliation under regulatory items relate mainly to recognition and measurement differences from the accounting of regulatory claims and obligations from the regulatory account as well as regulatory obligations in connection with the congestion income recognised in profit or loss in accordance with IFRS.

The differences in earnings relating to personnel provisions (including pension obligations) are due mainly to the different discount rates under HGB and IFRS. This relates, in particular, to the associated difference in the amount of the service cost, the different recognition of actuarial gains and losses and the remeasurement of the plan assets as part of the measurement of the net pension obligation.

The difference in earnings in connection with the measurement of property, plant and equipment relates mainly to differences in capitalised interest on borrowed capital and different levels of scheduled depreciation.

The differences relating to other provisions result mainly from the loss allowance in accordance with IFRS 9 and from the different interest rates under HGB and IFRS.

The effect on earnings from financial liabilities results from the mandatory application of the effective interest method under IFRS – in contrast to HGB – and the associated neutralisation of discounts and transaction costs at the time of initial recognition of a financial liability.

The change in the item *Other* totalling €9.1 million is due mainly to the general bad debt allowance recognised under HGB.

## [27] Auditor fees

The table below shows the total fees of the Group's auditor *BDO AG Wirtschaftsprüfungsgesellschaft*, Düsseldorf, recognised as expenses, broken down by service type for the reporting year and the previous year:

### Composition of audit fees

| in € thousand | 2024 | 2023 |
|---|---|---|
| Statutory audit services | 393.0 | 399.8 |
| Other assurance services | 642.2 | 720.9 |
| Tax advisory services | 1.0 | 0.0 |
| **Total** | **1,036.2** | **1,120.7** |

*BDO AG Wirtschaftsprüfungsgesellschaft* audited the separate financial statements of Amprion GmbH and Amprion Offshore GmbH and the IFRS consolidated financial statements of Amprion GmbH. Non-statutory audit services were performed on financial information for quarterly reviews.

*Other assurance services* include, on the one hand, mandatory assurance services in accordance with energy law regulations (mainly EEG, StromPBG, KWKG, StromNEV, EnWG, EnFG). On the other hand, these include, among others, non-statutory assurance services for comfort letters provided in connection with the bond issues carried out by the Group on the unregulated market in Luxembourg and the first-time audit of the use of funds from the issue of green bonds in accordance with the requirements of the Green Finance Framework.

Of the amounts stated under *Statutory audit services* and *Other assurance services* for the reporting year, €81.1 thousand relate to previous years (of which €0.6 thousand to *Statutory audit services* and €80.5 thousand to *Other assurance services*).

## [28] Notes on the cash flow statement

The cash flow statement is broken down into cash flow from operating activities, cash flow from investing activities and cash flow from financing activities, depending on the source and utilisation of cash and cash equivalents. The overall balance from these three positions represents the change in the Group's cash and cash equivalents, which totalled €100.3 million at the end of the reporting period (previous year: €–5,221.9 million). The change compared to the previous year is due mainly to EEG compensation payments made in 2023, which are shown in the operating cash flow, as well as the high investments in the transmission grid shown in the investment cash flow. The reorganisation of the EEG compensation mechanism means that large-volume positive or negative cash balances from the EEG business are no longer to be expected.

Cash and cash equivalents consisted almost exclusively of cash at banks, most of which were invested as time and overnight deposits with maturities of less than three months. They were therefore only subject to an insignificant risk of fluctuation in value.

At the reporting date, cash and cash equivalents included restricted cash of €398.0 million (previous year: €305.7 million) that was subject to restrictions on disposal and thus was not available for use at the discretion of the Group (see Note *[18], Cash and cash equivalents*).

Cash flow from operating activities, calculated applying the indirect method, came to €1,550.0 million for the reporting year (previous year: €–3,175.2 million). Income taxes paid by Amprion included in the operating cash flow amounted to €131.5 million in the reporting year (previous year: €16.5 million).

Other non-cash expenses [–] and income [+] relating to the operating cash flow are shown in the following table:

### Composition of other non-cash expenses and income

| in € million | 2024 | 2023 |
|---|---|---|
| Recognition and reversal of impairments | –1.2 | –4.8 |
| Other | –19.5 | 15.1 |
| **Total** | **–20.7** | **10.3** |

The financial liabilities included in the cash flow from financing activities in the cash flow statement can be reconciled to the carrying amounts in the balance sheet as shown in the table below.

## Reconciliation of financial liabilities included in cash flow from financing activities to their carrying amounts

| in € million | Liabilities to banks | Bonds | Other financial debt | Lease liabilities | Total |
|---|---|---|---|---|---|
| **As at 1 January 2023** | 1,103.2 | 2,582.4 | 29.5 | 141.5 | **3,856.6** |
| **Cash-effective changes** | – 90.6 | 1,189.1 | 3.4 | – 124.1 | **977.8** |
| **Non-cash-effective changes** | **107.1** | **2.1** | **0.8** | **1,173.4** | **1,283.4** |
| *of which additions to accrued interest* | *107.1* | *2.1* | *0.0* | *0.0* | *109.2* |
| *of which additions to lease liabilities* | *0.0* | *0.0* | *0.0* | *1,173.4* | *1,173.4* |
| *of which other changes* | *0.0* | *0.0* | *0.8* | *0.0* | *0.8* |
| **As at 31 December 2023** | **1,119.6** | **3,773.6** | **33.7** | **1,190.7** | **6,117.6** |
| | | | | | |
| **As at 1 January 2024** | 1,119.6 | 3,773.6 | 33.7 | 1,190.7 | **6,117.6** |
| **Cash-effective changes** | – 49.9 | 2,068.1 | 5.9 | – 171.1 | **1,853.0** |
| **Non-cash-effective changes** | 180.6 | 3.6 | 0.9 | 201.4 | **386.5** |
| *of which additions to accrued interest* | *180.6* | *3.6* | *0.0* | *0.0* | *184.2* |
| *of which additions to lease liabilities* | *0.0* | *0.0* | *0.0* | *201.4* | *201.4* |
| *of which other changes* | *0.0* | *0.0* | *0.9* | *0.0* | *0.9* |
| **As at 31 December 2024** | **1,250.2** | **5,845.3** | **40.5** | **1,221.0** | **8,357.0** |

The *Liabilities to banks* listed in the table include the promissory note loans, registered bonds and bank and syndicated loans issued by the Group. *Other financial debt* consists of the jouissance rights recognised as part of financial liabilities (see Note *[21], Financial liabilities*) and the other financing reported under other financial liabilities.

The Group recognises interest and profit distributions within cash flow from financing activities, while interest and dividends received are recognised within cash flow from investing activities.

In the reporting year, the Group invested a total of €4,091.9 million in property, plant and equipment (previous year [restated]: €3,049.0 million). This investment amount was offset by depreciation of property, plant and equipment amounting to €316.8 million (previous year: €284.8 million).

## [29] Disclosures on capital management

With regard to the Group capital structure, the Group pursues a policy of maintaining a balanced mix of debt and equity financing at all times. In this respect, the management of the capital structure (capital management) is aimed primarily at

- ensuring a solid equity base for the Group to buffer effects from changes in the regulatory environment as well as unpredictable economic fluctuations and events.
- generating a market-appropriate risk-adjusted target return on equity for shareholders. This is a key prerequisite for the Group to have sufficient equity capital available to implement the substantial investment programme and to maintain the target rating *(investment grade)* it is striving for.
- ensuring the Group's access to the organised capital market at favourable financing conditions to be able to implement the investment programme in full and on time. The issue of the green dual-tranche bond in a challenging capital market environment in the last few years and the reporting year and the "low-risk" ESG risk ratings from the ESG rating agencies Sustainalytics and Sustainable Fitch are highlights in this regard. These events illustrate the Group's strategic orientation towards sustainable business and the associated anticipation of the requirements of the European Sustainable Finance Strategy. Only in this way can the financial resources required for the network expansion be financed in the long term to the necessary extent at attractive conditions via the public capital market.

The Group's capital structure is managed in accordance with existing regulatory requirements, amendments to the regulatory framework, the current market conditions and the primary objectives mentioned above.

The majority of the Group's planned investment programme will be financed by borrowings in the form of bank loans, promissory note loans and registered bonds as well as, to a large extent, bonds listed on the international capital market.

To ensure the necessary access to the public capital market, while at the same time, maintaining favourable financing conditions in the future, the Group's capital management is based on the three mentioned primary objectives of the Group, on the one hand, and on compliance with the following secondary conditions, on the other hand:

(1) Maintaining an investment-grade corporate credit rating over the long term.
(2) Ensuring that Amprion hits its key financials to maintain the target credit rating.
(3) Compliance with financial covenants under existing credit agreements.
(4) Maintaining a balanced maturity profile of Group financial liabilities to reduce refinancing risks.

**(1) Maintaining an investment-grade credit rating over the long term:**
Amprion GmbH receives solicited external corporate ratings from the two internationally established rating agencies Moody's Investors Service and Fitch Ratings. As at 31 December 2024, Amprion GmbH had a long-term investment-grade rating of "Baa1" (Moody's) and "BBB+" (Fitch Ratings), each with a stable outlook, in line with its capital management policy and target corporate rating.

### External corporate credit ratings

| Rating agency | Forecast horizon | 31 Dec. 2024 | 31 Dec. 2023 |
|---|---|---|---|
| Moody's Investors Service | Long-term rating | Baa1 | Baa1 |
| | Short-term rating | P-2 | P-2 |
| | Outlook | stable | stable |
| Fitch Ratings | Long-term rating | BBB+ | BBB+ |
| | Short-term rating | – | – |
| | Outlook | stable | stable |

### (2) Ensuring that Amprion hits its key financials to maintain the target credit rating

To ensure the target investment grade rating, Amprion GmbH takes into account the relevant rating requirements for the financial risk profile as part of its capital management. These requirements chiefly pertain to specific rating ratios which have to meet certain levels to earn an investment-grade rating. *Net debt* is a ratio of key importance, as it is included in key financial ratios by rating agencies and is thus of great importance for the agencies' assessment of the financial risk profile.

In view of its practical relevance for Amprion, the Group attaches particular importance to the net debt figure relating to the grid business as part of its capital management. Its calculation is presented below for the reporting year and for the comparison year with regard to the Group's grid business (i.e. excluding the EEG and KWKG business):

### Net debt – grid business

| | in € million | 31 Dec. 2024 | 31 Dec. 2023 |
|---|---|---|---|
| | Financial debt | 7,134.9 | 4,925.5 |
| + | Lease liabilities | 1,221.0 | 1,190.7 |
| + | Other financing | 1.2 | 1.3 |
| + | Pension provisions (net pension obligation) and similar obligations | 34.5 | 32.3 |
| – | Cash and cash equivalents | – 80.7 | – 12.1 |
| = | **Net debt** | **8,310.9** | **6,137.7** |

The Group's pension obligations are managed on the basis of their measurement under HGB, so as to ensure that these are fully funded as at the end of the financial year (net pension obligation of zero in the HGB separate financial statements of Amprion GmbH). Accordingly, a coverage gap existing at the end of the financial year is completely closed by a corresponding allocation to the plan assets externally outsourced to a fund. This is structured as a contractual trust arrangement (CTA) and is thus protected from access by the Group or other creditors. It serves exclusively to cover the pension claims of the employees.

Due to a different measurement of the pension obligations under HGB, they are valued significantly lower in the reporting year, as in the previous year, under IFRS than under HGB due to the use of a higher discount rate. Accordingly, this led to a significant overfunding of the pension obligation by the plan assets according to IFRS as at the reporting date and the end of the previous year, so that an asset from overfunding is recognised in the IFRS consolidated financial statements (see Note *[20], Provisions*).

### (3) Compliance with financial covenants under existing credit agreements

Based on the primary objectives set out above, the Group manages its capital on the secondary condition that it complies with all agreed financial covenants for interest-bearing debt. In the event of non-compliance with such agreements, the contracting counterparties may immediately terminate the credit agreement extraordinarily and declare the outstanding capital amount due and payable in its entirety at short notice. As with the rating, net debt is of particular importance in this context for the Group, and is therefore also taken into consideration regarding compliance with financial covenants. Specifically, as in the previous year, this related to the long-term fixed-interest syndicated loan with two banks, one of which is a development bank, as at the reporting date.

The syndicated loan agreement concluded with eight banks for revolving confirmed credit facilities totalling €2,600.0 million (previous year: €2,000.0 million) contains a margin grid. According to the agreement, the amount of the interest margin is contractually fixed depending on the rating classification.

In the reporting year and in the previous year, the Group complied with all covenants agreed in the context of interest-bearing loans.

### (4) Maintaining a balanced maturity profile of Group financial liabilities to reduce refinancing risk

In view of the considerable borrowing requirements resulting from the investment programme, the Group aims to keep the refinancing risk of the Group as low as possible by maintaining a balanced maturity profile of its long-term interest-bearing financial liabilities. The terms and maturity structures of newly issued bonds and other debt instruments are being designed accordingly. For detailed information in this regard, see the remarks on Group liquidity risk management under Note *[25], Reporting on financial instruments.*

As at 31 December 2024, there had been no changes in the company's capital management objectives, policies or processes compared to the previous year.

## [30] Contractual guarantees, contingent liabilities and other financial obligations

The following information on contractual guarantees (contingencies), contingent liabilities and other financial obligations is based on nominal values.

### Contingencies and contingent liabilities

Contingencies are only entered into after a thorough examination of the associated risks and within the scope of the Group's business activities. Based on the information available up to the preparation of the consolidated financial statements, it is assumed that the liabilities underlying the contingencies can be fulfilled by the respective principal debtors and that a claim is therefore not currently expected. Accordingly, no provisions were made for these liabilities as at the reporting date or in the previous year.

The Group's contingencies exclusively comprised obligations from warranty agreements in the total amount of €218.9 million (previous year: €223.2 million) whose occurrence cannot be completely ruled out. Of this amount, €207.5 million (previous year: €216.7 million) relates to the assumption of debt with the transfer of fulfilment for pension obligations recognised by the shareholder RWE AG *(Schuldbeitritt mit Erfüllungsübernahme)*. Amprion GmbH bears the economic burden and relief from these pension obligations by RWE AG. As in the past, a claim against Amprion by the pension beneficiaries is currently not expected and therefore does not qualify as a contingent liability under IAS 37. The same applies to the total amount of the Group's remaining contingent liabilities of €11.3 million (previous year: €6.5 million), which mainly relate to obligations of Amprion GmbH from various bank guarantees that are unlikely to materialise according to current estimates.

Due to the transfer of certain pension obligations of Amprion GmbH to RWE Pensionsfonds AG in previous years, the company has a statutory obligation to make additional contributions in its capacity as the employer in the event of a future shortfall in the pension fund. As in previous years, there is currently no shortfall in funding. In view of the current level of coverage of the minimum coverage provision and the level of coverage realised in previous years, it is highly probable that such a shortfall will not occur, but it cannot be completely ruled out for the future.

The Group is not exposed to any significant risks in connection with contingent liabilities from lawsuits or passive proceedings that were ongoing as at the reporting date. Insofar as such obligations had already been sufficiently substantiated as at the reporting date, provisions were recognised for them, which in this case are reported under other provisions (Note *[20], Provisions*).

### Financial collateral provided by the Group

Amprion GmbH has deposited financial collateral (initial margins) as required to engage in electricity trading on EPEX SPOT. These security deposits are reported under *Other financial assets* (Note *[15], Other financial assets*). As at 31 December 2024, the fair value of the margin funds provided as collateral was €20.5 million (previous year: €21.0 million). Margin collateral is released when the Group has met its payment obligations to settle exchange trades fully and promptly.

### Other financial obligations

As at 31 December 2024, the Amprion Group had financial obligations from the forward purchase of electricity totalling €311.0 million in connection with over-the-counter electricity forward transactions (forwards) concluded as part of grid loss management (long-term component) and falling under the *own use exemption* for accounting purposes (previous year: €570.9 million). Of this total, €253.7 million (previous year for 2024: €493.6 million) is due in the 2025 financial year and €57.3 million (previous year for 2025: €77.3 million) in the following year.

There were no other financial obligations from contractually agreed leases that were not yet in effect as of 31 December 2024. As at the previous year's reporting date, such obligations still existed for real estate rental payments and heritable building rights totaling €3.0 million, which are now recognised as right-of-use assets and leasing liabilities in accordance with IFRS 16.

Other financial obligations from purchase commitments totalled €15,217.5 million (previous year: €10,314.8 million) as at the reporting date and related mainly to obligations from the acquisition of property, plant and equipment in the amount of €12,095.9 million (previous year: €8,027.3 million) and from service agreements in the amount of €2,931.3 million (previous year: €2,261.4 million).

The increase in the volume of obligations from purchase commitments of around €4,900.0 million compared to the previous year is due mainly to the contracts concluded in the years 2022 to 2024 for

- the construction and maintenance of offshore converter systems (offshore platforms and land stations),
- the awarding of cable contracts in connection with the offshore projects DolWin4,
- BorWin4, BalWin1, BalWin2 and the DC34 underground cable project,
- the production and turnkey construction of cable lines in connection with the three projects EnLAG 14 – Rhine crossing (*Rheinquerung*), Corridor B V48 and Corridor B V49, and
- the multi-party agreement concluded in connection with the A-North (*A-Nord*) project for integrated project management (IPA), which covers the civil engineering work including the construction of the protective pipe system required for the cabling.

As at the reporting date and compared to the previous year, the maturity profile of the future payments resulting from the Group's purchase commitments is as follows:

### Maturity profiles of purchase commitments

| in € million | 31 Dec. 2024 | 31 Dec. 2023 |
|---|---|---|
| Due in up to 1 year | 1,640.7 | 1,365.0 |
| Due in 1 to 2 years | 2,148.5 | 1,142.8 |
| Due in 2 to 3 years | 4,537.8 | 1,574.9 |
| Due in 3 to 4 years | 2,591.8 | 3,746.1 |
| Due in 4 to 5 years | 1,602.1 | 685.0 |
| Due after 5 years | 2,696.6 | 1,801.0 |
| **Total** | **15,217.5** | **10,314.8** |

The total amount of other financial obligations from property purchase agreements, where the legal and economic transfer takes place after the reporting date, amounted to €47.2 million in the reporting year (previous year: €64.9 million).

There was no collateralisation of the Group's outstanding loans, neither in the reporting year nor in the previous year.

In connection with the management of cross-border grid constraints, the Group generates congestion income that is subject to restrictions on use in accordance with EU law. As at 31 December 2024, financial obligations under public law and not recognisable under IFRS amounted to €476.6 million in this context (previous year: €399.0 million).

## [31] Related party disclosures

### Transactions with related party companies

During the reporting year, transactions in the form of distributed profits were made between the Group and the shareholders of the Group parent company, M31 Beteiligungsgesellschaft mbH & Co. Energie KG and RWE AG. In addition, transactions with companies of the RWE Group were carried out as part of Amprion's ordinary business operations. By resolution of the Supervisory Board of 9 April 2024, a partial amount of €170.0 million of the net profit of Amprion GmbH for the 2023 financial year under HGB was distributed to shareholders (previous year: €130.0 million).

The Group recognised income with RWE Group companies totalling €41.7 million (previous year: €115.6 million) and expenses totalling €779.7 million (previous year: €461.8 million). In the reporting year, RWE AG reimbursed Amprion €6.6 million for pension settlements in connection with the assumption of debt for pension obligations recognised by the shareholder RWE AG (previous year: €2.6 million charged).

As at 31 December 2024, there were outstanding trade receivables of €6.9 million (previous year: €30.7 million) and outstanding trade payables of €16.4 million (previous year: €18.2 million) between the Group and the RWE Group companies. In addition, the Group recognised lease liabilities to RWE Group companies in the amount of €663.7 million (previous year: €616.4 million) as at the reporting date in accordance with IFRS 16.

Amprion GmbH maintains business relations with Amprion Offshore GmbH under various agreements governing the contractual and legal rights and obligations between the parties. These include a construction and usage transfer contract between the two companies, an operational management agreement, a control and profit and loss transfer agreement, a cash pooling agreement and two Group loan agreements concluded during the reporting year for a nominal amount of €500.0 million each, with the following conditions (previous year: nominal volume of €500.0 million, term of eleven years with a bullet maturity on 31 August 2034, and nominal interest rate of 4.22%):

Contract 1: 20-year term with a bullet maturity on 16 May 2044 and a nominal interest rate of 4.099%,

Contract 2: 15-year term with a bullet maturity on 27 August 2039 and a nominal interest rate of 4.003%.

In addition, Amprion GmbH has assumed a total of four hard letters of comfort for Amprion Offshore GmbH in the last two years in connection with the converter systems BalWin1 and BalWin2, DolWin4 and BorWin4. Accordingly, Amprion GmbH, as the guarantor, must ensure that Amprion Offshore GmbH has sufficient financial resources to meet its contractual obligations to the respective consortium (DolWin4 Offshore Consortium, BorWin4 Offshore Consortium, BalWin1 Offshore Consortium, BalWin2 Offshore Consortium) at all times.

### Transactions with related party individuals and their total remuneration

The Management Board and Supervisory Board members of Amprion GmbH were classified as related parties for the 2024 financial year and the previous year in view of the key governance positions they hold in the Amprion Group. The following information is provided in fulfilment of the disclosures of total remuneration paid to such parties required under IAS 24 and of the Group's receivables and liabilities from or to these individuals.

The table below shows the total remuneration paid to Management Board members of Amprion GmbH expensed in the reporting year and the previous year, broken down by remuneration component:

### Remuneration of the Management Board

| in € thousand | 2024 | 2023 |
|---|---|---|
| Short-term remuneration | 2,495.9 | 2,093.9 |
| Long-term remuneration | 556.8 | 466.8 |
| Post-employment benefits (service cost) | 168.0 | 133.9 |
| **Total** | **3,220.7** | **2,694.6** |

Interest expense from jouissance rights held by current and former members of the Management Board amounted to €103.6 thousand for the reporting year (previous year: €95.3 thousand).

As at the end of the reporting year, the Group's obligations to current and former managing directors and their surviving dependants in the form of pension claims and jouissance rights totalled €11.9 million (previous year: €11.0 million).

In accordance with the disclosure option under Section 286 (4) HGB in conjunction with Section 314 (3) HGB, disclosure on the total remuneration of former members of the management and their surviving dependants in accordance with Section 314 (1) no. 6b HGB is omitted.

In the reporting year, Supervisory Board members received a fixed total remuneration of €486.3 thousand for their respective duties (previous year: €360.0 thousand).

## [32] Application of the exemption rule pursuant to Section 264 (3) HGB

Amprion Offshore GmbH, Dortmund, a large corporation as defined by Section 267 (3) HGB and a domestic subsidiary of Amprion GmbH, Dortmund, made use of the exemption rule pursuant to Section 264 (3) HGB in the 2024 financial year and thus did not prepare neither notes to its separate annual financial statement under HGB nor a management report. The resolution of approval of all shareholders of the subsidiary required to make use of this exemption provision was passed at the shareholders' meeting on 16 December 2024.

## [33] Events after the reporting period

At the beginning of March 2025, Amprion GmbH signed two contracts with the Hitachi Energy Consortium, consisting of Hitachi Energy Sweden AB, Västerås (Sweden), and Hitachi Energy Germany AG, Mannheim (Germany), for the production and turnkey construction of the converter systems for the Corridor B V48 and Corridor B V49 projects. At the time of preparation of the IFRS consolidated financial statements, the related order volume amounted to around €2.5 billion.

Dortmund, 24 March 2025

The Management Board

**DR CHRISTOPH MÜLLER** **PETER RÜTH** **DR HENDRIK NEUMANN**

# INDEPENDENT AUDITOR'S REPORT

## To Amprion GmbH, Dortmund

### Audit opinions

We have audited the consolidated financial statements of Amprion GmbH, Dortmund, and its subsidiary (the group), which comprise the consolidated statement of financial position as at December 31, 2024, the consolidated income statement and consolidated statement of comprehensive income, the consolidated statement of changes in equity, and the consolidated statement of cash flows for the financial year from January 1, 2024 to December 31, 2024 and notes to the consolidated financial statements, including material accounting policy information.

In addition, we have audited the group management report of Amprion GmbH for the financial year from January 1, 2024 to December 31, 2024. In accordance with the German legal requirements, we have not audited the content of those parts of the group management report listed in section **"Other information"**.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying consolidated financial statements comply, in all material respects, with the IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) (hereafter "IFRS Accounting Standards") as adopted by the EU, and the additional requirements of German commercial law pursuant to § 315 e (1) HGB [Handelsgesetzbuch: German Commercial Code] and, in compliance with these requirements, give a true and fair view of the assets, liabilities and financial position of the group as at December 31, 2024 and of its financial performance for the financial year from January 1, 2024 to December 31, 2024, and

- the accompanying group management report as a whole provides an appropriate view of the group's position. In all material respects, this group management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our audit opinion on the group management report does not cover the contents of the parts of the group management report listed in section **"Other information"**.

Pursuant to § 322 (3) sentence 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and of the group management report.

### Basis for the audit opinions

We conducted our audit of the consolidated financial statements and of the group management report in accordance with § 317 HGB and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW).

Our responsibilities under those requirements and principles are further described in the **"Auditor's responsibilities for the audit of the consolidated financial statements and the management report"** section of our auditor's report. We are independent of the group entities in accordance with the requirements of German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the consolidated financial statements and on the group management report.

### Other information

The executive directors are responsible for the other information.

The other information comprises:

- the statement on corporate governance pursuant to Sec. 289f (4) of the German Commercial Code (HGB) (Disclosure on the target quota of the proportion of women)
- the other parts of the annual report, except the audited consolidated financial statements and group management report as well as our auditor's report.

Our audit opinions on the consolidated financial statements and the group management report do not cover the other information, and consequently we do not express an audit opinion nor any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information and thereby acknowledge whether the other information

- is materially inconsistent with the consolidated financial statements, with the group management report or our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of the management and the supervisory board for the consolidated financial statements and the group management report**

The executive directors are responsible for the preparation of the consolidated financial statements that comply, in all material respects, with the IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to § 315e (1) HGB and that the consolidated financial statements in compliance with these requirements give a true and fair view of the assets, liabilities, financial position and financial performance of the group. In addition, the executive directors are responsible for such internal control as they have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i.e. fraudulent financial reporting and misappropriation of assets) or error.

In preparing the consolidated financial statements, the executive directors are responsible for assessing the group's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting, unless there is an intention to liquidate the group or to cease operations, or there is no realistic alternative but to do so.

Furthermore, the executive directors are responsible for the preparation of the group management report that, as a whole, provides an appropriate view of the group's position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a group management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the group management report.

The supervisory board is responsible for overseeing the group's financial reporting process for the preparation of the consolidated financial statements and the group management report.

**Auditor's responsibilities for the audit of the consolidated financial statements and the group management report**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the group management report as a whole provides an appropriate view of the group's position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our opinions on the consolidated financial statements and on the group management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with § 317 HGB and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and the group management report.

We exercise professional judgment and maintain professional scepticism throughout the audit. We also

- identify and assess the risks of material misstatement of the consolidated financial statements and of the group management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- obtain an understanding of internal controls relevant to the audit of the consolidated financial statements and of arrangements and measures relevant to the audit of the group management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of the internal controls or these arrangements and measures.

- evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.

- conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the group management report, or if such disclosures are inadequate, to modify our respective audit opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group to cease to be able to continue as a going concern.

- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the group in compliance with the IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to § 315e (1) HGB.

- plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming the audit opinions on the consolidated financial statements and on the group management report. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinions.

- evaluate the consistency of the group management report with the consolidated financial statements, its conformity with German law, and the view of the group's position it provides.

- perform audit procedures on the prospective information presented by the executive directors in the group management report. On the basis of sufficient appropriate audit evidence, we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

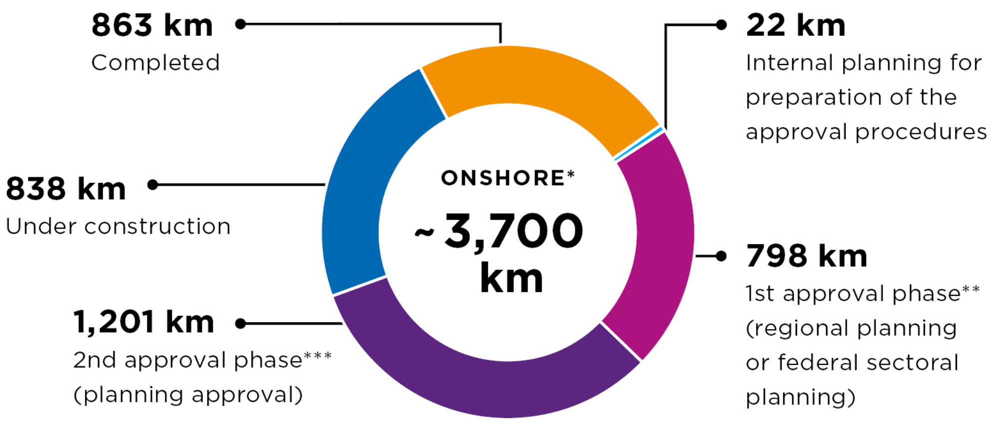
Düsseldorf, 24 March 2025

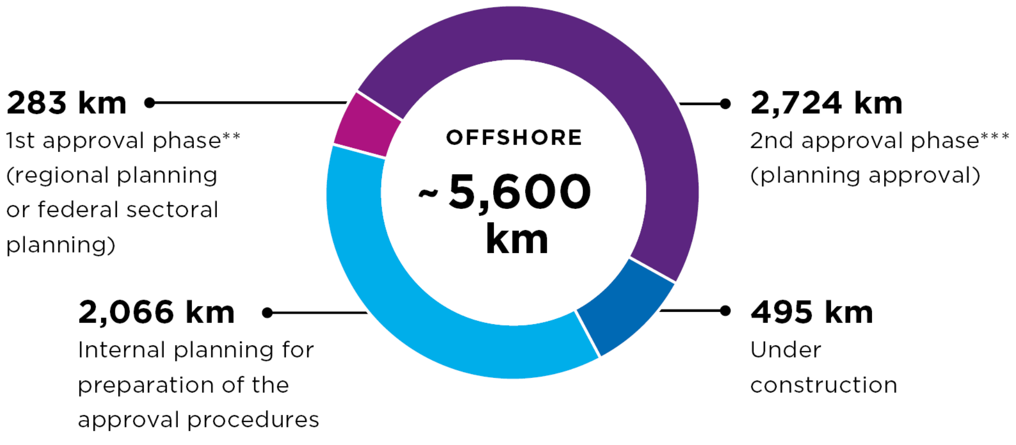
BDO AG
Wirtschaftsprüfungsgesellschaft

| | |
|---|---|
| signed Reese | signed Dirks |
| Wirtschaftsprüferin | Wirtschaftsprüfer |
| (German Public Auditor) | (German Public Auditor) |

# GRID EXPANSION AT AMPRION

**Amprion is expanding and converting 9,300 kilometres of onshore transmission grid and offshore grid connections. This is how we are paving the way for a sustainable energy system.**




Route kilometres per procedural phase. Status: February 2025.

* Only includes projects that are stipulated in the EnLAG and BBPlG.

** The 1st approval phase leads to the determination of the approximate route, the so-called route corridor.

*** The 2nd approval phase results in the determination of the exact route within the route corridor.

**Amprion GmbH**
Robert-Schuman-Straße 7
44263 Dortmund

March 2025