

ANNUAL REPORT 2024

Preface by the Board of Directors

Dear shareholders and business partners of the Company:

As we look back at 2024, we observe that the energy markets have remained generally stable, especially in comparison to the turbulence of recent years. Nevertheless, uncertainty around the medium-term balance of supply and demand continues to linger. This uncertainty occasionally triggers short-term price volatility, reminding us that stability should not be taken for granted.

Unfortunately, the past year was not profitable for our company. An unusually warm winter, particularly in the first quarter, significantly reduced actual consumption volumes among our customers, falling short of our expectations. Additionally, currency fluctuations – namely the weakening of the Czech crown against the euro – had a negative impact on our financial results. Despite these challenges, we managed to grow our overall sales volume year-on-year, which is a testament to the strength and effectiveness of our commercial strategy and ongoing portfolio expansion efforts.

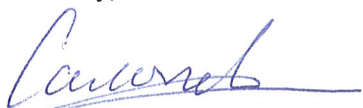
In 2024, we continued to focus on growing our customer base by actively engaging all available sales channels. Our efforts were aimed at delivering better value to existing clients and attracting new ones through enhanced services and product lines. The number of contracts already signed for delivery in the upcoming year gives us confidence in the positive trajectory of our business development.

Operational excellence remained a key focus. We pushed forward with initiatives aimed at improving internal processes and modernizing our IT systems. These investments have helped us become more efficient and responsive, enabling us to better meet the evolving needs of our customers.

We also placed strong emphasis on building our team. Attracting new talent – particularly in the area of sales – remains a challenge in a competitive labour market, but we are committed to strengthening our capabilities and preparing for future growth.

We are grateful for the continued trust and support of our shareholders and supervisory board. We also wish to extend our sincere thanks to our employees for their dedication and hard work throughout the year. Together, we look forward to the opportunities and challenges ahead as we continue to build a stronger, more resilient company.

Sincerely,



Viacheslav Salychev
Chairman of the Board of Directors



Ing. Oldřich Jandl
Member of the Board of Directors

1. Company details

Company: VEMEX Energie a.s. (hereinafter „the Company“)
Registered office: Evropská 2591/33e, 160 00 Prague 6
ID Number: 289 03 765
Registered: Commercial Register kept at Municipal Court in Prague, Section B, Insert 15299

1.1. Structure of shareholders and their share on share capital

The share capital value is CZK 100 million; the share capital is fully paid-up. The capital consists of 500 registered shares in book-entry form with a nominal value of CZK 200,000 each.

Shareholders:

No.	Name	Shareholding (%)	Paid (%)
1.	VEMEX s.r.o.	51	100
2.	GEEN Holding a.s.	49	100

1.2. Statutory bodies and management of the Company

Board of Directors:

Chairman Viacheslav Salychev
Member Ing. Oldřich Jandl

Supervisory Board:

Chairman Mikhail Valerevich Shirokov
Member Alexey Klimanov
Member Olaf Engelhardt

Top Company management:

Sales Director Svetozar Pokorný
Purchasing Director Alexej Khlamov

2. Report on the Company's business activities and on the state of its assets

2.1. Purchase of electricity and gas

In the reported period the Company purchased electricity mainly from the company Slovenské elektrárne, a.s. (7%), ČEZ, a.s. (79%) and Vitol Gas and Power B.V. (4%). Daily purchases were executed at OTE, a.s. Share of electricity from renewable resources was negligible.

Purchase of gas in 2024 was executed mainly from the company SEFE Energy GmbH (43.5%) and ČEZ, a.s. (18.5%). Daily purchases were executed at OTE, a.s..

2.2. Sale of electricity and gas

The total energy volume sold to end customers in 2024 was 393,588 MWh, of which 115,853 MWh was in the form of electricity and 277,735 MWh was in the form of natural gas.

At the end of 2023, the government's energy price cap, which was set in an attempt to protect households and businesses from rising energy prices, ended. At the very beginning of 2024, the price of energy on energy exchanges dropped significantly, which led to price cuts by major competing suppliers. The company responded by adjusting its price lists and creating new products that were positively received by customers. In the total of existing and new customers, a volume of more than 213 GWh was contracted in commodity natural gas and more than 121 GWh in commodity electricity.

3. Customer care

3.1 Customers and consumption points

At the end of 2024, electricity and natural gas were supplied to a total of 22,199 supply points, including 14,668 supply points for electricity and 7,531 supply points for natural gas. Year-on-year, there was therefore a total increase in the number of supply points by approx. 23%. In the case of electricity, there was an increase in the number of supply points by approx. 25%. In the case of natural gas, there was an increase in the number of supply points by approx. 17%. The gradual increase in the number of take-off points was mainly caused by the successes of the company's sales department based on attractive price offers for customers, the company's stability and excellent customer service.

Similar to the number of points of sale described above, the number of corporate and household customers also increased year-on-year. As of December 31, 2024, the company had a total of 16,375 customers, of which 2,395 were corporate and 13,980 in the household segment.

3.2 Back Office

The year 2024 was once again marked by increasing and improving the pro-customer approach. Back Office received and processed 17,831 contracts, supplements to contracts or extensions of contracts. It solved 21,929 administrative steps, which arose either from our customers or from our business partners.

3.3 Front Office

Front Office in 2024 handled 14,508 calls, of which 11,144 incoming and 3,364 outgoing calls. Their average duration was 3:23 minutes. In the form of electronic communication 19,208 e-mails were handled. In total Front Office processed 33,716 customer requests.

3.4 Development of Receivables

		2023 (mil. CZK)	2024 (mil. CZK)	Difference (+/-)
1	Average debt	28.5	30.0	1.5
2	Average advances receivable before collection activities	5.3	6.3	1.0
3	Average advances receivable after collection activities	1.23	1.08	(0.15)
4	Success rate of advances collection activities	77.09 %	82.53 %	5.44%

The year 2024 was affected by two major customers whose payment habits repeatedly deteriorated and whose receivables were regularly subject to collection.

As a result of the increase in the nominal value of advances, the average monthly debt before collection increased by CZK 1 million in 2024 – from CZK 5.3 million to CZK 6.3 million. Despite this, the average debt after collection was reduced by CZK 0.15 million, mainly thanks to the higher efficiency of call centre operators and targeted adaptation of the method of communication with debtors. A significant achievement is the increase in the success rate of advance collection by 5.44% to 82.53%.

In 2024 the Collection Agency was handed on average 7.6 invoices per month with the amount of CZK 95 thousand (in 2023 it was 8.6 invoices with the amount of CZK 182 thousand). In 2024 the Law office was handed on average 28.3 invoices per month with the amount of CZK 279 thousand (in 2023 it was 24.3 invoices with the amount of CZK 503 thousand).

4. Financial results

In 2024, the Company recorded loss, which was mainly caused by the drop in the volume of gas sold in the heating season in the first half of the year and the weakening of the Czech crown against the euro. Similar to previous years, the Company was financially stable. All obligations towards suppliers, customers, employees as well as state institutions were met in due dates.

Aggregated profit and loss statement '000 CZK

Indicator	2023	2024
Revenues from electricity, natural gas & distribution	908,977	1,193,947
Other revenues	4,890	4,360
Total revenues	913,867	1,198,307
Costs of purchasing electricity, natural gas & distribution	763,486	1,121,063
Other costs	97,905	111,509
Total costs	861,391	1,232,572
Profit/(loss) before tax	52,476	(34,265)

Aggregated balance sheet in '000 CZK

Indicator	2023	2024
Fixed assets	3,145	3,858
Current assets	569,063	755,117
Total assets	572,208	758,975
Equity	(120,378)	(154,643)
Liabilities	692,586	913,618
Total liabilities	572,208	758,975

The complete Company's financial results for 2024 are contained in the financial statements attached to this annual report.

5. Human resources

The Company fully complied with all statutory duties towards its employees in 2024. In case of need the Company searched suitable talents on the Czech job market. At the same time opportunity has been given to internal talents that have moved within the Company up the career ladder.

As at 31 December 2024, the company had 38 employees, out of which 2 were on maternity leave.

6. Other information

6.1 Investments of the Company

VEMEX Energie a.s. has no capital investments.

6.2 Expected development of the entity's activities

the Company continues with the same business activity as before, i.e. the sale of natural gas and electricity. The company's main goal in 2025 remains the acquisition of new customers, to whom the company offers reliable supplies at favourable price terms, and the active management of the existing customer portfolio.

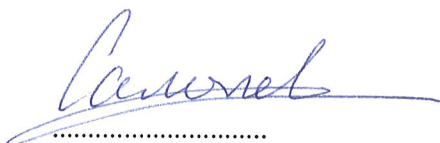
7. Subsequent events

No other events have occurred subsequent to year-end that would have a material impact on the Annual report as at 31 December 2024.

8. Information on persons responsible for preparing the Annual Report

Viacheslav Salychev, as the Chairman of the Board of Directors, and Oldřich Jandl, as a member of the Board of Directors, declare that the information contained in the Annual Report corresponds to the actual state of affairs and that no substantial circumstances have been omitted or concealed.

Prague, 23 May 2025



.....
Viacheslav Salychev
Chairman of the Board of Directors



.....
Ing. Oldřich Jandl
Member of the Board of Directors

Company contact details:

Address:	Evropská 2591/33e 160 00 Prague 6
Telephone:	+420 222 500 961
Help Line:	+420 800 400 420
E-mail:	info@vemexenergie.cz
Web:	www.vemexenergie.cz

Report on relations

of the company

VEMEX Energie a.s.

Pursuant to Section 82 of the Corporations Act

For the accounting period 2024

The Board of Directors of VEMEX Energie a.s., with its registered office at Prague 6 – Dejvice, Evropská 2591/33e, identification number: 289 03 765, registered in the Commercial Register maintained by the Municipal Court in Prague, Section B, File 15299 (in this Report also the “**Company**”), has prepared the following Report on Relations pursuant to Section 82 of Act No. 90/2012 Coll., the Corporations Act (the “**Corporations Act**”), for the accounting period of the calendar year 2024 (the “**Relevant period**”).

1. Structure of relations

In the Relevant period from 1 January 2024 to 31 December 2024 the Company formed a part of a group (the “**Group**”) in which the controlling party is VEMEX s.r.o. (the “**Controlling party**”).

Information on the entities forming part of the Group is stated as at 31 December 2024 according to the information available to the statutory body of the Company acting with due managerial care.

2. Role of the Company in the Group

The Company trades in energy and its main activities consist of the supply and sale of electricity and natural gas to end consumers, in particular retail customers, throughout the whole territory of the Czech Republic.

3. Other linked companies

The Company requested that the aforementioned Controlling party provides a list of other companies which were controlled by the same Controlling party during the last accounting period. The Company prepared this report on the basis of the report from the Controlling party and other available information. The structure of relations within the Group is graphically illustrated on the last page of this report.

4. Methods and means of control

In the Relevant period the Controlling party controlled the Company through the ownership of 51% shareholdings in the Company’s share capital. The control of the Company occurs in particular through the decisions at the General Meeting.

5. Overview of concluded and valid contracts in the Relevant period

The contracts specified below were concluded between the Company and the Controlling party. The value of activities and considerations during the accounting period between the companies mentioned above is disclosed in notes to the 2024 Financial Statements.

Company	Contract subject
VEMEX s.r.o., Czech Republic	Sublease agreement dated 2 February 2022

6. Other legal acts implemented for the benefit of the Company

In the Relevant period the Company was using guarantees from the company SEFE Securing Energy for Europe GmbH (67% shareholder of the Controlling party) for the purpose of purchase and distribution of electricity and gas.

In the Relevant period the Company had valid contracts with the companies SEFE Securing Energy for Europe GmbH and SEFE Energy GmbH.

Company	Contract subject
SEFE Securing Energy for Europe GmbH, Germany	Agreement on provision of guarantees dated 15 April 2014
SEFE Securing Energy for Europe GmbH, Germany	Agreement Revolving intercompany loan agreement, dated 13 January 2023 which provides loan in the amount up to EUR 20 mil. until 31 October 2023
SEFE Securing Energy for Europe GmbH, Germany	Amendment 1, dated 31 October 2023 to the Revolving intercompany loan agreement concluded on 13 January 2023, which decreases the amount of the loan and extends the contract until 31 October 2024
SEFE Securing Energy for Europe GmbH, Germany	Amendment 2, dated 1 November 2024 to the Revolving intercompany loan agreement concluded on 13 January 2023, which decreases the amount of the loan and extends the contract until 31 October 2025
SEFE Energy GmbH, Germany	EFET frame agreement on purchase of gas dated 1 December 2015

7. Overview of performance made at the instigation of or in the interest of the Controlling party

During the Relevant period the Company made below mentioned acts, which would involve assets exceeding in value 10% of the Company's equity (equity of the Company as at 31 December 2023 was -120,378 ths. CZK, therefore all acts) on the basis of contracts listed in section 5.

8. Assessment of a detriment and its compensation

No detriment occurred to the Company on the basis of the agreements entered into and valid in the Relevant period between the Company and the Controlling party.

9. Evaluation of relations and risks within the Group

9.1. Evaluation of advantages and disadvantages of relations within the Group.

The Company benefits from its membership in the Group particularly in terms of shared renting of non-residential premises. No disadvantages have arisen to the Company from the participation within the Group.

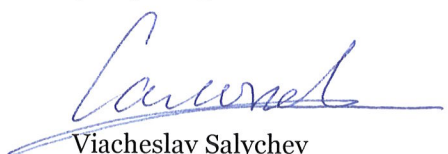
9.2. No risks have arisen to the Company from the relations within the Group.

10. Final statement

This report was prepared by the Board of Directors of the Company and was submitted to the Supervisory Board and the auditor responsible for the audit of the Financial Statements. The Company will issue an Annual Report as required by law, an integral part of which will be the Company's Report on Relations.

The Annual Report will be registered in the Collection of Documents of the Commercial Register at the relevant Court.

23 May 2025

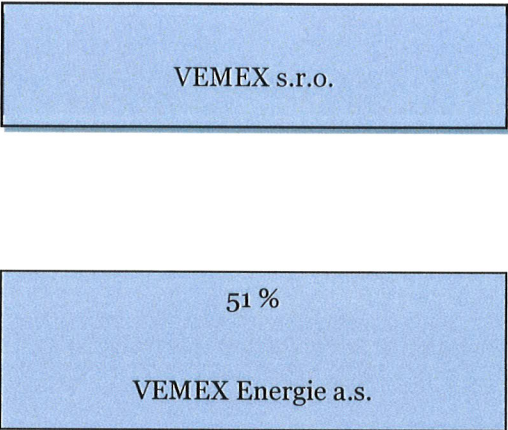


Viacheslav Salychev
Chairman of the Board of Directors



Ing. Oldřich Jandl
Member of the Board of Directors

The structure of relations of the Group as at 31 December 2024



Translation of the original Czech version of the Independent Auditor's Report. Only the Czech version presented together with the accompanying audited financial statements is legally binding.

Independent Auditor's Report

to the Shareholders of VEMEX Energie a.s.

Opinion

We have audited the accompanying financial statements of VEMEX Energie a.s., with its headquarters at Evropská 2591/33e, Dejvice, 160 00 Prague 6, Czech Republic, IC (Registration Number) 28903765, (hereafter the Company) prepared in accordance with Czech accounting regulations, which comprise the balance sheet as at 31 December 2024, the profit/loss account, statement of changes in equity and cash flow statement for the period from 1 January 2024 to 31 December 2024 and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the financial statements give a true and fair view of the assets and liabilities of the Company as at 31 December 2024 and of the costs, revenues and its profit or loss and its cash flows for the period from 1 January 2024 to 31 December 2024, in accordance with Czech accounting regulations.

Basis for Opinion

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

Other Matter

The Company's financial statements for the year ended 31 December 2023 were audited by another auditor who expressed an unmodified opinion on those financial statements on 15 May 2024.

Other information included in the Annual Report

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

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

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

- the other information describing the facts that are also presented in the financial statements is, in all material respects, consistent with the financial statements; and
- the other information is prepared in compliance with the applicable laws and regulations.

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

Responsibilities of the Company's Statutory and Supervisory Bodies for the Financial Statements

The Company's Statutory Body is responsible for the preparation and fair presentation of the financial statements in accordance with Czech accounting regulations, and for such internal control as the Statutory Body determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Statutory Body is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to the going concern and using the going concern basis of accounting unless the Statutory Body either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Supervisory Body is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Prague, 26 May 2025

Audit firm:



BDO Audit s. r. o.

Certificate No. 018

Engagement Partner:



Petr Slaviček

Certificate No. 2076

VEMEX Energie a.s.

Financial statements

31 December 2024

Company name: VEMEX Energie a.s.
Identification number: 28903765
Legal form: Joint-Stock Company
Primary business: Gas and electricity distribution
Balance sheet date: 31 December 2024
Date of preparation of the financial statements: 23 May 2025

BALANCE SHEET

(in thousand Czech crowns)

Ref.	ASSETS	Row	31.12.2024			31.12.2023
a	b	c	Gross 1	Provision 2	Net 3	Net 4
	TOTAL ASSETS	001	801 616	(46 110)	755 506	572 208
B.	Fixed assets	003	23 106	(19 248)	3 858	3 145
B. I.	Intangible fixed assets	004	17 970	(14 704)	3 266	2 119
B. I. 2.	Royalties	006	16 187	(14 704)	1 483	2 119
B. I. 2. 1.	Software	007	16 187	(14 704)	1 483	2 119
B. I. 5.	Advance payments for intang. fixed assets and intang, fixed assets in progress	011	1 783	-	1 783	-
B. I. 5. 2.	Intangible fixed assets in progress	013	1 783	-	1 783	-
B. II.	Tangible fixed assets	014	5 136	(4 544)	592	1 026
B. II. 1.	Land and constructions	015	348	(57)	291	314
B. II. 1. 2.	Constructions	017	348	(57)	291	314
B. II. 2.	Equipment	018	4 788	(4 487)	301	712
C.	Current assets	037	752 633	(26 862)	725 771	550 245
C. I.	Inventories	038	105 547	-	105 547	86 705
C. I. 1.	Raw materials	039	21	-	21	30
C. I. 3.	Finished goods and goods for resale	041	105 526	-	105 526	86 675
C. I. 3. 2.	Goods for resale	043	105 526	-	105 526	86 675
C. II.	Receivables	046	637 352	(26 862)	610 490	427 357
C. II. 1.	Long-term receivables	047	28 917	-	28 917	27 830
C. II. 1. 5.	Receivables - other	052	28 917	-	28 917	27 830
C. II. 1. 5. 2.	Long-term advances paid	054	28 917	-	28 917	27 830
C. II. 2.	Short-term receivables	057	608 435	(26 862)	581 573	399 527
C. II. 2. 1.	Trade receivables	058	67 649	(26 862)	40 787	50 446
C. II. 2. 4.	Receivables - other	061	540 786	-	540 786	349 081
C. II. 2. 4. 4.	Short-term advances paid	065	118 714	-	118 714	64 425
C. II. 2. 4. 5.	Estimated receivables	066	421 854	-	421 854	284 303
C. II. 2. 4. 6.	Other receivables	067	218	-	218	353
C. IV.	Cash	075	9 734	-	9 734	36 183
C. IV. 2.	Cash at bank	077	9 734	-	9 734	36 183
D.	Prepayments and accrued income	078	25 877	-	25 877	18 818
D. 1.	Prepaid expenses	079	25 666	-	25 666	18 532
D. 3.	Accrued income	081	211	-	211	286

Ref. a	LIABILITIES AND EQUITY b	Row c	31.12.2024	31.12.2023
			5	6
	TOTAL LIABILITIES AND EQUITY	082	755 506	572 208
A.	Equity	083	(154 645)	(120 378)
A. I.	Share capital	084	100 000	100 000
A. I. 1.	Share capital	085	100 000	100 000
A. III.	Reserves from profit	096	1 968	1 968
A. III. 1.	Other reserve funds	097	1 968	1 968
A. IV.	Retained earnings / Accumulated losses	099	(222 346)	(274 822)
A. IV. 1.	Retained earnings or (accumulated losses)	100	(222 346)	(274 822)
A. V.	Profit / (loss) for the current period	102	(34 267)	52 476
B. + C.	Liabilities	104	910 151	692 586
B.	Provisions	105	2 393	4 181
B. 4.	Other provisions	109	2 393	4 181
C.	Payables	110	907 758	688 405
C. II.	Short-term payables	126	907 758	688 405
C. II. 3.	Short-term advances received	131	419 981	258 797
C. II. 4.	Trade payables	132	87 045	69 242
C. II. 6.	Liabilities - subsidiaries and controlling party	134	264 443	234 888
C. II. 8.	Liabilities - other	136	136 289	125 478
C. II. 8. 3.	Liabilities to employees	139	2 217	1 568
C. II. 8. 4.	Liabilities for social security and health insurance	140	1 096	899
C. II. 8. 5.	Taxes and state subsidies payable	141	11 053	7 411
C. II. 8. 6.	Estimated payables	142	118 470	111 976
C. II. 8. 7.	Other liabilities	143	3 453	3 624

Company name: VEMEX Energie a.s.
Identification number: 28903765
Legal form: Joint-Stock Company
Primary business: Gas and electricity distribution
Balance sheet date: 31 December 2024
Date of preparation of the financial statements: 23 May 2025

INCOME STATEMENT

(in thousand Czech crowns)

Ref. a	TEXT b	Row c	Accounting period	
			2024	2023
			1	2
I.	Sales of products and services	01	352 939	196 612
II.	Sales of goods	02	841 008	712 726
A.	Cost of sales	03	1 169 082	794 936
A. 1.	Cost of goods sold	04	768 654	567 297
A. 2.	Raw materials and consumables used	05	677	571
A. 3.	Services	06	399 751	227 068
D.	Staff costs	09	33 992	31 945
D. 1.	Wages and salaries	10	25 092	23 308
D. 2.	Social security, health insurance and other costs	11	8 900	8 637
D. 2. 1.	Social security and health insurance costs	12	7 963	7 891
D. 2. 2.	Other costs	13	937	746
E.	Value adjustments in operating activities	14	3 834	4 675
E. 1.	Value adjustments of fixed assets	15	1 609	1 250
E. 1. 1.	Depreciation, amortisation and write off of fixed assets	16	1 609	1 250
E. 3.	Provision for impairment of receivables	19	2 225	3 425
III.	Operating income - other	20	2 861	2 322
III. 1.	Sales of fixed assets	21	-	-
III. 2.	Sales of raw materials	22	-	2
III. 3.	Other operating income	23	2 861	2 320
F.	Operating expenses - other	24	(1 226)	1 163
F. 3.	Taxes and charges	27	174	126
F. 4.	Operating provisions and complex prepaid expenses	28	(1 982)	216
F. 5.	Other operating expenses	29	582	821
*	Operating result	30	(8 874)	78 941
VI.	Interest and similar income	39	1 499	2 207
VI. 2.	Other interest and similar income	41	1 499	2 207
J.	Interest and similar expenses	43	18 890	18 955
J. 1.	Interest and similar expenses - subsidiaries or controlling party	44	18 890	18 955
VII.	Other financial income	46	16 308	-
K.	Other financial expenses	47	24 310	9 717
*	Financial result	48	(25 393)	(26 465)
**	Net profit / (loss) before tax	49	(34 267)	52 476
**	Net profit / (loss) after tax	53	(34 267)	52 476
***	Net profit / (loss) for the financial period	55	(34 267)	52 476
*	Net turnover for the financial period	56	1 193 947	

Company name: VEMEX Energie a.s.
Identification number: 28903765
Legal form: Joint-Stock Company
Primary business: Gas and electricity distribution
Balance sheet date: 31 December 2024
Date of preparation of the financial statements: 23 May 2025

STATEMENT OF CASH FLOWS

(in thousand Czech crowns)

Ref.	TEXT	Accounting period	
		2024	2023
		1	2
a	b		
	Cash flows from operating activities		
	Net profit /(loss) before tax	(34 267)	52 476
A. 1.	Adjustments for non-cash movements:	19 478	21 639
A. 1. 1.	Depreciation and amortisation of fixed assets	1 609	1 250
A. 1. 2.	Change in provisions and provisions for impairment	478	3 641
A. 1. 3.	(Profit)/loss from sales of fixed assets	-	-
A. 1. 5.	Net interest expense/(income)	17 391	16 748
A *	Net cash flow from operating activities before tax and changes in working capital	(14 789)	74 115
A. 2.	Non-cash working capital changes:	(21 577)	(11 830)
A. 2. 1.	Change in receivables and prepayments	(192 533)	61 458
A. 2. 2.	Change in payables and accruals	189 798	(101 579)
A. 2. 3.	Change in inventories	(18 842)	28 291
A **	Net cash flow from operating activities before tax	(36 366)	62 285
A. 3.	Interest paid	(18 890)	(18 955)
A. 4.	Interest received	1 499	2 207
A ***	Net cash flow from operating activities	(53 757)	45 537
	Cash flows from investing activities		
B. 1.	Acquisition of fixed assets	(2 247)	(1 400)
B. 2.	Proceeds from sale of fixed assets	-	-
B ***	Net cash flow from investing activities	(2 247)	(1 400)
	Cash flows from financing activities		
C. 1.	Change in long- and short-term liabilities from financing activities	29 555	(90 665)
C ***	Net cash flow from financing activities	29 555	(90 665)
	Net increase/(decrease) in cash and cash equivalents	(26 449)	(46 528)
	Cash and cash equivalents at the beginning of the year	36 183	82 711
	Cash and cash equivalents at the end of the year	9 734	36 183

Company name: VEMEX Energie a.s.
Identification number: 28903765
Legal form: Joint-Stock Company
Primary business: Gas and electricity distribution
Balance sheet date: 31 December 2024
Date of preparation of the financial statements: 23 May 2025

STATEMENT OF CHANGES IN EQUITY

(in thousand Czech crowns)

	Share capital	Other reserve funds	Accumulated losses	Total
As at 1 January 2023	100 000	1 968	(274 822)	(172 854)
Net profit/(loss) for the current period	-	-	52 476	52 476
As at 31 December 2023	100 000	1 968	(222 346)	(120 378)
Net profit/(loss) for the current period	-	-	(34 267)	(34 267)
As at 31 December 2024	100 000	1 968	(256 613)	(154 645)

1. General information

1.1. Introductory information about the Company

VEMEX Energie a.s. ("the Company") was incorporated on 26 May 2009 by the Municipal Court in Prague, Section B, Insert 15299 and has its registered office at Evropská 2591/33e, Dejvice, 160 00 Prague 6, Czech Republic. The Company's primary business activity is retail of electricity and gas.

The Company is not a shareholder with unlimited liability in other legal entities.

1.2. Current economic situation

The current economic situation is being impacted mainly by the war in Ukraine which broke out on 24 February 2022, including the related sanctions against Russia, then by disrupted supply chains, an energy crisis, uncertainty on the commodities and financial markets and finally by negative trends in key macroeconomic indicators with consequences on business, such as the inflation rate, growth of interest rates, volatility of foreign exchange rates and others.

The Company's management has evaluated the impact of the current economic situation on its business with the following conclusion: The Company regularly monitors the situation on the energy markets and flexibly adjusts prices of its products depending on market prices of commodities and prices of competitors.

2. Accounting policies

2.1. Basis of preparation

The financial statements have been prepared in accordance with Generally Accepted Accounting Principles in the Czech Republic relevant for middle sized companies and have been prepared under the historical cost convention.

2.2. Tangible and intangible fixed assets

All intangible (and tangible) assets with a useful life longer than one year and a unit cost of more than CZK 80 thousand (CZK 80 thousand) are treated as intangible (and tangible) fixed assets.

Purchased intangible and tangible fixed assets are initially recorded at cost, which includes all costs related to their acquisition.

Intangible and tangible fixed assets are amortised/depreciated applying the straight-line method over their estimated useful lives.

The amortisation / depreciation plan is updated during the useful life of the intangible and tangible fixed assets in the case of change of expected useful life change.

A provision for impairment is created when the carrying value of an asset is greater than its estimated recoverable amount. The estimated recoverable amount is determined based on expected future cash flows generated by this asset.

Repairs and maintenance expenditures for tangible fixed assets are expensed as incurred. Technical improvements of intangible and tangible fixed assets are capitalised.

2.3. Receivables

Receivables are stated at nominal value less a provision for doubtful amounts. A provision for doubtful amounts is created on the basis of an ageing analysis and an individual evaluation of the credit worthiness of the customers. Receivables from related parties have not been provided for.

2.4. Foreign currency translation

Transactions denominated in a foreign currency are translated and recorded at the rate of exchange set by the Czech National Bank ruling as at day before the transaction date.

Cash, receivables and liabilities balances denominated in foreign currencies have been translated at the exchange rate published by the Czech National Bank as at the balance sheet date. All exchange gains and losses on cash, receivables and liabilities balances are recorded in the income statement.

In 2024, the company no longer reports other financial costs and income in the compensated amount. In order to ensure comparability of data, this adjustment was also reflected in the comparative period.

The Company treats advances paid for the acquisition of fixed assets or inventories as part of these assets and therefore these assets are not translated as at the balance sheet date.

2.5. Provisions

Provisions are recognised when the Company has a present obligation, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made.

The Company recognises a provision for its income tax payable which is presented net of advances paid for the income tax. If advances paid are higher than the estimated income tax payable, the difference is recognised as a short-term receivable.

2.6. Revenue recognition

Sales are recognised upon the delivery of products and customer acceptance and are stated net of discounts and value added tax.

Revenues invoiced after the balance sheet date are recognized through estimated receivables (see Note 2.13).

Gas

Revenues from sales of gas are based on valuation of commodity on the principal of purchase price of gas and gross margin. Selling price for end costumers consists of price of delivered gas and other services (transportation, structuring), price of distribution and price of services of OTE (market operator).

Billing of delivered gas in category of wholesale customers (further as "VO") is processed monthly according to measured consumption. Billing of delivered gas in category of retail customers (further as "MOP") and households (further as "DOM") is performed periodically based on measurement of consumption at individual points of supply.

Revenues in category MOP and DOM consist of revenues actually invoiced and revenues from so called unbilled gas. The methodology for unbilled gas revenue recognition is described in Note 2.13. Revenues in category VO are represented by invoices actually issued.

Electricity

Revenues from sales of electricity are determined based on valuation of commodity on the principal of purchase price of electricity and the gross margin.

Billing of delivered electricity in category of wholesale customers (further as “VO”) is performed on a monthly basis according to measured consumption. Billing of delivered electricity in category of retail customers (further as “MOP”) and households (further as “DOM”) is performed periodically based on measurement of consumption at individual points of supply.

Revenues in category MOP and DOM consist of revenues actually invoiced and revenues from so called unbilled electricity. The methodology for unbilled electricity revenue recognition is described in Note 2.13. Revenues in category VO are represented by invoices actually issued.

2.7. Related parties

The Company’s related parties are considered to be the following:

- parties, which directly or indirectly control the Company, their subsidiaries and associates;
- parties, which have directly or indirectly significant influence on the Company;
- members of the Company’s or parent company’s statutory and supervisory boards and management and parties close to such members, including entities in which they have a controlling or significant influence; and/or
- subsidiaries.

Material transactions and outstanding balances with related parties are disclosed in Note 9.

2.8. Leases

The costs of assets held under both finance and operating leases are not capitalised as fixed assets. Lease payments are expensed evenly over the life of the lease. Future lease payments not yet due are disclosed in the notes but not recognised in the balance sheet.

2.9. Interest expense

All borrowing costs are expensed.

2.10. Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. A deferred tax asset is recognised if it is probable that sufficient future taxable profit will be available against which the asset can be utilised.

2.11. Cash-flow statement

The Company has prepared the Cash-flow statement using the indirect method. Cash equivalents represent short-term liquid assets, which are readily convertible for a known amount of cash.

2.12. Subsequent events

The effects of events, which occurred between the balance sheet date and the date of preparation of the financial statements, are recognised in the financial statements in the case that these events provide further evidence of conditions that existed as at the balance sheet date.

Where significant events occur subsequent to the balance sheet date but prior to the preparation of the financial statements, which are indicative of conditions that arose subsequent to the balance sheet date, the effects of these events are quantified and disclosed but are not themselves recognised in the financial statements.

2.13. Significant accounting estimates

Estimated receivables for unbilled gas and electricity supplies to customers

Unbilled gas and electricity supplies to customers are recognized on the line “Estimated receivables”. Calculation of estimates is based on the anticipated payments for consumed gas and electricity for individual supply points as at the balance sheet date, adjusted for the consumption balance kept by OTE. Past customer behaviour experience is reflected in the estimate of consumption. The Company based its estimates on sales in kWh, the amount of the commodity and amount for distribution in CZK. The price entry for calculation of estimates is composition of prices from standard price lists and contracts prices with individual pricing, including the impact of potential discounts.

Estimated payables for unbilled gas and electricity supplies from suppliers

Unbilled gas and electricity deliveries from suppliers are recognized on the line “Estimated payables”. The Company determines the amount of accruals for unbilled purchases of commodities based on trade dispatching, purchase balance and sales balance kept by OTE and the offsetting of price variation from the previous month. Calculation of the commodity distribution accrual is based on anticipated payments for distribution in individual supply points as at the balance sheet date, adjusted for the consumption balance kept by OTE.

2.14. Net turnover

For accounting purposes, net turnover is the amount of revenue from the sale of products and goods and the provision of services for the accounting period. For the purposes of determining net turnover, revenue from the sale of products and goods and the provision of services is the revenue on which the business model of the accounting entity is based. In determining this revenue, particular account is taken of the industry and market in which the accounting entity operates and the nature of the accounting entity's activities for its customers.

3. Intangible fixed assets

(CZK'000)	1 January 2024	Additions / transfers	Disposals	31 December 2024
Cost				
Software	15,605	582	-	16,187
Intangible fixed assets in the course of construction	-	1,783	-	1,783
Total	15,605	2,365	-	17,970
Accumulated amortisation				
Software	(13,486)	(1,218)	-	(14,704)
Total	(13,486)	(1,218)	-	(14,704)
Net book value	2,119			3,266

(CZK'000)	1 January 2023	Additions / transfers	Disposals	31 December 2023
Cost				
Software	14,293	1,312	-	15,605
Total	14,293	1,312	-	15,605
Accumulated amortisation				
Software	(12,660)	(826)	-	(13,486)
Total	(12,660)	(826)	-	(13,486)
Net book value	1,633			2,119

4. Tangible fixed assets

(CZK'000)	1 January 2024	Additions / transfers	Disposals	31 December 202
Cost				
Constructions	348	-	-	348
Equipment	4,528	260	-	4,788
Total	4,876	260	-	5,136
Accumulated depreciation				
Constructions	(34)	(23)	-	(57)
Equipment	(3,816)	(671)	-	(4,487)
Total	(3,850)	(694)	-	(4,544)
Net book value	1,026			592

(CZK'000)	1 January 2023	Additions / transfers	Disposals	31 December 2023
Cost				
Constructions	348			348
Equipment	4,016	512	-	4,528
Total	4,364	512	-	4,876
Accumulated depreciation				
Constructions	(12)	(22)	-	(34)
Equipment	(2,990)	(826)	-	(3,816)
Total	(3,002)	(848)	-	(3,850)
Net book value	1,362			1,026

The information on operating lease commitments is disclosed in Note 8.

5. Receivables

Overdue receivables as at 31 December 2024 amounted to CZK 33,628 thousand (as at 31 December 2023: CZK 28,774 thousand).

The provision for doubtful receivables as at 31 December 2024 was CZK 26,862 thousand (as at 31 December 2023: CZK 24,596 thousand). The receivables from other companies within the consolidation group are presented in Note 9.

Estimated receivables include mainly unbilled deliveries of gas including distribution in the amount of CZK 199,856 thousand (as at 31 December 2023: CZK 126,819 thousand) and unbilled deliveries of electricity including distribution in the amount of CZK 221,998 thousand (as at 31 December 2023: CZK 157,044 thousand), refer to Note 2.13.

Prepaid expenses as at 31 December 2024 and as at 31 December 2023 include mainly deferred commission cost paid to agents for new clients' acquisitions.

Short-term and long-term advances paid as at 31 December 2024 and as at 31 December 2023 include mainly advances paid to suppliers of electricity and gas in relation to purchases and distribution of those commodities.

Unsettled receivables have not been covered by guarantees and none of them are due after more than 5 years.

The Company has no receivables nor provided any guarantees which are not included in the balance sheet.

6. Equity

Authorized and issued share capital:

	31 December 2024		31 December 2023	
	No. of pieces	Carrying value (CZK'000)	No. of pieces	Carrying value (CZK'000)
Ordinary shares of CZK 200 thousand, fully paid	500	100 000	500	100,000

Shareholders:

(in %)	31 December 2024	31 December 2023
VEMEX s.r.o.	51	51
GEEN Holding a.s.	49	49
Total	100	100

The Company VEMEX s.r.o. is no longer obliged to prepare the consolidated financial statements. At the same time the company SEFE Securing Energy for Europe GmbH (67% shareholder of VEMEX s.r.o.) does not consolidate the company VEMEX s.r.o. and therefore the Company does not form any longer a part of any consolidation group.

The Company is fully governed by the new Corporations Act and used the option to create a reserve fund.

The Company continues to create a reserve fund and its use is governed by its Articles of Association and may be used to offset losses of the Company only.

The Company during the year ended 31 December 2024 recorded loss of CZK 34,267 thousand and at the same time the Company's negative equity amounted to CZK 154,645 thousand. This event represents uncertainty which may cast significant doubt on the Company's ability to continue as a going concern. SEFE Securing Energy for Europe GmbH (current 67 % shareholder of VEMEX s.r.o.) has expressed its intention to support the Company in the letter of support dated 12 May 2025, including financial support in order to further continue in its business activities. For this reason, the Company's management is convinced that the Company will continue to operate continuously for a period of at least 12 months from the date of signing these financial statements (the "going concern" assumption will be met).

The general meeting of shareholders approved the financial statements for 2023 on 25 June 2024 and decided about the allocation of the profit generated in 2023 of CZK 52,476 thousand to the account Accumulated losses from previous years.

Up to the date of preparation of these financial statements the Company has not proposed allocation of the loss generated in 2024.

7. Provisions

Other provisions as at 31 December 2024 included the provision for pending legal disputes in the amount of CZK 1,918 thousand (as at 31 December 2023: CZK 3,611 thousand) and the provision for untaken holiday in the amount of CZK 475 thousand (as at 31 December 2023: CZK 396 thousand). Furthermore, as at 31 December 2023 the provision for redundancy was set up in the amount of CZK 174 thousand, which was not set up as at 31 December 2024.

8. Payables, commitments and contingent liabilities

Trade and other payables have not been secured against any assets of the Company and are not due after more than 5 years.

Total non-cancellable future commitments in respect of operating leases (not recorded in the balance sheet) amounted to CZK 4,640 thousand as at 31 December 2024 (as at 31 December 2023: CZK 4,870 thousand).

The total amount of future liabilities not included in the balance sheet, which is based on concluded contracts for the future purchase of commodities with physical settlement as at 31 December 2024 amounts to CZK 256,997 thousand (as at 31 December 2023: CZK 531,709 thousand). The breakdown of this amount in the table below according to the expected settlement of the given trades:

(CZK'000)	0 – 3 months	3 – 6 months	6 – 9 months	9 months – 1 year	More than 1 year	Total
Purchase contracts for gas treated in the regime of exception for own use						
Expected financial outflow (CZK '000) as at 31 December 2024	26,847	2,393	10,838	4,784	-	44,862
Expected financial outflow (CZK '000) as at 31 December 2023	103,317	37,713	29,835	13,081	9,421	193,367
Purchase contracts for electricity treated in the regime of exception for own use						
Expected financial outflow (CZK '000) as at 31 December 2024	63,741	39,713	35,756	35,772	37,153	212,135
Expected financial outflow (CZK '000) as at 31 December 2023	108,855	76,585	65,580	65,609	21,713	338,342

Contracts for the future purchase of commodities are used together with gas stocks in reservoirs to close sales positions. The level of closing of sales positions as at 31 December 2023 and 31 December 2024 is sufficient and has no impact on the assessment of the Company's financial situation.

The Company did not provide any guarantees which were not recorded the in the balance sheet or disclosed in notes to financial statements.

The management of the Company is not aware of any contingent liabilities as at 31 December 2024.

Estimated payables include mainly uninvoiced purchases of electricity and distribution in the amount of CZK 14,636 thousand (as at 31 December 2023: CZK 3,637 thousand) and uninvoiced purchases of gas and distribution in the amount of CZK 95,177 thousand (as at 31 December 2023: CZK 98,138 thousand), refer to Note 2.13.

Short-term advances received as at 31 December 2024 include mainly advances received from customers in relation to deliveries of gas and electricity in the amount of CZK 419,981 thousand (as at 31 December 2023: CZK 258,797 thousand).

9. Related-party transactions

All material transactions with related parties are presented in this note.

(CZK'000)	2024	2023
Revenues		
Sales of services	240	240
Total	240	240
Costs		
Purchase of goods for resale – SEFE Energy GmbH	148,333	51,498
Purchase of services		-
Interest expense	18,890	18,955
Fees for guarantees received	2,835	4,074
Total	170,058	74,527

(CZK'000)	31 December 2024	31 December 2023
Liabilities		
Liabilities to related parties	266,071	248,700
Out of which:		
Trade payables	1,628	13,812
Loan payable	264,443	234,888
Total	266,071	248,700

Loans payable are subject to market interest rates and are payable as at 31 October 2025.

No loans were provided to the members of the Board of Directors and Supervisory Board as at 31 December 2024 and 31 December 2023.

Company cars are made available for use by Board of Directors and some managers.

10. Employees

	2024		2023	
	number	CZK'000	number	CZK'000
Emoluments to members of the Supervisory Board	3	-	3	0
Wages and salaries to management	5	7,148	5	7,219
Wages and salaries to other employees	32	17,944	32	16,089
Social security costs		5,499		5,775
Health insurance costs		2,464		2,116
Other social costs		937		746
Wages and salaries total	40	33,992	40	31,945

Company in accordance with §39b, par. 6d) of the Decree 500/2002 does not disclose the emoluments of Statutory Body separately. The emoluments of the Statutory Body are disclosed in total with other management.

The Company's management includes members of Board of Directors and senior staff members directly reporting to the Board of Directors.

Other transactions with the Company's management are described in Note 9 – Related-party transactions.

11. Income tax

The deferred tax was calculated at 21% (the rate enacted for 2024 and subsequent years).

The deferred tax asset / (liability) can be analysed as follows:

(CZK'000)	31 December 2024	31 December 2023
Deferred tax asset / (liability) arising from:		
Difference between accounting and tax net book value of fixed assets	(27)	(77)
Provisions	2 132	2,317
Tax losses carried forward	22,666	22,666
Net deferred tax asset	24,771	24,906

A potential net deferred tax asset of CZK 24,771 thousand as at 31 December 2024 (as at 31 December 2023: CZK 24,906 thousand) has not been recognised as it is not probable that future taxable profit will be available against which the unused tax credits can be utilised.

The Company has tax losses as at 31 December 2024 of CZK 86,800 thousand, which can be utilized up to 2026, tax losses in the amount of CZK 21,132 thousand, which can be utilized up to 2027 and tax losses in the amount of CZK 16,243 thousand, which can be utilized up to 2029.

COMPENSATORY TAXES

Act No. 416/2023 Coll. on Top-up taxes for large multinational groups and large domestic groups was adopted based on EU Council Directive 2022/2523 on ensuring a global minimum level of taxation for multinational enterprise groups and large-scale domestic groups. The aim of the Top-up taxes is to eliminate competition between states over different corporate tax rates by introducing a single minimum tax rate to ensure equal conditions for entities around the world and allow states to better protect their tax bases. Top-up taxes will be collected if the calculated effective tax rate in the given jurisdiction is lower than 15 %. Companies in the group whose consolidated annual revenues reported in the consolidated financial statements of the highest parent entity amount to EUR 750 mil. in at least 2 of the 4 reporting periods immediately preceding the given tax period are liable for Top-up taxes.

The Company expects to become a payer of the top-up taxes in the period immediately following the current period. Based on an assessment of the amount of tax rates, the occurrence of specific items for additional tax and differences in accounting standards, the Company assumes that the additional tax will not lead to additional tax liability.

12. Net turnover

In accordance with the new definition of net turnover, the company reported turnover in the income statement on the line "Net turnover for the accounting period" as of 31.12. 2024 in the amount of CZK 1,194 thousand. Given that the effort expended on determining turnover for 2023 according to the new methodology is not proportional to the information effect for users of the financial statements, there was no recalculation of net turnover for the comparative period, i.e. as of 31. 12. 2023. The company therefore did not report net turnover for the comparative period in the income statement. Net turnover for the purposes of categorization of the accounting entity for the comparative period, i.e. as of 31. 12. 2023, remained unchanged and amounted to CZK 914 thousand.

13. Other facts not presented in the financial statements

Guarantees issued for the Company (in CZK'000):

Counterparty	2024	2023
Commerzbank Praha	25,000	30,000
Commerzbank Berlin	10,000	7,000
SEFE Securing Energy for Europe GmbH	251,850	160,712
Total	286,850	197,712

Guarantees have been issued in relation with purchases of goods and services from major suppliers and distributors of electricity and gas. Bank guarantees from Commerzbank Praha and Commerzbank Berlin were issued based on counter guarantee from SEFE Securing Energy for Europe GmbH.

14. Subsequent events

No other events have occurred subsequent to year-end that would have a material impact on the financial statements as at 31 December 2024.

23 May 2025



Viacheslav Salychev
Chairman of the Board of Directors



Ing. Oldřich Jandl
Member of the Board of Directors