NEU DENKEN.
MIT VOLLER ENERGIE.

GASAG-GROUP
ANNUAL REPORT 2024.

KPIs OF THE GASAG GROUP

In Accordance with IFRSs for the fiscal years 2022 – 2024

	UNIT	2024	2023	2022
Revenue	**EUR m**	**1,625**	**2,277**	**1,621**
thereof gas	EUR m	1,067	1,588	1,024
thereof electricity	EUR m	251	337	274
Gas sales	**GWh**	**13,578**	**14,220**	**16,336**
Electricity sales	**kWh m**	**965**	**1,164**	**1,240**
Cost of materials	**EUR m**	**1,238**	**1,827**	**1,211**
Technical figures for gas				
Length of pipe system [1]	km	14,352	14,348	14,334
House connection pipes	units	364,112	364,152	363,547
Installed gas meters	units	756,382	763,702	770,628
Personnel				
Employees as of Dec. 31	no.	1,705	1,689	1,625
EBIT	**EUR m**	**91**	**143**	**121**
EBITDA	**EUR m**	**194**	**245**	**220**
Profit or loss for the period	**EUR m**	**58**	**86**	**75**
Balance sheet total	**EUR m**	**2,478**	**2,529**	**2,702**
Non-current assets	EUR m	2,026	2,015	2,050
Equity	EUR m	834	720	799
Equity ratio	%	34	28	30
Earnings per share	**EUR**	**7.14**	**10.54**	**9.11**
Investments, amortization and depreciation				
Investments in assets	EUR m	123	110	103
Amortization and depreciation	EUR m	86	84	99
Net Debt [2]	**EUR m**	**668**	**592**	**588**
Funds From Operations [3]	**EUR m**	**128**	**203**	**176**

[1] the supply network comprises medium and low-pressure lines
[2] Net Debt = Fin. liabilities plus lease liabilities minus liabilities from Derivatives and minus cash and cash equivalents
[3] FFO = Profit for the period +/– corrective of non-cash expenses/income

CONTENT

MANAGEMENT REPORT OF THE GASAG AG GROUP

MANAGEMENT REPORT
of the GASAG AG Group, Berlin
for the financial year 2024

1 BACKGROUND OF THE GROUP

1.1 BUSINESS MODEL

GASAG AG, Berlin (GASAG) steers the **GASAG Group.**

The **business activities** of the GASAG Group involve the transportation, storage, distribution and sale of natural gas, heat, electricity and water, the production of biogas and electricity from renewable sources, the operation of facilities for distributed energy supply and the provision of energy services. Other areas of activity are meter-reading services and consumption-billing, meter management, and the set-up, repair and overhaul of energy installations.

Our customers include private households, trade and industry, companies in the housing sector, hospitals and municipal entities, redistributors and users of gas transport services. Our business activities focus on the Berlin-Brandenburg metropolitan region.

External factors, just like our sales success, influence our earnings, financial and asset situation and thus our entrepreneurial actions. In addition to the weather, external factors include regulatory requirements, also for the awarding of concessions, as well as legal requirements in the context of the energy transition.

The GASAG Group is divided into four **business units:** Business Unit Residential and Commercial Customers (hereinafter referred to as GE PuG), Business Unit Green Solutions (hereinafter referred to as GE GS); Business Unit Grid (hereinafter referred to as GE Grid) and the Business Unit Renewable Energies (hereinafter referred to as GE EE). The central commercial and other services that support and manage the business are bundled in the support functions.

1.2 STRATEGIES, TARGETS AND MEASURES

In 2024, the GASAG Group continued to pursue its long-term strategy of transforming itself into a broad-based service provider for climate-neutral energy solutions. The GASAG Group places a particular focus on future-proof investments in network infrastructure and seizes growth opportunities to be able to tap into further decentralized energy potential in the future. At the same time, development of new products and services, the GASAG Group is contributing to the energy revolution and promoting customer satisfaction and loyalty.

The GASAG Group's transformation program, “FUTURE G”, launched in 2021, forms the overarching strategic framework for the business development of all business units and establishes the GASAG Group's clear focus on climate-neutral energy solutions.

Development in business units

In financial year 2024, the very mild weather, particularly in the first quarter, and the increased intensity of competition in the domestic markets due to the development of electricity and gas prices had a significant financial impact. In addition to stabilizing sales and margins in the gas and electricity market, GE PuG focused on expanding its sustainable product portfolio for energy services.

The GASAG Group's sales divisions have proven themselves as reliable partners for their customers in all energy matters and for the energy supply itself. In addition, GASAG won the contracts to supply the six state-owned Berlin housing associations with around 700 million kilowatt hours of gas per year and the state-owned real estate company berlinovo with 46,000 kilowatt hours per year. Starting this year, GASAG also offers its customers a dynamic electricity tariff that is linked to the development of exchange prices.

In the 2024 financial year, the focus at GE GS remained on decentralized, innovative, CO_2-neutral energy and heating solutions. These include the development of waste heat sources and the construction of green heating networks that enable a climate-neutral energy and heating supply for new and existing buildings as well as large districts. Significant examples of GS projects are the use of waste heat from a data center for the Pallasseum residential complex and the fossil-free energy concept in the STAYTION residential district in Berlin.

In addition to ensuring stable and reliable network operations, GE Netz continues to focus on transforming the gas network into a climate-neutral energy infrastructure as the backbone for the decarbonization of heat and power supply. Over 50 kilometers of Berlin's gas network have been officially confirmed by the Federal Network Agency as part of the nationwide hydrogen core network since the end of 2024. In addition to the important infrastructure decisions, the opening of the new training workshop in Berlin-Weißensee was also an important step in promoting dual vocational training and ensuring a qualified next generation of specialists for the energy transition and climate protection.

GE EE actively promotes the expansion of solar and wind power generation in the Berlin-Brandenburg metropolitan region. In October 2024, the construction of a large wind farm in Mallnow began in cooperation with the E.DIS subsidiary e.disnatur Erneuerbare Energien GmbH. The GASAG Group already uses self-generated renewable energy, for example from the Laubsdorf photovoltaic park, for regional electricity offers in the capital city region.

Milestones on the way to GASAG’s climate nuetrality of the GASAG-Group

The GASAG Group is pursuing the goal of climate neutrality and embedding sustainability in all of its business segments. In addition to the gradual greening of GE PuG's term products, new GE GS projects are also to supply customers with CO_2-neutral energy and heat wherever possible. GE EE plans to massively expand its solar and wind power capacity in order to supply customers with regional green electricity. A key milestone on the road to reducing CO_2 emissions is pursuing a climate neutrality target for processes within the company. In 2024, the GASAG Group was again able to successfully reduce emissions in its own properties by means of energy-efficient renovation and a change of energy source. The company's own fleet was further converted to electric vehicles and the number of vehicles with combustion engines was significantly reduced. Incentives were also created for green mobility offers for employees.

Positioning of GASAG in Brandenburg

In view of the challenges posed by the decarbonization of the energy and heating supply in Brandenburg, EMB Energie Brandenburg GmbH, Michendorf (hereinafter EMB) is a sought-after partner for innovative heating solutions thanks to its expertise and consulting services. It is actively involved in municipal heating planning in its concession areas. The expansion of renewable energy production and the conversion of gas infrastructure into a climate-neutral energy infrastructure ensure stable yields from business activities in Brandenburg and guarantee a sustainable and reliable energy supply.

2 ECONOMIC REPORT

2.1 POLITICAL SECTOR ENVIRONMENT

In 2024, important decisions were taken to ramp up the hydrogen market, implement the heating transition and secure the electricity market. However, due to the premature end of the governing coalition between the SPD, Alliance 90/The Greens and the FDP, political decisions on many of the proposed legislation will not be made until after the new elections. This may result in legislative delays. The year ended with the launch of the election campaign for the early federal elections in February 2025.

Questions regarding the future direction of energy policy arise not only in Germany, but also at **the EU level.** In 2024, a new EU Parliament was elected and a new EU Commission was formed. The old and new Commission President, Ursula von der Leyen, announced that she would present a "Clean Industrial Deal" within the first hundred days, which should strengthen the competitiveness of industry in particular on the road to climate neutrality. Even if the announced measures are still somewhat vague, it is certain that the focus will be on the energy sector and the provision of competitive energy prices.

As part of the Bundestag resolution on the Second Amendment to the **Energy Industry Act** (EnWG), the course was also set in 2024 for the financing and construction of the hydrogen core network. With two 50-kilometer high-pressure pipelines in the east and west of Berlin, which will be connected to the gas-fired combined heat and power plants of BEW Berliner Energie und Wärme GmbH (BEW), the NBB distribution network will be part of the more than 9,000-kilometer nationwide hydrogen core network. The hydrogen core network is an important building block for the hydrogen ramp-up in the Berlin-Brandenburg metropolitan region. Another option for accelerating the hydrogen ramp-up is the adoption of the **Hydrogen Acceleration Act,** which, among other things, is intended to speed up the process of building electrolysers. This bill may be delayed due to the new elections.

In addition, the BNetzA carried out a determination procedure by the Energy Division of the Federal Network Agency for the adjustment of calculatory useful lives and depreciation modalities of natural gas pipeline infrastructures ("KANU 2.0").

This way, depreciation can be adjusted to the future decline in sales volumes and there is the option for self-responsible refinancing of investments made through a suitable depreciation method.

The heating transition at the federal level plays a key role in achieving climate targets. The federal government has initiated important procedures for implementing the heating transition with the draft of the **Geothermal Acceleration Act** and a draft bill to amend the **Ordinance on General Conditions for the Supply of District Heating** (AVBFernwärmeV). However, the legislative process for the AVBFernwärmeV was discontinued at the end of the year due to controversial discussions between politicians and industry representatives regarding consumer protection issues.

With the expansion of renewable energies from wind power and photovoltaics, and the simultaneous dismantling of base-load coal-fired power plants, the demand for secure capacity is increasing. The German government has responded to this and presented a plan for securing the electricity supply when PV and wind power generation is low in the draft of the **Power Plant Security Act** in 2024. According to this, the first hydrogen-capable gas-fired power plant capacities are to be tendered within the first half of 2025. However, it is questionable whether and when the bill will be passed, as it has been criticized from the outset and was no longer capable of winning a majority in parliament after the break-up of the federal government. The key points for the introduction of a possible capacity market were also the subject of heated debate, so that the timing for a decision on this issue is also unclear.

The starting position for the extension of the **Combined Heat and Power Act** (KWKG) is different. Agreement has been signaled across party lines that an extension of funding claims for CHP plants is necessary. A separately submitted draft for the amendment of the law at the end of the year could therefore be implemented quickly.

Shortly before the end of the year, the state of Berlin presented the abbreviated **heating plan** and thus designated the areas in which only decentralized, individual building supply solutions are to be used in the future. The complete heating plan is to be available by mid-2026 at the latest.

The supplementary budget presented at the end of the year will have an impact on the financing of the energy and climate protection policy measures of the state of Berlin.

In this context, the funds for the energy and climate protection program and for other funding programs have been cut. It can also be assumed that the tight budgetary situation will continue and thus make it more difficult to achieve the climate protection goals.

Brandenburg makes a significant contribution to electricity generation from renewable energies and thus supports the German government's goal of climate neutrality by 2045. The accelerated expansion of renewable energies is anchored in the action plan for the 2040 energy strategy and in the climate plan and is also being pursued in a socially responsible manner by the new Brandenburg coalition government, formed by the SPD and BSW. Measures to promote acceptance – through the Brandenburg **Wind Turbine Tax Act** and the special levy on ground-mounted photovoltaic systems newly introduced in 2024 – are to be retained and, if necessary, expanded. At the same time, the coal phase-out in 2038 is being maintained for reasons of security of supply, and the further restructuring of the energy supply system is being sought. After the entry into force of the Brandenburg Heating Planning Ordinance, municipalities have already set about drawing up municipal heating plans to determine the appropriate climate-friendly heating supply for their area. The new coalition's plans include the further expansion of Lusatia as an energy and industrial region, the further development of Brandenburg's hydrogen strategy and the establishment of a large-scale hydrogen infrastructure.

2.2 ECONOMIC ENVIRONMENT

Wholesale prices

In the 2024 reporting year, wholesale prices for natural gas were highly volatile, with an average spot market price of € 34/MWh according to BDEW, which is lower than in the previous year (2023: € 42/MWh). According to Agora Energiewende, wholesale electricity prices in Germany in 2024 were significantly lower than in 2023, with an average of € 78/MWh on the spot market. However, there was an upward trend over the course of the year.

Economic development

The German economy remains in crisis. According to the ifo Institute, it is still unclear whether this is a temporary weakness or a permanent change in the economy. The main cause of the current stagnation is the decline in production and value added in the manufacturing sector. While energy-intensive industries, such as the chemical industry, have recovered slightly compared to the previous year, production in other sectors – such as vehicle and mechanical engineering – has declined. The crisis in the construction industry is also hindering growth.

According to the Federal Statistical Office, German gross domestic product (GDP) fell by 0.2 % in 2024, with an average inflation rate of 2.2 %. The reasons for the decline are economic and structural pressures such as high energy costs, increasing competition in exports, higher interest rates and uncertain economic prospects. The forecasts of the Federal Ministry for Economic Affairs and Climate Protection from February 2025 assume a slight increase in economic output of 0.3 % in 2025 compared to 2024.

In contrast, employment reached a new high in 2024. The number of people in employment in the Federal Republic of Germany in 2024 was around 46.1 million. This means that the number of people in employment increased by around 0.2 % compared to the previous year. The momentum of the increase has slowed considerably since mid-2022. The unemployment rate in 2024 was 3.2 % (previous year: 2.8 %).

Total energy consumption

Energy consumption in Germany fell to a new low in 2024. According to preliminary calculations by the Working Group on Energy Balances (AGEB), energy consumption in the Federal Republic of Germany fell by 1.3 % year-on-year to around 2,900 TWh. The low level of consumption is mainly due to the warmer weather and the lack of an economic recovery.

Natural gas consumption

According to the Federal Network Agency, natural gas consumption in Germany rose by 3.5 % to around 844 TWh after an all-time low in the previous year. The increase is mainly due to higher gas consumption by industrial customers (+7 % compared to the previous year). Compared to the average consumption between 2018 and 2021, German natural gas consumption has fallen by 14 %

Electricity consumption

According to the Federal Network Agency, electricity consumption (grid load) in the reporting year 2024 was around 464 TWh, an increase of only 1.3 % compared to the previous year (2023: 458 TWh).

3 POSITION OF THE GROUP

3.1 KEY PERFORMANCE INDICATORS AND NON-FINANCIAL PERFORMANCE INDICATORS

The **key performance indicator** of the GASAG Group is the result from operating activities (EBIT). Annual earnings forecasts are regularly prepared for the business units and individual companies. The development of the key performance indicators from the perspectives of the individual companies, the business units and the GASAG Group is made transparent.

The **key non-financial performance indicators** include employee satisfaction and customer satisfaction in particular.

Employees

Employee satisfaction is a key prerequisite for corporate success. It is therefore regularly determined in employee surveys on corporate and management culture in the GASAG Group and promoted in line with the results.

The targets set for these surveys were for at least 80 % of employees to agree with the management values surveyed and for at least 67 % of employees to participate in the surveys. On average, 77.5 % of employees took part in the two surveys in 2024. The average approval rate for the statements on the quality of leadership is 88.8 % in the GASAG Group. Employee satisfaction is measured by the statement "I am happy to be part of the GASAG Group," to which an average of 87 % of employees agreed.

In 2024, the GASAG Group continued its trainee program with a focus on engineering and IT in order to counter the shortage of skilled workers in these fields.

The GASAG Group has received multiple awards for its commitment as an employer. The Berlin Chamber of Industry and Commerce has also certified the GASAG Group's "excellent training quality". We received the Deutschlandtest seal from Focus Money magazine for Germany's best training companies in 2024. We were named a Top Company for 2024 by the kununu portal based on our very good ratings. We also impressed as an employer in the study Berlin's Best Employers 2024 and Berlin's Best Training Companies 2024, commissioned by the daily newspaper Der Tagesspiegel. We were awarded the Leading Employer 2024 certificate in recognition of our comprehensive employer qualities.

Customer management and customer service

GASAG strives to establish successful and long-term customer relationships by providing excellent service. Our goal is to ensure a high level of customer satisfaction with our products and services. To this end, we continuously and systematically review our service offering based on various key figures, including service availability, processing times, the number of customer contacts, the number and reasons for complaints, and the quality of case processing.

Customer satisfaction is measured by means of customer surveys conducted after contact has been made. In 2024, over 58,000 customers took part in these surveys, with an average of over 82 % of respondents saying they were satisfied or very satisfied with the service. This means that we have achieved our target of over 80 % customer satisfaction.

The results of these surveys are an important part of our operational reporting and are incorporated into regular specialist workshops to develop and implement improvement measures. In addition, we have our services as a regional supplier externally audited and were again recognized as a TOP local supplier by De-Media GmbH, Düsseldorf in 2024.

Customer complaints are recorded and analyzed daily to identify optimization potential. The findings and measures derived from this are reported to the management of the GASAG Group at least every six months. Compared to the previous year, the number of complaints within the GASAG Group fell by 28 % to 10,816.

3.2 CORPORATE GOVERNANCE STATEMENT

GASAG is convinced of the importance of diversity within the workforce, but also at the management level. In 2015, as part of the Law for the Equal Participation of Women and Men in Management Positions in the Private and Public Sector, the company defined target quotas for the defined for the Supervisory Board, the Executive Board and the two management levels below the Executive Board. In 2022, the Supervisory Board set new targets for the period up to 2027.

TARGETS IN %	June 30 2022	June 24 2027
Supervisory board	> 30	> 30
Management board	> 30	> 30
First level of management below the the management board	> 30	> 40
Second level of management below the management board	> 30	> 40

As of December 31, 2024, the proportion of women on the supervisory board is slightly higher than in the previous year at 29 % (equivalent to six women) and is just below the self-imposed target of more than 30 %. At the management board level, the continued all-male line-up means that the target of at least 30 % has not been met. The target has been met at both the first management level at GASAG, where 35 % of the positions are held by women, and the second management level, where 35 % of the positions are held by women.

Due to the time constraints of the past appointment procedures, it was not possible to recruit interested and qualified female candidates for the positions on the above-mentioned committees.

3.3 BUSINESS PERFORMANCE

The 2024 financial year was characterized by the very mild weather, particularly in the first quarter of 2024. At 11.8°C, the annual mean temperature for Berlin in 2024 was 0.6°C above that of the previous year (11.2°C) and 1.0°C above our normal year (10.8°C). The degree day figures were therefore below those of the previous year. The annual mean temperature and the development of degree day figures for Brandenburg were at a comparable level to Berlin, as in the previous year. Both gas and heating sales and the transport volume in the gas network are heavily dependent on temperature.

In addition, GE PuG was confronted with increased competition in its home markets due to the development of electricity and gas prices and concentrated on stabilizing sales and margins as well as on expanding its product portfolio for energy services.

In the financial year, the focus in GE GS remained on decentralized, innovative, CO_2-neutral energy and heating solutions and the associated investment activities.In addition to ensuring stable and reliable network operations, GE Netz continues to focus on transforming the gas network into a climate-neutral energy infrastructure. More than 50 kilometers of the Berlin gas network have been confirmed by the Federal Network Agency as part of the nationwide hydrogen core network. Numerous maintenance and expansion measures were also carried out on the gas network infrastructure to ensure security of supply. In addition, new inquiries for the connection of biogas production plants led to an increase in investment activity.

In October 2024, the construction of a large wind farm in Mallnow began in cooperation with the E.DIS subsidiary e.disnatur Erneuerbare Energien GmbH.

As early as 2023, the GASAG Group set the course for the realignment of the billing systems for all market roles. The realignment was largely necessitated by the ending product life cycle and the termination of maintenance for the SAP IS-U systems in 2027. The first step in replacing the central SAP IS-U systems with the modern S/4 HANA Utilities platform, the conversion of the market role of the distribution system operator in the PHOENIX project, began in 2024.

	Unit	2024	2023	Change	
Gas sales to end customers and distributors	kWh m	13,578.0	14,219.7	–641.7	–4.5 %
Electricity sales to end customers and distributors	kWh m	964.8	1,163.8	–199.0	–17.1 %
Gas grid transportation volume	kWh m	39,058.0	41,254.2	–2,196.2	–5.3 %
Transport volume electricity grid	kWh m	44.9	46.7	–1.8	–3.9 %
Heat sales	kWh m	424.0	445.4	–21.4	–4.8 %
Generation of electricity Photovoltaics	kWh m	56.6	40.3	16.3	40.4 %
Installed capacity of photovoltaic systems	MWp	54.5	56.3	–1.8	–3.2 %
Generation of electricity Wind	kWh m	17.3	17.2	0.1	0.6 %
Installed capacity of wind turbines	MW	7.5	7.5	0.0	0.0 %

The GASAG Group's **gas sales** declined primarily due to lower degree day figures and a smaller customer base.

The **transport volumes in the gas network** also decreased, mainly due to lower degree day figures.

Despite a slight increase in sales in the end customer segment, **electricity sales** declined overall, mainly due to a lower volume of business with redistributors.

The main reason for the lower **heat sales** is the mild weather.

Decommissioning of Berlin natural gas storage facility

The closure operating plan of Berliner Erdgasspeicher GmbH (hereinafter referred to as BES) and the associated decommissioning permit were approved by the responsible mining authority at the end of December 2022 and are valid until December 31, 2035. The filling of the wells and the dismantling of the above-ground facilities will be carried out in accordance with the final operating plan. The aftercare and dismantling activities are proceeding according to plan.

3.4 FINANCIAL PERFORMANCE

The following description of the earnings situation relates exclusively to the continued operations. The discontinued operations relate to the facilities of the natural gas storage facility that are in the post-operation and decommissioning phase.

	2024	2023		Change
	EUR m	EUR m	EUR m	%
Sales revenue	1,625.0	2,276.8	–651.8	–28.6
of which natural gas and heat supply	1,137.3	1,668.2	–530.9	–31.8
of which electricity supply	250.9	337.2	–86.3	–25.6
of which grid usage fees	202.3	236.4	–34.1	–14.4
of which other sales	34.5	35.0	–0.5	–1.4
Other operating income and changes in inventories	49.1	48.2	0.9	1.9
Cost of materials	1,237.5	1,826.7	–589.2	–32.3
Personnel expenses	141.3	132.6	8.7	6.6
Depreciation and amortization	103.2	101.1	2.1	2.1
Other operating expenses	101.0	121.0	–20.0	–16.5
Result from operating activities (EBIT)	91.1	143.6	–52.5	–36.6
Profit shares, result from investments, financial expenses and other financial result	–10.5	–9.8	–0.7	7.1
Taxes on income and earnings	22.2	42.3	–20.1	–47.5
Result from continuing operations	58.4	91.5	–33.1	–36.2
Result from discontinued operations	0.0	–5.2	5.2	–
Net income for the year	58.4	86.3	–27.9	–32.3

3.4.1 RESULTS FROM CONTINUING OPERATIONS

The year-on-year reduction in revenue is due to the lower price level for natural gas and electricity deliveries and to lower customer consumption due to weather conditions. The reduction in revenues from grid usage fees is mainly due to a temporary one-off effect included in the previous year. The energy savings expected by end consumers in the previous year were only realized to a limited extent, leading to a one-time increase in revenues. In addition, the decline in degree day figures reduced sales revenues in grid usage fees.

The **cost of materials** decreased by € 589.2 million. Natural gas accounted for a share of the reduction of € 498.7 million and electricity for a share of € 90.9 million. The decline in the cost of materials is mainly due to significantly lower expenses for energy procurement as a result of lower prices and lower gas and electricity procurement volumes.

The average number of employees (excluding employees in the passive phase of partial retirement) rose to 1,645 (previous year: 1,585, +3,7 %). Both the increase in the number of employees and, in particular, the rise in wages and salaries had an impact on the increase in **personnel expenses.**

Depreciation and amortization increased due to the high level of investment in property, plant and equipment.

The **other operating expenses** declined significantly, largely as a result of the adjustment made in the previous year to the customer retention periods used to measure contractual assets in connection with customer contracts and the associated changes in expenses. The previous year also included higher expenses for risks arising from legal disputes.

The **result from operating activities (EBIT)** is € 52.5 million below the previous year. The reduction is mainly due to the temporary one-off effect included in the previous year's revenues for grid usage fees in the amount of € 27.9 million. In addition, the milder weather and higher personnel expenses had a negative impact on EBIT.

The **earnings contribution from profit shares, investments, financial expenses and the other financial result** is lower year-on-year because the fair value valuation of an investment led to positive earnings contributions in the previous year.

Taxes on income decreased mainly due to the result

For the 2024 financial year, earnings from **continued operations** amounted to € 58.4 million, a decline of € 33.1 million.

3.4.2 RESULTS OF OPERATIONS FROM DISCONTINUED OPERATIONS

On the basis of the application of IFRS 5, the result from **discontinued operations** as of December 31, 2020 amounted to €0.0 million (previous year: €-5.2 million). The previous year's result was burdened by the allocation to the provision for the deconstruction and monitoring of the Berlin natural gas storage facility for the increased costs of technical measures and personnel expenses.

3.5 ASSETS AND LIABILITIES

	31.12.2024	31.12.2023	Change	
	EUR m	EUR m	EUR m	%
ASSETS				
Non-current assets without deferred taxes	2,007.9	1,953.6	54.3	2.8
thereof intangible assets	179.3	179.6	–0.3	–0.2
thereof property, plant and equipment	1,677.8	1,642.1	35.7	2.2
of which rights of use	81.6	87.0	–5.4	–6.2
of which financial assets	35.0	22.5	12.5	55.6
of which other	34.2	22.4	11.8	52.7
Deferred taxes	17.8	61.8	–44.0	–71.2
Current assets	452.1	513.5	–61.4	–12.0
thereof inventories	118.5	89.0	29.5	33.1
of which financial assets	30.8	2.4	28.4	> 100
of which trade receivables and other receivables	242.3	274.8	–32.5	–11.8
thereof cash and cash equivalents	43.5	130.0	–86.5	–66.5
of which other	17.0	17.3	–0.3	–1.7
LIABILITIES				
Equity	834.4	720.1	114.3	15.9
Non-current liabilities without deferred taxes	895.8	973.7	–77.9	–8.0
Current liabilities	628.8	722.9	–94.1	–13.0
Deferred taxes	118.8	112.2	6.6	5.9
Balance sheet total	**2,477.8**	**2,528.9**	**–51.1**	**–2.0**
Equity ratio (equity/balance sheet total)	33.7 %	28.5 %	5.2 %	

The change in **non-current assets** (excluding deferred taxes) was mainly due to the increase in **property, plant and equipment** due to capital expenditure exceeding the level of depreciation and amortization (€ 86.2 million). In addition, **financial assets** increased, mainly due to the change in the market values of derivatives due to market prices. The **other items** include shares in companies accounted for using the equity method and assets in connection with customer contracts. Additions were made to both items. The intangible assets include internally generated software solutions in the amount of € 6.2 million (previous year: € 3.2 million). The total amount of the corresponding development costs in the financial year was € 3.3 million (previous year: € 1.3 million) and is fully capitalized. No research costs were incurred.

The reduction in **current assets** was due to the reduction in cash and cash equivilants and the decline in trade receivables, which was mainly caused by the decline in receivables from gas deliveries and the decline in margin payments made in connection with energy-related exchange transactions. These reductions are also offset by the market price-related change in the market values of derivatives in **current financial assets** and the increases in the stocks of acquired CO_2 certificates and natural gas in **inventories.**

Equity increased significantly as of the balance sheet date of December 31, 2024, compared to the prior year, which is primarily due to the increase in market values from forward transactions as part of hedging strategies. With total assets remaining almost unchanged, the ratio of equity to total assets of the GASAG Group increased.

The **ratio of equity to intangible assets and property, plant and equipment** is 44.7 % (previous year: 39.5 %).

The change in **non-current and current liabilities** is mainly due to the increased market values of derivatives.

3.6 FINANCIAL POSITION

3.6.1 CAPITAL STRUCTURE

The GASAG Group's financing needs are covered by cash flows from operating activities, short-term and long-term bank loans, promissory notes and leases. The type and scope of financing are based on the planned investments and the Group's operating business.

Our group's lines of credit and bank guarantees are provided by a total of 11 (previous year: 11) banks, some without a time limit. Written credit and surety lines of € 279.2 million (previous year: € 259.2 million) were available as of the balance-sheet date. Of the credit and surety lines, € 37.2 million was utilized for sureties as of the balance-sheet date. In addition, further verbally agreed, unused credit lines are available.

The long-term refinancing requirement results mainly from grid investments and renewable energies projects, as well as from investments in GE GS.

Refinancing is on a long-term basis. The Group's financing, which is included in the financial liabilities, is diversified across 36 (previous year: 38) banks and other financial partners.

3.6.2 LIQUIDITY

The companies of the GASAG Group use rolling 12-month liquidity planning to determine their **liquidity requirements.** A uniform group-wide system is used for liquidity planning, which supports the implementation of liquidity management and ensures the monitoring of liquidity development in the group. The companies of the GASAG Group were able to meet their financial obligations at all times.

3.6.3 STATEMENT OF CASH FLOWS

MILLION €	2024	2023
Profit for the period before income taxes from continuing operations	80.6	133.7
Profit for the period before income taxes from discontinued operations	–0.1	–7.5
Income taxes paid	–30.5	–3.9
Change in working capital	–20.4	–43.1
Change in other items	77.8	80.2
Cash flow from operating activities	107.4	159.4
Cash flow from investing activities	–123.0	–109.8
Cash flow from financing activities	–70.9	–120.6
Cash and cash equivalents at the end of the period	**43.5**	**130.0**

The GASAG Group's **cash flow from operating activities** amounted to EUR 107.4 million, down on the prior-year figure of EUR 159.4 million. This development is primarily due to the lower profit before tax and the higher income taxes paid.

The **cash flow from investing activities** amounting to € –123.0 million (previous year: € –109.8 million) primarily includes payments for replacement and expansion measures at gas distribution systems.

The **cash flow from financing activities** amounting to € –70.9 million (previous year: € –120.6 million) primarily includes payments for dividends totaling € 52.7 million (previous year: € 48.7 million) and loan repayments of € 47.3 million (previous year: € 82.1 million).

The **cash and cash equivilants** consist of cash on hand and bank balances.

3.6.4 NET FINANCIAL POSITION

The net financial position results from cash and cash equivalents less financial liabilities, leasing liabilities and the balance of positive and negative market values of derivatives.

MILLION €	2024	2023
Cash and cash equivalents	43.5	130.0
Liabilities to banks	–540.8	–547.9
thereof due in up to 1 year	*–95.8*	*–63.9*
thereof due after 1 year	*–445.0*	*–484.0*
Other financial liabilities	–82.2	–82.1
thereof due in up to 1 year	*–10.7*	*–1.1*
thereof due after 1 year	*–71.5*	*–81.0*
Leasing liabilities	–88.2	–91.8
thereof due in up to 1 year	*–10.8*	*–10.1*
thereof due after 1 year	*–77.4*	*–81.7*
Derivatives	32.5	–119.7
Net financial position	**–635.2**	**–711.5**

The change in net financial position is mainly due to the reduction in cash and cash equivalents and the improvement in the fair values of commodity derivatives.

3.7 OWNERSHIP STRUCTURE

In 2024, GASAG acquired the 0.0052 percent stake in EMB Energie Brandenburg GmbH, Michendorf, held by the Bundesanstalt für vereinigungsbedingte Sonderaufgaben (BvS – Federal Agency for Special Tasks associated with Unification).

BEN Berlin Energie und Netzholding GmbH, Berlin, acquired 16.32 percent of the shares in Stromnetz Berlin GmbH held by infrest – Infrastruktur eStrasse GmbH, Berlin, with economic effect from January 1, 2024.

GASAG Solution Plus GmbH, Berlin, sold its 51 % interest in G2plus GmbH, Berlin, to RGM Facility Management GmbH, Berlin.

GASAG acquired 50 % of the interests in Windpark Mallnow GmbH & Co.KG, Potsdam, from e.disnatur Erneuerbare Energien GmbH, Potsdam.

3.8 LEGAL ISSURES

Concession agreement

A concession agreement is in force between the State of Berlin and NBB for the territory of the State of Berlin, with a term until December 31, 2034. The State of Berlin has a contractually fixed right of objection, which, if exercised by November 30, 2025, would prevent the concession agreement from being extended beyond December 31, 2027.

Consortium agreement

The consortium agreement between the GASAG shareholders Vattenfall GmbH and ENGIE Beteiligungs GmbH has been implemented since January 1, 2021. As a result, a report by the management board on GASAG's relationships with affiliated companies in accordance with section 312 AktG (dependent company report) was prepared for the 2024 fiscal year.

3.8.1 OVERALL PICTURE OF THE BUSINESS DEVELOPMENT AND THE ECONOMIC SITUATION

The 2024 financial year, with all the original uncertainties when the forecast was made and the volatility on the energy markets, did not meet our expectations in terms of our key financial performance indicator "operating earnings (EBIT)". The main reason for this was the significantly warmer-than-normal weather, which had a significant negative impact on earnings. The weather-related shortfall in grid revenue will lead to higher grid fees in subsequent years and can be recovered on the revenue side.

Due to the decline in energy prices and the price reductions implemented, as well as the lower sales volumes due to weather conditions, **revenue** was well below the original forecast. The revenue trend was offset by a significant decline in the cost of materials due to the price-related decline in energy procurement costs and the warm weather.

We had expected the almost neutral result from discontinued operations.

Like the EBIT, the net profit for the year fell well short of our original expectations for the financial year.

The financial liabilities due in the 2024 financial year were covered at all times by the available liquidity, financial assets and existing credit lines.

4 OPPORTUNITIES AND RISKS

4.1 OPPORTUNITY/RISK MANAGEMENT SYSTEM

The ongoing identification, assessment, monitoring and documentation of opportunities and risks is just as much a part of the tasks of our managers and employees as is operational control with the help of suitable measures. The process responsibility lies with the risk management, which reports directly to the Management Board.

Opportunities and risks are deviations from the plan or forecast. When classifying these, we distinguish between operational and strategic opportunities and risks or general risks of life and assess the impact on our image. The probability of occurrence can be categorized as follows: very low, low, medium, high and very high probability of occurrence.

We express the opportunity or risk potential in relation to the results of operations, net assets and financial position of the GASAG Group as follows:

CLASSIFICATION OF POTENTIAL OPPORTUNITIES AND RISKS	DESCRIPTION OF THRESHOLDS
Low	Minor Improvement/deterioration
Appreciable	Moderate improvement/deterioration
Medium	Material positive/negative effect
High	High and potentially permanent improvement/deterioration
Very high	Material and probably permanent improvement/deteriation

Opportunities and risks exist in the various business units of the GASAG Group: Private and Business Customers, Network (Netzgesellschaft Berlin-Brandenburg), Green Solutions and Renewable Energies. The significant opportunities and risks for the GASAG Group are described below.

4.2 OVERWATCHING OPPORTUNITIES AND RISKS

The future gas supply situation in Europe remains uncertain due to the ongoing Russian war in Ukraine. According to the latest assessment by the German Federal Network Agency, the gas supply in Germany is stable, but the development after the end of the gas transit through Ukraine will be monitored closely. While the lost supplies from Russia were compensated for, in particular, by Norway, the EU countries affected by the interruption of transit are dependent on supplies from neighboring EU countries or their own storage facilities. At the turn of the year, storage facilities in Europe were only 70 % full, a relatively low level compared to previous years. This, combined with the halt in deliveries through Ukraine, is likely to increase price risks. A further risk of rising prices would be an increasing escalation of the Middle East conflict, which could interrupt LNG deliveries. A very cold winter in continental Europe, particularly in combination with outages in the import infrastructure, could result in a gas shortage.

The factors mentioned above continue to make wholesale gas and electricity prices highly volatile. Strong price fluctuations have a direct impact on the GASAG Group's market price risk.

Germany's goal of becoming climate-neutral by 2045 requires the gradual substitution of fossil fuels. Last year, the legislature passed the Building Energy Act (GEG) and the Heating Planning Act (WPG), which are intended to accelerate the move away from fossil fuels for heating. The results of the ongoing municipal heating planning for Berlin and Brandenburg will have a decisive influence on the future business models of the GASAG Group, particularly GE Netz. The aim is to stop using fossil natural gas in Germany by 2045, which could lead to a partial conversion of the gas supply to CO_2-free hydrogen and biomethane in Berlin and Brandenburg. To the extent that this will not be possible, parts of the network would have to be shut down in the future. Two high-pressure pipelines in Berlin's gas network, which are operated by GE Netz, have been included in the national hydrogen core network by order of the Federal Network Agency and can therefore in future take over hydrogen from the gas transmission system operator at the transfer stations and transport it to the combined heat and power plants of BEW Berliner Energie und Wärme AG, which are currently still supplied with natural gas, in an initial step. However, the market ramp-up of hydrogen, the expansion of domestic electrolysis capacity and the German government's import strategy, which was adopted last year, are still subject to uncertainty.

In addition, financing the heating transition in the coming years will pose a major challenge for the entire industry. The GASAG Group's “Future G” (“Zukunft G”) transformation program, with the central goal of strategically aligning the company for climate neutrality as early as possible, includes not only a dedicated hydrogen strategy for the network, planned investments in renewable energies, and the gradual greening of customer products.

4.3 PRICE AND VOLUME OPPORTUNITIES AND RISKS

Wholesale electricity and gas prices on both the futures and spot markets are highly volatile and remain at a significantly higher level than before the start of the energy price crisis in 2021. After energy prices fell to an annual low in February of last year, they have since risen to a new high since the end of 2023.

In particular, GE PuG is exposed to volume-related market price risks that result from adjustments to long-term sales forecasts for gas and electricity and the resulting offsetting transactions on the futures and spot markets. Opportunities and risks arise primarily from weather-related fluctuations in gas sales and the high price volatility on the spot market. If the actual temperature profile deviates from the assumed normalized temperatures, the resulting volume variances must be closed out at the current market price. At the same time, abnormal weather conditions cause the GE PuG to incur margin gains or losses compared to the budget.

Temperature is also the key factor influencing the GE Netz's transport volumes and the associated income from network fees. On the one hand, the GE Netz has the opportunity for additional income from network fees in cold weather and, on the other hand, the risk of reduced income from network fees in warm weather. Furthermore, the transmission volumes are influenced by the economy and the onset of the heating market transformation. However, for the GE Netz, these opportunities and risks are offset in the medium term by the applicable regulation.

On the basis of the current price level and the measures taken, such as raising the standard temperature, the loss potential for the GE PuG in the event of warm weather is only slight, consisting of negative price effects and lost margins, taking into account the planned income from risk premiums. However, the GE Netz would at the same time suffer a noticeable loss from lost network fees. In addition, there is a small probability of a medium-sized loss for the GE PuG in the event of prolonged periods of intense cold accompanied by a sharp rise in spot prices. However, this loss would be offset in the financial year by additional income from network fees in the GE Netz.

Likewise, cool weather could lead to noticeable success in the GE PuG from price and margin effects, taking into account income from risk premiums and, at the same time, a medium positive earnings contribution from GE Netz due to increased transport volumes.

However, deviations in quantity compared to plan can also result from changes in our customers' purchasing behavior. Last year, less gas was purchased than could be explained by weather-adjusted consumption patterns. It is therefore assumed that customers will continue to plan their consumption with a certain degree of caution. The uncertainty regarding future gas customer demand, as well as volume variances among process gas customers due to economic developments, for example, creates a noticeable forecasting risk for sales, but also an opportunity from overly cautious volume planning. We monitor the development of sales volumes on a monthly basis and continuously adjust our forecasts according to expectations.

Pursuant to the GASAG Group's risk policy of pure sales-oriented procurement and the corresponding limitation using VaR and volume limits, **market price risks and opportunities from open items** in gas, electricity, biogas or certificates in the area of energy procurement only contain an insignificant opportunity and risk potential.

The **open interest rate position** in the finance area also results in an insignificant opportunity and risk potential. The open interest rate position arises from the time lag between the planning date of the loan and the actual financing, which means that the actual interest incurred could exceed the planned values. Furthermore, an open interest rate position can arise from variable-rate loans.

4.4 MARKET OPPORTUNITIES AND RISKS

The market situation is characterized by significantly intensified competition. GE PuG sees itself exposed to competitive risks in gas and electricity sales, particularly with regard to its goal of expanding its customer portfolio. The potential loss in relation to the planned revenue is low and has a medium probability of occurrence. While new customer tariffs directly pass on the lower trading prices to customers compared to the energy price crisis, existing customer tariffs were more expensive due to the advance procurement. This risk is countered with an adjusted price hedging strategy to generate competitive prices and a well-positioned product portfolio.

In the area of energy supply contracting (heat supply) at GE GS, the ongoing construction crisis poses a risk to the implementation of planned projects. In addition to high construction costs due to the sharp rise in the prices of construction materials, tighter building regulations and an increasing shortage of building land are reducing the potential for new, profitable projects. We are therefore increasingly focusing on developing green solutions as part of existing projects. In addition, the acute shortage of skilled workers is causing delays and increasing costs in existing construction projects. However, this development has already been taken into account in the planning. Furthermore, the legal requirements for pricing pose a challenge for the establishment of green solutions.

4.5 COUNTERPARTY DEFAULT RISKS

We manage counterparty default risks with a creditworthiness-oriented receivables management system for our customers and with a limit system and a well-diversified trading partner portfolio for banks and energy trading partners. We use credit insurance as security in appropriate cases. The further development of our limit system, based on banking regulatory practices, makes it significantly more robust in volatile times and allows us to manage risks better.

Credit risks in energy trading have increased again due to the latest price developments. If prices continue to rise, these risks will also increase. In the short term, we see a low potential for losses from counterparty default with a very low probability of occurrence. In theory, counterparty default risks that we have with our trading partners could impair market liquidity and the GASAG Group's individual ability to perform hedging transactions to the desired extent.

The credit risk with respect to our household and commercial customers is unchanged as against the prior year. In the corporate customer business, the credit risk has increased due to the economic development. The GASAG Group focuses strongly on supplying the public sector and the real estate industry, where the credit risk is non-existent in some cases or at least below average.

4.6 LIQUIDITY RISKS

Liquidity risks arise primarily from an unforeseeable financial requirement, which may result, on the one hand, from the collateralization of forward transactions (margin payments). The amount of the liquidity outflow then depends on the extent to which current market prices fall short of the contractually agreed procurement prices. Due to the continued high volatility, substantial basic collateral must also continue to be provided. On the other hand, extremely cold weather and the associated price increases can lead to an unplanned outflow of liquidity due to high procurement costs on the spot market that are due immediately. This risk is countered by maintaining a liquidity reserve in the form of immediately available credit balances and additional credit lines.

4.7 GOVERNANCE, COMPLIANCE AND INFORMATION RISKS

Germany has set itself the goal of becoming climate-neutral by 2045, which requires the gradual substitution of fossil fuels. In particular, hydrogen and biomethane are to play a role in this. The GE Netz is therefore pursuing a hydrogen strategy, according to which a hydrogen start-up network for Berlin is to be set up in the first phase by 2030, which can supply hydrogen to major Berlin network connections. The prerequisites for this were created in 2024 by the inclusion of two high-pressure pipelines in the Berlin gas network in the national hydrogen core network.

The heating plans for Berlin and Brandenburg will provide information on the extent to which the gas network could be converted to hydrogen, among other things. They thus contain corresponding opportunities and risks for the continued existence of the network. Only after the heating plans have been completed can a valid assessment be made of the possibilities for further use of the network, and of which parts of the network would have to be decommissioned and possibly dismantled after 2045.The GE network of the GASAG Group is subject to significant opportunities and risks that arise from the decisions of the regulatory authorities, in particular from the final assessment of the revenue caps until 2027.

In order to provide regulatory support for the transformation of gas networks in the context of decarbonization, the BNetzA, with its decision on KANU 2.0, has created the possibility of depreciating existing plants over a shorter period of time for accounting purposes. This is to ensure that the network customer is not burdened with excessive fee increases and that the investments in the gas network can be earned again. From 2025, GE Netz will make moderate use of this option, which will lead to an increase in the regulatory revenue cap for the coming years and will also have a positive impact on the planned result. However, there is currently a small probability that the legislator will create regulations for the future accounting of the effects of KANU 2.0 in the annual financial statements under commercial law - for example, with regard to changes in depreciation schedules or the need for additional decommissioning provisions - which could offset the planned increase in earnings due to KANU 2.0.

4.8 LEGAL RISKS

In its role as a basic supplier, GASAG is obliged to supply customers who cannot find another supplier, even if this is caused by the improper behavior of other market participants. We met this particular challenge at the end of 2021 by introducing a new basic and replacement supply tariff, particularly in light of the incipient energy price crisis. GASAG has since been involved in an ongoing legal dispute over the permissibility of this price split for which sufficient provisions had already been recognized in previous periods.

4.9 CONCESSIONS RISKS

Concession risks are inherent in NBB's (GE Netz) business model. The network is subject to competition both with regard to the extension of existing concession agreements and the conclusion of new ones.

A significant risk is the loss of the concession for the Berlin gas network. A gas network concession agreement is in force between the State of Berlin and NBB for the network area of the State of Berlin, which runs until 31 December 2034. The State of Berlin has a contractually fixed right of objection, which, if exercised by 30 November 2025, would prevent an extension of the concession agreement beyond 31 December 2027.

NBB also holds numerous other concession agreements in the Berlin-Brandenburg grid area. One measure for reducing the risk of losing concessions and increasing the chances of acquiring new ones is to work closely with the franchisors.

4.10 OPPORTUNITIES/RISKS FROM THE STORAGE SHUTDOWN

In the course of the decommissioning process for the Berlin natural gas storage facility, taking into account the provisions created, there are low to noticeable risks with regard to the costs of dismantling and aftercare, each with a medium probability of occurrence. Decommissioning and dismantling are now well advanced. Aggregated across all opportunities and risks of storage decommissioning, there remains a low potential for damage with a medium probability of occurrence.

4.11 OPERATIONAL RISKS

The Federal Office for Information Security has information that the threat of possible cyber attacks, including against critical infrastructure sectors such as the energy industry and its suppliers, could intensify. Appropriate measures to minimize risk are continuously being implemented, taking into account reports and advice from the security authorities. Particular importance is attached to information security, and risks are counteracted by group-wide training, regular employee information, up-to-date regulations and practical simulations.

The heightened threat of cyber attacks and acts of sabotage against the GASAG Group's supply facilities is also countered by GE Netz's ISO27001-certified information security management system and by strengthening security precautions. Organizational and technical precautions have been put in place to avoid disruptions to the availability, integrity, authenticity and confidentiality of the IT systems, components and processes. Regular drills are held throughout the GASAG Group in the event of an emergency.The risk of a gas shortage is currently classified as low. GE Netz is generally prepared for an emergency and regularly conducts crisis drills with the relevant process participants. In the event of a prolonged gas shortage, GE Netz has taken further precautionary measures to ensure security of supply in accordance with the requirements of the relevant authorities. The business unit can counter the associated risk of a sudden, severe decline in revenue with its fundamentally good liquidity position, which ensures that supply operations can be maintained.

Overall, the aggregated operational risks result in a low potential for damage with a low probability of occurrence.

4.12 COMPLIANCE

The established compliance training concept is optimized on an ongoing basis. The focus of operational compliance work is on training employees to avoid corruption and discrimination and on providing advice in such cases. The requirements for the protection of whistleblowers were implemented in the GASAG Group by means of appropriate regulations and the establishment of reporting channels for internal and external whistleblowers. In addition, a human rights officer has been appointed in accordance with the Supply Chain Due Diligence Act.

Opportunity and risk situation

Based on the overall risk situation, taking into account the likelihood of occurrence and the measures taken, we do not currently see any threat to the continued existence of the GASAG Group.

5 FORECAST

The following sections explain the operational measures planned to achieve our forecast targets and the revenue and earnings development of the GASAG Group.

The forecast period is one year. The assumptions on which the forecasts are based were formulated using a qualified comparative method and are presented below.

5.1 MEASURES TO IMPLEMENT THE STRATEGY

As part of the ZUKUNFT G transformation program, the GASAG Group is continuing its strategic focus on climate neutrality and on achieving its earnings targets. In view of the ongoing climate change and the current critical dependence on fossil fuels, the company is resolutely pursuing its decarbonization strategy. The focus is on tapping growth opportunities, particularly in the area of sustainable energy services, intensifying market development in Brandenburg, and investing in renewable energies and future-proof grid infrastructure. This growth will be supported by ongoing efficiency improvements in all areas of the company.

In the GE PuG, we want to continue to grow profitably by acquiring new electricity customers while stabilizing the gas business. The positive trend in the greening of our products is to be continued. With a focus on customer retention, GE PuG also aims to maintain high customer satisfaction scores for the 2025 financial year. In addition, the sale of energy services for private customers is to be further promoted. By further developing process automation and digitization, we want to improve the customer experience and optimize internal processes.

GE FS continues to focus on expanding decentralized climate-neutral energy solutions. These include decarbonization projects in existing buildings as well as the development of green supply solutions for business customers in the private and public sectors. Particular attention is paid to tapping into renewable heat sources, for example by using waste heat from data centers or geothermal potential. In order to handle projects more efficiently and to scale climate-neutral supply solutions more quickly, the product portfolio is being further standardized and modularized. At the same time, the sales focus is shifting from small to medium-sized and large projects. Significant growth in earnings and sales is planned for GE GS in the medium term, for which the investment funds used are also being increased accordingly.

The priorities of the GE network remain ensuring the safe operation of the natural gas infrastructure and firmly establishing the gas networks as future-proof and efficient components of the regional energy transition. Investments in the maintenance of the network infrastructure are particularly important for ensuring security of supply. The implementation phase for Berlin's hydrogen start-up network began in 2024 and will continue in 2025. In Brandenburg, the grid expansion will continue to enable the integration of climate-neutral gases into regional distribution networks.

GE EE continues to drive forward the growth of the portfolio through consistent market development. Based on the existing project pipeline, new wind and photovoltaic projects are to be developed either independently or, preferably, in cooperation with partners. In addition, it is planned to develop comprehensive energy concepts for municipalities in cooperation with other GASAG business units.

As part of the realignment of the billing systems for all market roles, the first step in replacing the central SAP IS-U systems with the modern S/4 HANA Utilities platform, the conversion of the market role of the distribution system operator in the PHOENIX project, is to be completed in 2025. In the same year, the GARUDA project will start the conversion for GASAG sales.

The GASAG Group is preparing thoroughly for the upcoming reporting requirements under the Corporate Sustainability Reporting Directive (CSRD) for fiscal year 2025.

5.2 BUSINESS DEVELOPMENT

The GASAG Group bases its forecast on long-term average temperature trends (normal year). The forecast mean temperature was increased compared to the prior-year forecast due to the trend towards rising temperatures. Prices on the energy markets are expected to remain roughly in line with the average level of the past fiscal year. In light of the market situation, the GASAG Group expects the competitive environment to remain intense in 2025, especially in gas and electricity sales. Taking into account the average assumptions of the standard year, we expect temperatures to be below those of 2024 and thus rising average consumption by our customers, despite a general decline in energy consumption due to energy savings resulting from energy-efficient renovations, behavioral changes and technical change. In the gas business, we are aiming for a stable customer base. In terms of operations, the focus is on intensifying our own sales activities and safeguarding our customer base across all sales channels. We expect a slight overall increase in gas turnover to end customers and secondary distributors, due in particular to temperature-related factors.

In the electricity sales business, we expect to see a moderate increase in electricity sales in 2025. This is due to our sales activities, which are aimed at sustainably and profitably increasing our customer base.

Despite the assumption of a decline in energy consumption, we expect volumes in gas transmission in the 2025 financial year to be slightly above the 2024 level based on long-term average temperature trends with temperatures below those of 2024.

5.3 DEVELOPMENT OF REVENUE AND EARNINGS

Assuming stable prices and the expectation of a slight increase in sales and transport volumes, we expect 2025 sales revenues to be slightly higher than in the previous year.

The main factor increasing EBIT is the absence of the negative weather effect in 2024 at the normal temperature assumed for 2025. In addition, we forecast an increase in the regulatory revenue cap and, as a result, higher revenues from grid fees for the coming year due to the implementation of KANU 2.0 and the effect of increasing the efficiency factor of the gas grid to 100 %. This will also have a positive impact on EBIT. By contrast, we expect a moderate increase in personnel expenses due to higher wages and salaries and the increase in the number of employees. Overall, the operating result (EBIT) in 2025 will be significantly higher than the EBIT for the 2024 financial year.

Due to the increase in interest rates for financing, we expect the financial result to be significantly lower than in the previous year. We expect a balanced result from discontinued operations. Overall, we are forecasting a net profit for the year that is well above the previous year's figure.

Berlin, February 27, 2025

GASAG AG
The Board

Georg Friedrichs | Stefan Hadré | Matthias Trunk

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF GASAG

FINANCIAL STATEMENTS

of the GASAG Group, Berlin, for the fiscal year 2024

BALANCE SHEET OF THE GASAG GROUP IN ACCORDANCE WITH IFRSs AS OF DECEMBER 31, 2024

ASSETS

IN € K	NOTES NO.	DEC. 31, 2024	Dec. 31, 2023
A. Non-current assets			
1. Intangible assets	(13)	179,253	179,587
2. Property, plant and equipment	(14)	1,677,847	1,642,089
3. Rights of use	(15)	81,641	87,042
4. Investments in associates	(16)	20,186	15,066
5. Financial assets	(17)	35,003	22,526
6. Non-current contract assets	(18)	13,937	7,305
7. Deferred tax assets	(19)	17,836	61,809
		2,025,703	**2,015,424**
B. Current assets			
1. Inventories	(20)	118,479	88,951
2. Financial assets	(17)	30,765	2,381
3. Income tax receivables	(21)	10,602	10,854
4. Trade receivables and other receivables	(22)	242,293	274,776
5. Current contract assets	(18)	5,869	6,453
6. Cash and cash equivalents	(23)	43,500	130,037
7. Assets held for sale	(24)	603	0
		452,111	**513,452**
		2,477,814	**2,528,876**

EQUITY AND LIABILITIES

IN € K	NOTES NO.	DEC. 31, 2024	Dec. 31, 2023
A. Equity	(25)		
1. Subscribed capital		413,100	413,100
2. Share premium		42,461	42,461
3. Reserve for unrealized gains or losses		13,438	–94,851
4. Retained earnings		359,411	354,198
5. Non-controlling interests		5,982	5,213
		834,392	**720,121**
B. Non-current liabilities			
1. Deferred income	(26)	247,472	249,864
2. Provisions	(27)	48,572	50,901
3. Financial liabilities	(28)	520,177	586,427
4. Other liabilities	(29)	79,624	86,477
5. Deferred tax liabilities	(19)	118,800	112,222
		1,014,645	**1,085,891**
C. Current liabilities			
1. Deferred income	(26)	11,711	11,465
2. Provisions	(27)	44,552	58,249
3. Financial liabilities	(28)	113,665	165,498
4. Trade payables and other liabilities	(29)	432,748	452,993
5. Income tax liabilities	(31)	25,861	452,993
6. Liabilities associated with assets held for sale	(24)	240	0
		628,777	**722,864**
		2,477,814	**2,528,876**

STATEMENT OF COMPREHENSIVE INCOME FOR THE GASAG GROUP IN ACCORDANCE WITH IFRSs FOR THE PERIOD FROM JANUARY 1 TO DECEMBER 31, 2024

INCOME STATEMENT

IN € K	NOTES NO	JAN. 1 to DEC. 31, 2024	Jan 1 to Dec. 31, 2023
1. Revenue	(1)	1,625,030	2,276,759
2. Changes in inventories		1,186	1,463
3. Other operating income	(2)	47,870	46,745
4. Cost of materials	(3)	1,237,483	1,826,684
5. Personnel expenses	(4)	141,306	132,577
6. Depreciation	(5)	103,226	101,126
7. Other operating expenses	(6)	100,956	120,966
8. Profit from operations		**91,115**	**143,614**
9. Share in profit or loss of associates	(7)	1,451	861
10. Profit from other equity investments	(7)	1,673	958
11. Finance costs	(8)	16,067	17,665
12. Other financial result	(8)	2,471	5,969
13. Profit before taxes		**80,643**	**133,737**
14. Income taxes	(9)	22,237	42,254
15. Profit from continuing operations		**58,406**	**91,483**
16. Profit or loss from discontinued operations	(10)	–52	–5,209
17. Profit for the period		**58,354**	**86,274**
18. Profit for the period attributable to non-controlling interests		521	887
19. Profit for the period excluding non-controlling interests		**57,833**	**85,387**
20. Earnings per share (in EUR)	**(12)**	**7.14**	**10.54**

STATEMENT OF COMPREHENSIVE INCOME

IN € K	NOTES NO	JAN. 1 to DEC. 31, 2024	Jan 1 to Dec. 31, 2023
1. Profit for the period		**58,354**	**86,274**
2. Cash flow hedges		152,394	–160,886
3. Income tax effects		–45,402	47,880
		106,992	**–113,006**
4. Net other comprehensive income to be reclassified to profit or loss in subsequent periods		**106,992**	**–113,006**
5. Actuarial profit or loss		1,830	–4,182
6. Income tax effects		–533	1,256
		1,297	**–2,926**
7. Net other comprehensive income not to be reclassified as profit or loss in subsequent periods		**1,297**	**–2,926**
8. Other comprehensive income	**(11)**	**108,289**	**–115,932**
9. Total comprehensive income		**166,643**	**–29,658**
10. Total comprehensive income attributable to non-controlling interests		521	888
11. Total comprehensive income excluding non-controlling interests		**166,122**	**–30,546**

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STATEMENT OF THE CHANGES IN EQUITY OF THE GASAG GROUP IN ACCORDANCE WITH IFRSs AS OF DEC. 31, 2024

SEE NOTE (24)

IN € K	SUBSCRIBED CAPITAL	SHARE PREMIUM	RESERVE FOR UNREALIZED GAINS AND LOSSES
As of Jan. 1, 2023	**413,100**	**42,461**	**21,082**
Total comprehensive income	0	0	–115,933
thereof profit of the period	*0*	*0*	*0*
thereof other comprehensive income pursuant to IAS 39 / IFRS 9	*0*	*0*	*–113,006*
thereof other comprehensive income pursuant to IAS 19	*0*	*0*	*–2,927*
Dividend distribution to owners	0	0	0
As of Jan. 1, 2024	**413,100**	**42,461**	**–94,851**
Total comprehensive income	0	0	108,289
thereof profit of the period	*0*	*0*	*0*
thereof other comprehensive income pursuant to IAS 39 / IFRS 9	*0*	*0*	*106,992*
thereof other comprehensive income pursuant to IAS 19	*0*	*0*	*1,297*
Dividend distribution to owners	0	0	0
Acquisition of subsidiaries	0	0	
Disposals/additions of minority interests	0	0	0
As of Dec. 31, 2024	**413,100**	**42,461**	**13,438**

	TOTAL RETAINED EARNINGS	SUBTOTAL FOR THE GROUP	NON-CONTROLLING INTERESTS	TOTAL
	317,396	**794,039**	**4,528**	**798,567**
	85,387	–30,546	888	–29,658
	85,387	*85,387*	*887*	*86,274*
	0	*–113,006*	*0*	*–113,006*
	0	*–2,927*	*1*	*–2,926*
	–48,600	–48,600	–190	–48,790
	354,198	**714,908**	**5,213**	**720,121**
	57,833	166,122	521	166,643
	57,833	*57,833*	*521*	*58,354*
	0	*106,992*	*0*	*106,992*
	0	*1,297*	*0*	*1,297*
	–52,650	–52,650	–132	–52,782
	0	0	0	0
	30	30	380	410
	359,411	**828,410**	**5,982**	**834,392**

STATEMENT OF CASH FLOWS FOR THE GASAG GROUP IN ACCORDANCE WITH IFRSs AS OF DEC. 31, 2024

IN € K	2024	2023
Profit before income taxes from continuing operations	**80,643**	**133,737**
Profit or loss before income taxes from discontinued operations	**–75**	**–7,461**
– Income taxes paid	–30,515	–3,898
+/– Write-downs / write-ups of non-current assets	103,226	99,325
thereof from discontinued operations	*52*	*55*
+/– Increase / decrease in provisions	–2,246	–17,133
thereof from discontinued operations	*–7,629*	*–3,545*
+/– Other non-cash expenses / income	–22,263	–3,159
–/+ Gain / loss on the disposal of non-current assets	–952	1,165
–/+ Increase / decrease in inventories	–29,529	2,244
–/+ Increase / decrease in receivables	30,832	12,539
+/– Increase / decrease in liabilities	–21,773	–57,943
= Cash flows from operating activities	**107,348**	**159,416**
– Cash paid for investments in intangible assets	–5,458	–3,411
+ Cash received from the disposal of property, plant and equipment	2,618	346
– Cash paid for investments in property, plant and equipment	–129,381	–114,291
+ Cash received from the disposal of non-current financial assets	4,766	2,340
– Cash paid for investments in non-current assets	–5,582	–716
+ Cash received from investment subsidiaries from third parties	10,027	5,955
= Cash flows from investing activities	**–123,010**	**–109,777**
– Cash paid to owners	–52,650	–48,600
– Cash paid to non-controlling interests	–71	–60
+ Cash received from the raising of loans	40,181	20,114
– Cash repayments of loans	–47,262	–82,134
– Cash paid for finance lease liabilities	–10,529	–9,638
+ Cash from the raising of loans from non-controlling interests	0	50
– Cash paid for the repayment of loans from non-controlling interests	–544	–289
= Cash flows from financing activities	**–70,875**	**–120,557**
= Change in cash and cash equivalents	–86,537	–70,918
+ Cash and cash equivalents at the beginning of the period	130,037	200,955
= Cash and cash equivalents at the end of the period	**43,500**	**130,037**

NOTES

to the Consolidated Financial Statements of GASAG
as of December 31, 2024 (IFRSs)

1 PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS OF GASAG

The parent company of the GASAG Group is GASAG AG, Berlin (hereinafter referred to as GASAG). It has its registered office at EUREF-Campus 23-24 in 10829 Berlin, Germany, and is registered in the commercial register of Berlin-Charlottenburg under HRB 44343 B.

The management board prepared the consolidated financial statements as of December 31, 2024 and the management report for the GASAG Group for the fiscal year from January 1 to December 31, 2024 and is expected to release them on 10 April 2025 for presentation to the supervisory board.

GASAG's customers include private households, trade and industry, companies in the housing sector, hospitals and municipal entities, redistributors and users of gas transport services. Our business activities focus on the Berlin-Brandenburg metropolitan region.

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) on the basis of Sec. 315e (3) HGB ["Handelsgesetzbuch": German Commercial Code]. All additional disclosures required under the German Commercial Code have been made.

The consolidated financial statements have been prepared using the cost method, except for derivative financial instruments and available-for-sale financial assets, which are measured at fair value.

The consolidated financial statements are presented in euros. Unless stated otherwise, all amounts are in thousands of euros (EUR k).

For the sake of clarity, items have been combined in the statement of comprehensive income and balance sheet and disclosed separately and explained in the notes to the consolidated financial statements.

The income statement has been prepared using the nature of expense method.

2 APPLICATION OF INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs)

The International Financial Reporting Standards/International Accounting Standards (IFRSs/IASs) effective as of the balance sheet date were applied in preparing GASAG's consolidated financial statements. The applicable interpretations of the International Financial Reporting Standards Interpretations Committee/Standing Interpretations Committee (IFRICs/SICs) were also observed.

GASAG's consolidated financial statements comply in all respects with IFRSs/IASs and the IFRICs/SICs.

CHANGE IN ACCOUNTING POLICIES

The accounting policies applied are generally consistent with those of the prior fiscal year.

In addition, in the financial year 2024 the group has applied the existing or revised standards of the International Accounting Standards Board (IASB) and interpretations of the IFRS Interpretations Committee (IFRS IC), which have already been adopted by the European Union and whose application is mandatory for financial years beginning on January 1, 2024.

For reporting periods beginning on or after January 1, 2024, only amendments to existing standards were applicable. In addition, two new standards were adopted that are not applicable until later financial years.

ADOPTED AND INCORPORATED INTO EU LAW WITH DATE OF APPLICATION JANUARY 1, 2024

- Amendments to **IAS 1** “Presentation of Financial Statements”
  - the amendments include clarifications regarding the classification of liabilities as current or non-current and the terms of loan agreements existing at the end of the reporting period
  - the changes have no material impact on the GASAG Group
- Amendments to **IFRS 16** “Leases”
  - the amendments include regulations on the subsequent accounting of sale and leaseback transactions
  - such contracts do not currently exist in the GASAG Group
- Amendments to the standards **IAS 7** “Statement of Cash Flows” and **IFRS 7** “Financial Instruments: Disclosures” on supplier financing arrangements
  - the amendments are intended to provide better information on these agreements with regard to their impact on debt, cash flows and liquidity risks and their disclosure in the cash flow statement
  - there were no such agreements in the GASAG Group in the past fiscal year

The aforementioned changes had no material impact on GASAG's consolidated financial statements.

In the 2024 financial year, the IASB published two new standards and amendments to existing standards that are not yet mandatory in the EU in the 2024 financial year. These standards and amendments to standards listed below are not expected to have a material impact on GASAG‘s consolidated financial statements:

- **IFRS 18** “Presentation and Disclosures in Financial Statements”
  - the amendments to the standard relate, among other things, to the structure of the income statement and new disclosures for certain performance indicators
  - IFRS 18 will replace IAS 1 in future, but many of the existing principles of IAS 1 will be retained in IFRS 18
  - an endorsement by the EU is still pending; the planned date of application relates to financial years beginning on or after 1. January 2027

- **IFRS 19** “Subsidiaries without public accountability”
  - the standard allows certain subsidiaries to apply IFRS accounting standards with reduced disclosures in the notes
  - the changes are not relevant for the companies of the GASAG Group
  - an endorsement by the EU is still pending; the planned date of application relates to financial years beginning on or after 1. January 2027

- Amendments to **IAS 21** “The Effects of Changes in Foreign Exchange Rates”
  - the amendments concern regulations on exchangeability between two currencies
  - an endorsement by the EU is still pending; the planned date of application relates to financial years beginning on or after 1. January 2025

- Amendments to **IFRS 9** “Financial Instruments” and **IFRS 7** “Financial Instruments: Disclosures” on the classification and measurement of financial instruments
  - the amendments relate, among other things, to various clarifications regarding the recognition of certain assets and liabilities
  - an endorsement by the EU is still pending; the planned date of application relates to financial years beginning on or after 1. January 2026

3 CONSOLIDATED GROUP

In addition to GASAG, 27 German subsidiaries were fully consolidated, 8 associates and 5 joint operations were accounted for in accordance with the equity method in the consolidated financial statements.

CHANGES IN CONSOLIDATED GROUP

AFFILIATED GROUP

In 2024, GASAG took over the 0.0052 % shareholding in EMB Energie Brandenburg GmbH, Michendorf, held by the Federal Agency for Special Unification-related Tasks.

BEN Berlin Energie und Netzholding GmbH, Berlin, acquired 16.32 % of Stromnetz Berlin GmbH's shares in infrest - Infrastruktur eStrasse GmbH, Berlin, with economic effect from January 1, 2024.

ASSOCIATED/JOINTED VENTURES

GASAG Solution Plus GmbH, Berlin, has sold its 51 % stake in G2plus GmbH, Berlin, to RGM Facility Management GmbH, Berlin.

GASAG acquired 50 % of the shares in Windpark Mallnow GmbH & Co. KG, Potsdam, from e.disnatur Erneuerbare Energien GmbH, Potsdam.

INVESTMENT OVERVIEW	Shares
Fully consolidated companies	
BAS Kundenservice Beteiligungs-GmbH, Berlin	100 %
BAS Kundenservice GmbH & Co. KG, Berlin	100 %
Berliner Erdgasspeicher GmbH, Berlin	100 %
DATA2HEAT Holding GmbH, Berlin [8]	50 %
DATA2HEAT Marienpark GmbH & Co. KG, Berlin [5]	100 %
DATA2HEAT Verwaltungs-GmbH, Berlin [5]	100 %
EMB-Beteiligungsgesellschaft mbH, Michendorf [2]	100 %
EMB Energie Brandenburg GmbH, Michendorf	99,9081 %
GASAG Beteiligungs-GmbH, Berlin	100 %
GASAG next GmbH, Berlin	100 %
GASAG Solution Plus GmbH, Berlin	100 %
GASAG Windpark Verwaltungs-GmbH, Berlin	100 %
infrest – Infrastruktur eStrasse GmbH, Berlin [6]	67,36 %
KKI Competence Center Critical Infrastructures GmbHv, Berlin [6]	74,90 %
NBB Netz-Beteiligungs-GmbH, Berlin	100 %
NBB Netzgesellschaft Berlin-Brandenburg mbH & Co. KG, Berlin [3]	100 %
Netzgesellschaft Forst (Lausitz) mbH & Co. KG, Forst (Lausitz) [4]	100 %
Solar Project 19 GmbH & Co. KG, Cottbus [2]	90 %
SP V GmbH & Co. KG, Cottbus [2]	80 %
SP VI GmbH & Co. KG, Cottbus [2]	80 %
SP VII GmbH & Co. KG, Cottbus [2]	80 %
SP VIII GmbH & Co. KG, Cottbus [2]	80 %
SP IX GmbH & Co. KG, Cottbus [2]	80 %
SP XI GmbH & Co. KG, Cottbus [2]	80 %
SpreeGas Verwaltungs-GmbH, Cottbus [2]	100 %
Stadtwerke Forst GmbH, Forst (Lausitz) [2]	74,90 %
Windpark Dahme - Wahlsdorf 2 GmbH & Co. KG, Berlin	100 %
Companies accounted for using the equity method	
ARGE Wärmelieferung, Cottbus [2, 9]	50 %
Berliner Energieagentur GmbH, Berlin	25 %
Consus Netz-Werk GmbH, Berlin [8, 9]	25,1 %
Gasversorgung Zehdenick GmbH, Zehdenick [2]	25,1 %
Gas-Versorgungsbetriebe Cottbus GmbH, Cottbus [2]	37 %
Netzgesellschaft Hennigsdorf Gas mbH, Hennigsdorf [2, 9]	50 %
Netzgesellschaft Hohen Neuendorf Gas GmbH & Co. KG, Hohen Neuendorf [2]	49 %
NGK Netzgesellschaft Kyritz GmbH, Kyritz [2]	49 %
Quartierswerk Gartenfeld GmbH, Berlin [8, 9]	50 %
Rathenower Netz GmbH, Rathenow [2]	35 %
WGI GmbH, Dortmund [6]	49 %
Windpark Mallnow GmbH & Co.KG [9]	50 %
WN Windpark Naundorf GmbH & Co.KG, B	75 %

INVESTMENT OVERVIEW	Shares
Other shares	
Partner für Berlin Holding Gesellschaft für Hauptstadt-Marketing mbH, Berlin [1]	< 1 %
Stadtwerke Brandenburg an der Havel GmbH & Co. KG, Brandenburg an der Havel [1,7]	12,25 %
Stadtwerke Brandenburg Verwaltungs GmbH, Brandenburg an der Havel [1,7]	12,25 %
Stadtwerke Premnitz GmbH, Premnitz [1,2]	10 %

1) not included, as GASAG AG, Berlin, has neither a controlling nor a significant influence
2) indirect investment via EMB Energie Brandenburg GmbH, Michendorf
3) indirect shareholding via GASAG Beteiligungs-GmbH 7.64 % and GASAG AG, Berlin, 92.36 %
4) indirect investment via Stadtwerke Forst GmbH, Forst (Lausitz)
5) indirect investment via DATA2HEAT Holding GmbH, Berlin
6) indirect investment via NBB Netzgesellschaft Berlin-Brandenburg mbH & Co. KG, Berlin
7) indirect investment via EMB-Beteiligungsgesellschaft mbH, Michendorf
8) indirect investment via GASAG Solution Plus GmbH, Berlin
9) joint management

4 CONSOLIDATION PRINCIPLES

The consolidated financial statements include GASAG and the subsidiaries that it controls. Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control. The acquisition of non-controlling interests is accounted for in accordance with the entity method. Consolidation ends as soon as the parent ceases to have control. The financial statements of the subsidiaries are prepared for the same reporting period as the parent, using consistent accounting policies. All intragroup balances, transactions, unrealized gains and losses and dividends resulting from intragroup transactions are eliminated in full.

Losses incurred by subsidiaries are attributed to the non-controlling interest even if that results in a deficit balance.

A change in the ownership interest in a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the parent loses control over a subsidiary, it derecognizes the assets and liabilities of its former subsidiary from the consolidated balance sheet. Any equity investment retained is recognized at fair value and the gain or loss associated with the loss of control attributable to the former controlling interest is also recognized.

5 ACCOUNTING POLICIES

ASSUMPTIONS AND ESTIMATES

In preparing GASAG's consolidated financial statements, assumptions and estimates have been made which have had an effect on the recognition and reported amounts of assets and liabilities, income and expenses and contingent liabilities. The actual values may in some cases differ from the assumptions and estimates. The key assumptions about the future and other major sources of estimation uncertainty at the balance sheet date that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next fiscal year are discussed in the relevant items in the notes.

Assumptions and estimates are made, among other things, in the valuation of the Berlin natural gas storage facility in connection with the decision to decommission it in December 2022, the valuation of financial instruments, the recognition of provisions, impairment tests and the special operating plan approved in March 2023.

The effects of the estimation assumption on the balance sheet are shown in the respective explanatory note of the balance sheet item concerned.

RECOGNITION OF INCOME AND EXPENSES

Revenue is recognized when goods are delivered to the customer or the service is rendered. Services are deemed rendered and merchandise or goods delivered when the risks associated with ownership have been transferred to the buyer. Revenue from the sale of natural gas, heat, electricity and water to end users and redistributors as well as from network access charges is recognized when these resources are used by the customer under a contractual agreement. The revenue corresponds to the value of the volume supplied and billed, including the estimated values of volumes supplied between the last bill and the balance sheet date.

In case of contracts with several performance obligations, revenue is recognised for remaining performance obligations in accordance with the performance rendered (IFRS 15.B16). The breakdown of the transaction price results from the individual prices stated in the specific contractual context (IFRS 15.126c).

Interest income is recognized in the period to which it relates using the effective interest method.

Profit distributions are recognized at the time when the legal claim for payment arises.

Operating expenses are recognized when a service is used or when the costs are incurred.

Interest expenses are recognized as finance costs in the period to which they relate.

Regulatory deferral accounts (assets and liabilities) differ from the definition of assets and liabilities laid down in IFRSs and are thus not recognized

INTANGIBLE ASSETS

Goodwill is tested for impairment on an annual basis and when there is any indication that it may be impaired. This requires an estimate of the value in use of the cash-generating units to which goodwill is allocated and the application of an appropriate discount rate to determine the present value of the related cash flows.

Impairment is determined by assessing the recoverable amount of the cash-generating unit. The cash-generating units correspond to the legal entities. The recoverable amount is the higher of an asset's fair value less costs to sell (net selling costs) and its value in use. The recoverable amount is determined on the basis of the fair value less costs to sell and the value in use.

The medium-term forecasts for a period of three years form the basis for determining the value in use for the cash-generating entities.

The discount rates are calculated using the weighted average cost of capital (WACC) model. The return on equity is determined using the Capital Asset Pricing Model (CAPM) and currently amounts to 7.02 % (previous year: 6.98 %) after taxes using a debt beta factor of 0.65 (previous year: 0.60). The interest on debt is derived from industrial bonds with a rating comparable to that of the GASAG Group and amounts to 2.44 % (previous year: 3.30 %) after taxes. The discount rate also depends on the ratio of equity and debt capital employed. The gearing ratio is 69.7 % (previous year: 68.8 %). Certain cost of capital parameters, such as the beta factor and the gearing ratio, are derived using data from a peer group of companies. These peer group companies operate in the same business segments as GASAG, so that the business segment-specific risk for both the regulated grid business and the sales business is taken into account in the cost of capital. The resulting WACC is 5.14 % (previous year: 5.48 %) after taxes for the calculation of the fair value less costs to sell. The growth rate as at December 31, 2024 taken into account after the planning period was valued at 1.00 % (previous year: 1.00 %).

Separately **acquired intangible assets** are capitalized at cost.

The cost of an intangible asset acquired in a business combination is its fair value at the acquisition date. After initial recognition, the cost model is applied.

Internally generated intangible assets are recognized pursuant to IAS 38 if, and only if, an entity can demonstrate all of the following:

- The technical feasibility and intention to complete
- Its ability to use or sell the intangible asset
- How the intangible asset will generate future economic benefits based on the existence of a market or the usefulness of the asset for internal use
- The availability of adequate technical, financial and other resources to complete the development of the intangible asset
- Its ability to measure reliably the expenditure attributable to the intangible asset during its development

After initial recognition, internally generated intangible assets are carried at cost less any accumulated amortization and any accumulated impairment losses in accordance with the cost model. Cost comprises all directly attributable costs necessary to create, produce and prepare the asset. Research expenditure is recognized as an expense when it is incurred.

In the case of modification of existing software, the associated costs are recognized as an expense for the period if the previous system status is merely preserved.

With the exception of the goodwill disclosed, all other acquired and internally generated intangible assets have a limited useful life and are amortized on a straight-line basis. At each balance sheet date, it is assessed whether there is any indication of impairment of intangible assets. If there are such indications, an impairment test is performed.

Intangible assets with indefinite useful lives are tested for impairment at least once a year either individually or at cash-generating unit level. These intangible assets are not amortized.

Uniform group-wide useful lives are applied as follows:

INTANGIBLE ASSET	Useful life
Goodwill	unlimited
Acquired intangible assets	5 – 20 years
Internally generated intangible assets	5 – 8 years

The useful lives are reviewed at the end of each fiscal year or in the case of a particular event; any adjustments required are made on a prospective basis.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are recognized at cost less accumulated depreciation and accumulated impairment losses. In addition to the direct costs, the cost of internally generated assets includes an appropriate proportion of the necessary overheads. Received building cost contributions and investment subsidies and grants are disclosed as deferred income and not directly deducted from cost.

The cost of an item of property, plant and equipment acquired in a business combination is its fair value at the acquisition date. After initial recognition, the cost model is applied.

Restoration obligations are recognized as part of cost at the present value when the obligation is incurred, and are amortized pro rata over the useful life of the related asset. Maintenance and repair costs are expensed. Renewal and maintenance expenses which extend the useful life of an asset are capitalized.

With the exception of land and easements (including easements pursuant to Sec. 9 GBBerG ["Grundbuchbereinigungsgesetz": German Act to Rectify the Land Register]) with an indefinite useful life, all items of property, plant and equipment are depreciated on a straight-line basis.

The following useful lives are used throughout the Group for the depreciation of property, plant and equipment with limited useful lives:

PROPERTY, PLANT AND EQUIPMENT	Useful life
Supply and generation plants	10 – 20 years
Distribution systems (without measuring equipment)	20 – 50 years
Measuring equipment	5 – 16 years
Buildings	30 – 50 years
Other property, plant and equipment	2 – 13 years

The useful lives are reviewed at the end of each fiscal year or in the case of a particular event. Any adjustments required are made on a prospective basis.

The carrying amounts of items of property, plant and equipment are reviewed for impairment as of each balance sheet date. If indications of possible impairment are found, an impairment test is performed. If the reasons for impairment subsequently cease to exist, the impairment losses are reversed, but by no more than up to the amount of cost less any accumulated depreciation.

An item of property, plant and equipment is derecognized upon its disposal or when no future economic benefits can be expected from the continued use of the asset. Gains or losses on the disposal of an asset (calculated as the difference between the net sales proceeds and the carrying amount) are recognized in profit or loss in the fiscal year in which the relevant asset is derecognized.

LEASING

A lease exists if the fulfilment of the contract depends on the use of an identifiable asset and the control over said asset is transferred.

GASAG as lessee

At the beginning of the term ("provision date") a right of use asset and a corresponding lease liabilitiy are recognized. The rights of use are presented separately from other assets in the balance sheet. Rights of use are measured in the amount of the lease liabilities, adjusted where necessary by advance payments made, taking into account any leasing incentives received. They are generally amortized over the term of the lease.

Lease liabilities are recognised in the amount of the discounted future lease payments. They are reported under the balance sheet item "other liabilities". Discounting is generally carried out using the marginal borrowing rate. Market interest rates plus margins depending on the term of the lease are used, taking into account the repayment structure. Lease liabilities are reduced by the repayment portion contained in the lease payments; the interest incurred represents financing expenses.

Furthermore, GASAG makes use of the exceptions not to recognize current or low-value leases as rights of use in the balance sheet. Lease payments in connection with these leases are recognized as expenses over the term of the lease.

GASAG as lessor

At the lessor's end, a check is made on the provision date to determine whether a finance lease or an operating lease exists. If the material opportunities and risks associated with the leased item are transferred, the lease is classified as a finance lease.

In case of finance leases, a receivable in the amount of the net investment value from the lease is recognised and carried forward using the effective interest method. Lease instalments received are divided into the repayment portion of the lease receivable and financial income recognised in the income statement.

In the case of operating leases, the leased asset is capitalized at cost at the time of acquisition. Subsequent measurement is in accordance with the regulations for fixed assets. Lease payments received are recognized in profit or loss.

INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

Joint ventures within the meaning of IFRS 11 are based on joint arrangements whereby the parties that have joint control have rights to the net assets of the arrangement. In accordance with IFRS 11.24, the carrying amount of the investments in joint ventures is recognized using the equity method pursuant to IAS 28.

The investments in associates and joint ventures, which are measured using the equity method in accordance with IAS 28, are recognized at cost. The carrying amount of the investments is increased or decreased in line with the pro rata profit or loss of the investee. Goodwill relating to an associate or a joint venture is included in the carrying amount of the investment.

IMPAIRMENT OF ASSETS

At each reporting date, the Group assesses whether there is any indication that an asset may be impaired. Where an indication of impairment exists or where an annual impairment test of an asset is required, an estimate is made of the recoverable amount. The recoverable amount of an asset is the higher of the fair value of the asset or cash-generating unit less costs to sell and the value in use. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

On each balance sheet date, it is reviewed whether there is any indication that an impairment loss charged in a prior reporting period no longer exists or may have decreased. If there is such an indication, the recoverable amount is estimated. A previous impairment loss is then reversed if the estimates used to determine the recoverable amount have changed since the last impairment loss was recognized. If this is the case, the carrying amount of the asset is increased to its recoverable amount. Reversals of impairment losses recognized for goodwill are not permitted.

FINANCIAL ASSETS

IFRS 9 provides four measurement categories for the calssification of financial assets:

- Financial assets measured at amortized cost,
- financial assets at fair value through profit or loss,
- financial assets measured at fair value through equity whose changes must be reclassified to profit or loss in the future,
- financial assets measured at fair value through equity whose changes in value must be not reclassified to profit or loss in the future.

At initial recognition, financial assets are measured at fair value. Financial assets are subsequently measured at fair value or amortized cost using the effective interest method, depending on their categorization.

Impairment losses on financial assets are recognised under the future-oriented model of "expected credit losses" in accordance with IFRS 9. GASAG takes into account expected loan defaults on financial assets carried at amortized cost and fair value with no effect on income, as well as receivables from finance leases.

TRADE RECEIVABLES AND OTHER RECEIVABLES

Trade receivables and other receivables are recognized at the original invoice amount less any impairment losses. It contains no financing components, as there are generally no significant differences between payment and service of provision.

The accounting cut-off for unbilled natural gas, heat, electricity and water consumption of tariff customers and special contract customers and of standard load profile (SLP) and registered power metering (RLM) customers as of the balance sheet date is performed using an individual computerized prediction. Consumptions of SLP customers which have not yet been billed, advance payments are levied in the corresponding amount and offset against accrued receivables.

As part of impairment, receivables are grouped according to similar default risk characteristics and jointly tested for impairment and written down if necessary. For trade receivables, GASAG applies the simplified approach of IFRS 9 to measure expected credit losses. Accordingly, the expected credit losses over the term are used for all trade receivables. In determining the expected future cash flows of the portfolios and the corresponding default rates, historical default experience is taken into account in addition to the contractually agreed cash flows. The value adjustments take sufficient account of the expected default risks; concrete defaults lead to the derecognition of the relevant receivables.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include checks, cash, bank balances and short-term deposits with original maturities of no more than three months.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of the cash and cash equivalents defined above.

DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGING RELATIONSHIPS

Derivative financial instruments are classified as held for trading, unless they are designated hedging instruments and are effective as such. The instruments are recognized for the first time as of the trade date. Derivatives with positive fair values are disclosed under assets in the balance sheet and those with negative fair values under equity and liabilities. Derivatives that are classified as held for trading are subsequently measured at fair value through profit or loss.

For derivatives in a hedge, the accounting for changes in fair value is based on the type of hedge. The GASAG Group used only cash flow hedges in fiscal years 2023 and 2024.

Cash flow hedges hedge the exposure to variability in future cash flows of financial assets and liabilities and forecast transactions. The hedges are recognized at fair value. Any gains or losses arising from changes in the fair value of the ineffective portion are recognized in profit or loss. In contrast, changes in the effectively hedged portion are recognized directly in other comprehensive income. Amounts recognized as other comprehensive income are only reclassified to profit or loss when the gains or losses of the effectively hedged portion affect profit or loss.

If the hedge relationship ends, the gain or loss recognized in equity until that point in time will remain in equity and will not be transferred to profit or loss until the forecast transaction is also recognized in the income statement. If the forecast transaction is no longer expected to occur, the entire gain or loss previously recognized in equity is transferred to profit or loss.

The contracts that were entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the entity's expected purchase, sale or usage requirements (own use) are not recognized as derivatives under IAS 9, but as pending contracts in accordance with IAS 37. The volume flexibilities included in the contracts fall under the "own use" exemption and are not recognized separately.

INVENTORIES

Inventories are measured at the lower of cost or net realizable value. The cost of inventories comprises costs incurred in bringing the product to its present location and condition. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

The cost of raw materials, consumables and supplies as well as natural gas inventories and CO_2 certificates is calculated on the basis of the weighted average prices.

The costs of conversion of work in process include the cost of direct materials and labor and an appropriate proportion of manufacturing overheads based on normal capacity; they exclude borrowing costs.

ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

Assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Non-current assets or disposal groups are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. This is the case when the sale is highly probable, the asset or the disposal group is available for immediate sale in its present condition and the sale will be completed within one year from the date of classification.

As the carrying amount of depletable assets is recovered by the sale and not by use, amortization or depreciation ends at the date of reclassification. Any related liabilities or deferred income are reported as "Liabilities associated with assets held for sale."

Under IFRS 5, operations are accounted for as discontinued if they are earmarked for sale or decommissioning or already sold or decommissioned. An operation is a component of an entity that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan for disposal or decommissioning or is a subsidiary acquired exclusively with a view to resale. Immediately before the initial classification of the asset as held for sale or decommissioning, the carrying amounts of the asset must be measured in accordance with the applicable IFRSs. On reclassification, the discontinued operation is recognized at the lower of the carrying amount and fair value less costs to sell. Discontinued operations are presented separately in the income statement, balance sheet and statement of cash flows and discussed in the notes to the financial statements. Prior-year figures are disclosed accordingly for the purpose of comparison.

TAXES

Actual tax refund claims and tax liabilities

The actual tax refund claims and tax liabilities for the current period and for previous periods are measured at the amount expected to be refunded by the tax authorities or paid to the tax authorities. The calculation of the amount is based on the tax rates and tax laws applicable on the balance sheet date.

Deferred Taxes

Deferred taxes are recognized using the balance sheet liability method for all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts in the balance sheet.

Deferred tax liabilities are recognized for all taxable temporary differences unless the deferred tax liability arises from:

- The initial recognition of goodwill or the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

- Taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures may not be recognized where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, the carryforward of unused tax loss carryforwards, interest carryforwards and tax credits to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the unused tax loss carryforwards and tax credits can be utilized, unless the deferred tax asset arises from:

- The initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting profit nor taxable profit or loss.

- Taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures where deferred tax assets may only be recognized to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of the deferred tax assets to be utilized. Unrecognized deferred tax assets are reviewed at each balance sheet date and recognized to the extent to which it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled. The tax rates (and tax regulations) applicable on the balance sheet date are used as a basis. This also applies to announced or future changes in tax rates/legislation for which the material conditions for their introduction have been met in the legislative process.

Deferred taxes relating to items recognized directly in equity are reported in equity and not in the income statement.

Deferred tax assets and deferred tax liabilities are offset against each other when the Group has an enforceable right to set off current tax assets against current tax liabilities and these assets and liabilities relate to income taxes levied by the same taxation authority for the same taxable entity.

Deferred tax assets and uncertain income tax positions

The calculation of deferred tax assets requires assumptions regarding future taxable income and the timing of the realization of deferred tax assets. The measurement of deferred tax assets for tax loss carryforwards is generally based on future taxable income as part of corporate planning.

Income tax provisions were recognised for possible future tax arrears. The entities in the GASAG Group are subject to ongoing audits by local tax authorities. Changes in tax laws, case law and their interpretation by the tax authorities may result in tax payments that differ from the estimates made in the financial statements.

The valuation of uncertain tax positions is based on the most likely value of the realization of this risk.

In particular, the chronological distribution of the expenses to be taken into account for tax purposes is regularly subject to estimates and assumptions.

Developments that deviate from the assumptions made in the estimate may result in differences from the originally expected estimated values.

VAT

Revenue, expenses and assets are recognized net of sales tax. The following exceptions apply:

- where VAT incurred on a purchase of goods or services is not recoverable from the taxation authorities, the VAT is recognized as part of the cost of the asset or as part of the expense item as applicable; and
- receivables and liabilities are recognized together with the VAT amount contained therein.

The net amount of VAT recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

Minimum tax law

On December 28, 2023, the Minimum Tax Act came into force, which is generally applicable to the GASAG Group. This is an income tax within the meaning of IAS 12. IAS 12, which must be recognized in the financial statements and for which tax provisions must generally be recognized. Meanwhile, the recognition of deferred taxes attributable to the global minimum tax is suspended until further notice. The first assessment period for the minimum tax is the 2024 financial year. The GASAG Group generates its sales in Germany and taxes its income and earnings in accordance with German tax laws. Accordingly, there are no effects for the GASAG Group.

DEFFERED INCOME

The GASAG Group presents grants for assets as deferred income. In addition to government investment grants, this item also includes building cost contributions and investment subsidies from third parties resulting from the Ordinance on the General Terms and Conditions for the Network Connection and Use for Low Pressure Gas Provision ["Niederdruckanschlussverordnung": NDAV] and the concession agreements. Government grants are recognized in accordance with the provisions of IAS 20.

Deferred income is released to other operating income in accordance with the following useful lives derived from the related assets:

TYPE OF GRANT	economic useful life/ Dissolution period of the grant
Government grants	
Investment allowances	depending on the asset
Grants from third parties	
Building cost/investment grants (according to NDAV and concession contracts)	45 years
Other investment grants	depending on the asset

The construction costs and investment subsidies incurred for the pipe network and house connections are amortized over a period of 45 years, as these mainly relate to the medium and low pressure range.

PROVISION

Provisions are recognized for a present obligation of the company (legal or constructive) as a result of a past event, or if it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation and the amount required to settle the obligation can be measured reliably. If partial or full reimbursement of a provision is virtually certain, for example under an insurance contract, the reimbursement is recognized as a separate asset.

In the provisions for **post-employment benefits,** the net obligation in respect of **defined benefit plans** is calculated separately for each plan.

The amount of the obligation resulting from the defined benefit plan is determined using the projected unit credit method.

Remeasurements of the net defined benefit liability are recognized immediately in the balance sheet and transferred to retained earnings via other comprehensive income in the period in which they are incurred. Reclassification of remeasurements to the income statement in subsequent years is excluded. The remeasurements include actuarial gains and losses, the return on plan assets and the effect of any asset ceiling, insofar as these are not already included in the net interest. Net interest is calculated by applying the discount rate to the net defined benefit liability. This is based on the discount rate used at the beginning of the annual reporting period. The net interest on defined benefit obligations is recognized in the income statement under finance costs.

Changes or reductions in the benefits of a plan and the resulting gains or losses are recognized in the income statement under personnel expenses.

The company pension scheme for employees through Versorgungsanstalt des Bundes und der Länder, Anstalt des öffentlichen Rechts, Karlsruhe (hereinafter VBL) is to be treated as a multi-employer defined benefit plan due to the subsidiary obligation in accordance with IAS 19. Due to a lack of information for accounting for the VBL company pension scheme as a defined benefit plan, it is treated as a defined contribution plan. The contributions to the VBL are annually in the amount of the allocation, recognized under expenses. Please refer to the chapter "(27) Provisions" and there to the section "Provisions for defined benefit and defined contribution plans".

The provisions for **other long-term employee benefits** mainly include obligations from partial retirement. These are benefits to promote the voluntary early retirement of employees. The provisions are formed on the basis of company agreements for all employees who have concluded a partial retirement agreement. When recognizing provisions, settlement arrears, top-up amounts, settlements for reduced pension entitlements and hardship funds are taken into account. These expenses are accrued in installments. The amounts expected to be paid are determined in accordance with actuarial principles and recognized at their present value. The remeasurements are recognized immediately in profit or loss in accordance with IAS 19.154. The portion of the partial retirement provisions attributable to the settlement arrears is offset against the plan assets. If the plan assets exceed the corresponding obligation, the excess amount is recognized as a financial asset.

Bonds with a credit rating of "AA" were included in the valuation of pension obligations in the financial year to determine interest rates.

Other provisions take into account all legal or constructive obligations to another party recognizable on the balance sheet date due to past events that are uncertain in terms of amount and/or time of occurrence. The provisions are recognized at their settlement amount. They are measured at the expected value or the amount with the highest probability of occurrence.

Non-current provisions are recognized at the settlement amount discounted to the balance sheet date. The discount rates reflect current market expectations with regard to the interest effect and, where applicable, the risks specific to the provision. The compounding amounts are recognized in the financial result.

The following interest rates were used in the financial year:

REPORTING YEAR/TERM IN %	2024	2023
up to 5 years	2,15	1,95
5 to 10 years	2,35	2,02
over 10 years	2,60	2,30

This does not include provisions for post-employment benefits and other long-term employee benefits, for which special regulations are applied in accordance with IAS 19.83. Further information can be found in note **“(27) Provisions”.**

Pursuant to IFRIC 1, “Changes in Existing Decommissioning, Restoration and Similar Liabilities,” changes in estimates which are attributable to an adjustment in respect of the timing of cash flows, the amount of cash outflow or the amount of the interest rate to be used for determining present value should be recognized in the provisions themselves and in the same amount in the relevant asset recognized under property, plant and equipment. If the adjustment results in a reduction in the carrying amount and if the adjustment exceeds the residual carrying amount of the asset, then the excess is recognized directly as an expense.

FINANCIAL LIABILITIES

All **financial liabilities** are initially recognized at the fair value of the consideration received less transaction costs that are attributable to the borrowing. After initial recognition, financial liabilities are subsequently measured at amortized cost using the effective interest method. Gains and losses are only recognized in profit or loss when the liabilities are derecognized.

Trade payables are generally due in 30 days or less. They are initially measured at fair value and subsequently at amortized cost.

CONTINGENT LIABILITIES, OTHER FINANCIAL OBLIGATIONS AND CONTINGENT ASSETS

Contingent liabilities are possible or present obligations that arise from past events and which are not expected to result in an outflow of resources. If they were not assumed in a business combination, they are disclosed off the face of the balance sheet in the notes to the financial statements. The amounts stated reflect the scope of liability as of the balance sheet date.

Future (guaranteed) third-party claims for payments from group entities are reported under **other financial obligations.** These claims relate to those obligations which cannot be recognized in the balance sheet (at present) and are not contingent liabilities.

Contingent assets are possible assets that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of uncertain future events.

FOREIGN CURRENCY TRANSLATION

The Group's functional and reporting currency is the euro (EUR). As in the previous year, there was no foreign currency translation at the GASAG Group in the fiscal year 2024.

6 NOTES TO STATEMENT OF COMPREHENSIVE INCOME

(1) REVENUE

IN € K	2024	2023
Natural gas supply	1,066,822	1,588,202
Electricity supply	250,930	337,175
Grid usage fees	202,339	236,423
Heat supply	70,359	80,002
Other	34,580	34,957
	1,625,030	**2,276,759**

Revenues mainly result from natural gas deliveries. Of this amount, € 948,554 thousand is attributable to end customers (previous year: € 1,445,859 thousand) and to redistributors € 118,268 thousand (previous year: € 142,343 thousand). The decline in revenue from natural gas deliveries is mainly due to the lower price level and lower customer consumption as a result of the weather.

The decline in sales from electricity deliveries is due to lower volume sales to redistributors. The share of end customer business in electricity sales amounts to € 208,030 thousand (previous year: € 208,629 thousand).

Sales include the relief amounts granted as part of the statutory regulations on energy price brakes.

(2) OTHER OPERATING INCOME

IN € K	2024	2023
Own work capitalized	17,328	17,935
Release of deferred income	11,932	11,702
Release of provisions	3,554	4,588
Derecognition of accrued liabilities	2,790	3,356
Reimbursement of dunning and court costs	2,169	1,781
Reversal of valuation allowances	1,909	684
Income from the disposal of fixed assets	749	117
Other	7,439	6,582
	47,870	**46,745**

Miscellaneous other operating income mainly comprises reimbursements amounting € 4,147 thousand (previous year: € 2,686 thousand), income from benefits in kind of the employees in the amount of € 1,554 thousand (previous year: € 1,267 thousand) and returns from previous years of € 723 thousand (previous year: € 1,125 thousand).

(3) COST OF MATERIALS

IN € K	2024	2023
Expenses for raw materials, consumables and supplies and for purchased goods	982,554	1,571,658
Expenses for purchased services	254,929	255,026
	1,237,483	**1,826,684**

The cost of materials mainly includes expenses for gas and electricity, which are distributed directly to end consumers, passed on to redistributors and consumed by the GASAG Group itself. The decrease in expenses for raw materials, consumables and supplies is primarily due to significantly lower expenses for energy purchases as a result of lower prices and lower gas and electricity procurement volumes.

The cost of purchased services mainly includes expenses for gas and electricity network charges in the amount of € 201,007 thousand (previous year: € 204,033 thousand). Expenses were also incurred for repairs and maintenance as well as for other construction and third-party services.

(4) PERSONNEL EXPENSES

IN € K	2024	2023
Wages and salaries	114,284	107,267
Social security contributions and expenses for pensions and other employee benefits	27,022	25,310
	141,306	**132,577**

The **personnel expenses** increased by € 8,729 thousand year on year to € 141,306 thousand. In addition to further, partly inflation-related remuneration increases in the collectively agreed and non-tariff areas, the increase in the number of employees is the main reason for the higher personnel expenses.

The average number of employees (excluding employees in the passive phase of partial retirement) rose to 1,645 (previous year: 1,586 employees). The increase is mainly due to capacity adjustments in business units that, in line with the strategic concepts from the ZUKUNFT G transformation programme, are intended to support the heating transition in Berlin and Brandenburg and intensify sales activities, as well as in areas that have to deal with increasingly stringent regulatory requirements.

Social security contributions include contributions to the statutory pension insurance scheme in the amount of € 9,148 thousand (previous year € 8,394 thousand).

Pension expenses in the reporting year amounted to € 5,560 thousand euros (previous year: € 4,899 thousand).

The GASAG Group employed an annual average of

NUMBER OF EMPLOYEES [1]	2024	2023
Women	612	588
Men	1,098	1,073
	1,710	**1,661**
of which passive phase partial retirement	*65*	*75*

1) excluding trainees and Management Board

(5) AMORTIZATION, DEPRECIATION AND IMPAIRMENT LOSSES

The depreciation and amortization item is made up as follows:

IN € K	2024	2023
Intangible assets	**5,788**	**6,142**
Scheduled depreciation and amortization	5,788	6,142
Property, plant and equipment	**86,243**	**84,385**
Scheduled depreciation and amortization	86,161	84,176
Impairment losses	82	209
Rights of use	**11,195**	**10,599**
Scheduled depreciation and amortization	10,184	10,068
Impairment losses	1,011	531
	103,226	**101,126**

Of the amortization of **intangible assets** in the current financial year, € 3,552 thousand (previous year: € 3,974 thousand) relates to software licenses and € 1,835 thousand (previous year: € 1,835 thousand) to customer relationships. Internally generated software applications accounted for € 378 thousand (previous year: € 300 thousand).

Impairment losses on **property, plant and equipment** amounting to € 82 thousand (previous year: € 209 thousand) relate to heat generation plants that were taken out of operation prematurely. The impairment is under the item "Supply, generation and distribution facilities".

The impairment losses on **rights of use** in the amount of € 1,011 thousand (previous year: € 531 thousand) relate to the temporary vacancy of rented office space.

(6) OTHER OPERATING EXPENSES

IN € K	2024	2023
IT services	24,028	22,177
Concession fees	18,444	19,800
Advertising, representation and sales promotion	13,914	30,142
Other services and third-party services	10,515	10,932
Write-offs and value adjustments on receivables	7,061	5,610
Legal and other consulting including audit expenses	6,852	6,818
Insurances	3,290	3,019
Leasing expenses	3,155	3,472
Postal and freight costs	1,750	1,805
Risks from legal disputes	1,464	5,682
Losses on disposal of fixed assets	1,217	1,281
Hospitality and travel expenses	613	503
Other taxes	347	136
Other	8,306	9,589
	100,956	**120,966**

Miscellaneous other operating expenses mainly consist of contributions and fees amounting to € 3,640 thousand (previous year: € 2,397 thousand) and benefits in kind to employees amounting to € 1,101 thousand (previous year: € 1,047 thousand).

(7) INVESTMENT INCOME

IN € K	2024	2023
Investment result		
of which share of profit of companies accounted for using the equity method	1,451	861
of which result from other investments	1,673	958
	3,124	**1,819**

The result from participations contains the earnings contributions from the operationally initiated participations. The business activities of these holdings are closely linked to the operating activities of the Group. All income and expenses related to these unlisted equity instruments are included in the investment result. All shares in companies accounted for using the equity method and other investments held as of December 31, 2023 are listed in the overview of investments under Chapter **“3 Scope of consolidation”.**

(8) FINANCIAL RESULT

IN € K	2024	2023
Financing expenses	**–16,067**	**–17,665**
Interest from overdrafts and loans to banks	–11,307	–12,669
Interest from other financial liabilities	–1,063	–591
Unwinding of the discount for provisions	–1,308	–1,970
Interest from leases	–2,389	–2,435
Other financial result	**2,471**	**5,969**
Interest income and similar income	2,471	4,168
IFRS 9 measurement effects	0	1,801
	–13,596	**–11,696**

(9) INCOME TAXES

IN € K	2024	2023
Corporate income tax	10,217	13,524
thereof relating to other periods	*–1,230*	*1,220*
Trade tax	7,381	9,599
thereof relating to other periods	*–596*	*729*
Current income taxes	**17,598**	**23,123**
Deferred taxes on temporary differences	1,524	16,693
thereof relating to other periods	*430*	*639*
Deferred taxes on tax loss carryforwards	3,115	2,438
thereof relating to other periods	*-323*	*–848*
Deferred taxes	**4,639**	**19,131**
Income taxes	**22,237**	**42,254**

Deferred taxes were calculated using company-specific tax rates. In addition to corporation tax of 15.00 %, the solidarity surcharge of 5.50 % on corporation tax and trade tax rates in a range 11 – 15 % (previous year: 10 – 15 %) were taken into account.

The reconciliation of the theoretical income tax expense to the effectively recognized tax expense is shown below:

IN € K	2024	2023
Earnings before income taxes	80,643	133,737
Group tax rate	30.18 %	30.18 %
Theoretical income tax expense	**24,338**	**40,362**
Tax effects on		
Differences in tax rates and tax rate changes	–259	–644
Tax-free income	–195	–97
Non-deductible operating expenses	50	108
Effect of changes recognized in the financial year	–1,795	1,751
Utilization of loss carryforwards not used in the previous year	–45	–26
Non-capitalized deferred taxes on tax loss carryforwards	0	51
Additions/reductions to trade tax	775	495
Other	–632	254
Effective income tax expense	**22,237**	**42,254**
Effective tax rate	27.57 %	31.6 %

The “Differences in tax rates and changes in tax rates” mainly result from the difference between the Group tax rate and the tax rates of the companies.

The non-deductible operating expenses include reductions in profit that cannot be recognized for tax purposes, off-balance sheet adjustments in accordance with Section 8b KStG and other non-deductible expenses.

Taxes from previous years include effects from the consideration of new findings from ongoing tax audits and effects from tax returns submitted in previous years.

In the reporting year, the development of the “Additions/reductions to trade tax” item was primarily due to the financing expenses subject to additions and the profit shares of non-Group co-entrepreneurs subject to reductions.

The effect shown under ‘Other’ is mainly due to the at-equity valuation of shares in associates and joint ventures, as well as permanent differences between items in the IFRS and tax balance sheets for which no deferred taxes are recognised.

In 2024, equity changed by the deferred taxes attributable to the components recognised in equity in the amount of € –45,935 thousand (previous year: € 49,136 thousand).

Deferred tax assets are not recognised for tax losses carried forward whose realisation is not sufficiently certain. Corporation tax losses carried forward account for € 2,099 thousand (previous year: € 1,269 thousand), and trade tax losses carried forward account for € 4,875 thousand (previous year: € 5,682 thousand).

(10) PROFIT AND LOSS FROM DISCONTINUED OPERATIONS

IN € K	2024	2023
Sales revenue	31	55
Other operating income	341	574
Expenses	549	6,720
Financial result	102	–1,369
Earnings before taxes	**–75**	**–7,460**
Taxes on income and earnings	–23	–2,251
Result from discontinued operations	**–52**	**–5,209**

The final operating plan of Berliner Erdgasspeicher GmbH (hereinafter referred to as BES) and the associated decommissioning permit were approved by the responsible state mining authority at the end of December 2022 and is now limited until December 31, 2035.

The removal of the reservoir, the backfilling of the boreholes and the dismantling of the surface facilities are being carried out in accordance with the specifications of the final operating plan. The aftercare and dismantling activities are proceeding according to plan.

(11) COMPONENTS OF THE STATEMENT OF COMPREHENSIVE INCOME NOT RECOGNIZED IN PROFIT OR LOSS

Disclosure of Components of Other Comprehensive Income

IN € K	2024	2023
Cash flow hedges:		
Gains (losses) arising in the current period	49,460	–156,486
Plus reclassifications to the income statement recognized in profit or loss	102,934	–4,400
	152,394	**–160,886**
Revaluation of assets:		
Actuarial result	1,830	–4,182
Components of other comprehensive income before taxes	**154,224**	**–165,068**
Income taxes attributable to the components recognized directly in equity	–45,935	49,136
Components of other comprehensive income	**108,289**	**–115,932**
Components of total comprehensive income not recognized in profit or loss non-controlling interests	0	–1
Components of other comprehensive income on shares with controlling influence	**108,289**	**–115,933**

(12) EARNINGS PER SHARE

Earnings per share from the income statement are calculated by dividing the net profit for the year on shares with a controlling influence by the average number of shares. GASAG has only issued ordinary shares.

A dilution of this key figure could occur through potential shares (mainly through stock options and convertible bonds). Potential shares do not exist and are not planned.

		2024	2023
Net profit for the year on shares with controlling influence	k €	57,833	85,387
Total comprehensive income attributable to shares with controlling influence	k €	166,122	–30,546
Number of shares in circulation (weighted average)	k pcs	8,100	8,100
Earnings per share (GASAG Group)	€	7.14	10.54
thereof for continuing operations	*€*	*7.15*	*11.18*
of which for discontinued operations	*€*	*–0.01*	*–0.64*
Dividend payments to shareholders	k €	52,650 [1]	52,650 [2]
Dividend per share of GASAG	€	6.50 [1]	6.50 [2]

1) proposed
2) paid out in 2024

7 NOTES TO THE BALANCE SHEET

(13) INTANGIBLE ASSETS

Intangible assets developed as follows:

IN € K	Business or goodwill	Acquired immaterial assets	Self-created immaterial assets	TOTAL
Acquisition and production costs				
Status Jan. 1, 2023	161,392	123,502	9,762	294,656
Additions	45	2,021	1,346	3,411
Rebookings	0	43	0	43
Departures	0	–323	327	4
Status Dec. 31, 2023	161,437	125,157	11,435	298,029
Depreciation and amortization				
Status Jan. 1, 2023	7,755	96,632	7,955	112,342
Additions	0	5,843	300	6,143
Departures	0	43	0	43
Status Dec. 31, 2023	7,755	102,432	8,255	118,442
Residual carrying amounts as at Dec. 31, 2023	**153,682**	**22,725**	**3,180**	**179,587**
Acquisition and production costs				
Status Jan. 1, 2024	161,437	125,157	11,435	298,029
Additions	0	2,116	3,342	5,458
Departures	0	1,664	11	1,675
Rebookings	0	–23	31	8
Status Dec. 31, 2024	161,437	125,586	14,797	301,820
Depreciation and amortization				
Status Jan. 1, 2024	7,755	102,432	8,255	118,442
Additions	0	5,410	378	5,788
Departures	0	1,663	0	1,663
Status Dec. 31, 2024	7,755	106,179	8,633	122,567
Residual carrying amounts as at Dec. 31, 2024	**153,682**	**19,407**	**6,164**	**179,253**

In order to carry out the impairment test of goodwill, the following assumptions were made. These are allocated to the cash-generating units.

The allocation is shown below:

IN € K	DEC. 31, 2024	Dec. 31, 2023
EMB Energie Brandenburg	142,734	142,734
GASAG Solution Plus	6,858	6,858
NBB	3,491	3,491
Other	599	599
	153,682	**153,682**

As in the previous year, there is no impairment requirement for goodwill. The acquired intangible assets mainly include customer bases with € 11,926 thousand (previous year: € 13,761 thousand). These relate to EMB with a remaining amortisation period of 6.5 years. This item also includes conversion allowances and subsidies granted to special-rate customers amounting to € 52 thousand (previous year: € 73 thousand) and software valued at € 6,811 thousand (previous year: € 8,272 thousand).

The additions mainly relate to software and conversion grants and subsidies. The latter are derecognized at the end of their term.

By far the largest proportion of disposals, in addition to conversion grants and subsidies, are software systems that are no longer in use and have already been written off.

Software worth € 874 thousand (previous year: € 2,208 thousand) is not yet operational.

There are only very few restrictions on ownership or disposal in the form of mortgages or transfers of ownership by way of security.

The item internally generated intangible assets mainly includes development costs for software solutions.

(14) PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment developed as follows:

IN € K	Supply, generation and distribution systems	Land and buildings	Other property, plant and equipment	TOTAL
Acquisition and production costs				
Status Jan. 1, 2023	3,360,942	71,556	30,107	3,462,605
Additions	101,865	2,979	5,000	109,844
Departures	56,092	448	1,472	58,012
Rebookings	–885	883	–2	–4
Status Dec. 31, 2023	3,405,830	74,970	33,633	3,514,433
Depreciation and amortization				
Status Jan. 1, 2022	1,799,577	27,515	17,427	1,844,519
Additions	79,657	2,181	2,566	84,404
Departures	54,826	294	1,459	56,579
Rebookings	–2	0	2	0
Status Dec. 31, 2023	1,824,406	29,402	18,536	1,872,344
Residual carrying amounts as at Dec. 31, 2023	**1,581,424**	**45,568**	**15,097**	**1,642,089**
Acquisition and production costs				
Status Jan. 1, 2024	3,405,830	74,970	33,633	3,514,433
Additions	115,053	2,750	5,694	123,220
Departures	53,395	384	1,395	55,174
Rebookings	–189	–53	101	–141[1)]
Status Dec. 31, 2024	3,467,299	77,283	38,033	3,582,615
Depreciation and amortization				
Status Jan. 1, 2024	1,824,406	29,402	18,536	1,872,344
Additions	81,295	2,173	2,792	86,260
Departures	52,206	7	1,232	53,445
Rebookings	–446	–1	56	–391[1)]
Status Dec. 31, 2024	1,853,049	31,567	20,152	1,904,768
Residual carrying amounts as at Dec. 31, 2024	**1,614,250**	**45,716**	**17,881**	**1,677,847**

1) of which reclassification to assets held for sale in the amount of € –993 thousand (AHK) and € –391 thousand (WB) of which reclassification from other assets in the amount of € 860 thousand (AHK)

With the easements (including the easements pursuant to Section 9 GBBerG), the supply, generation and distribution facilities include an intangible component that is allocated to the corresponding distribution facilities. The carrying amount of the easements is 18,456 thousand (previous year: € 17,791 thousand).

By far the largest share of additions is attributable to the expansion of grid distribution systems, which includes replacement and new investments.

Assets with a carrying amount of € 29,953 thousand (previous year: € 41,748 thousand) are subject to restrictions on disposal due to assignment as security to lenders.

The majority of the disposals relate to the pro rata dismantling of the Berlin natural gas storage facility, which had already been fully written off. Other disposals related to pipelines and house connections as well as heat generation plants.

In the case of land and buildings, € 11,121 thousand (previous year: € 11,286 thousand) is attributable to land, which is mainly recognized at its historical carrying amount.

Other property, plant and equipment mainly includes operating and office equipment in the amount of € 14,163 thousand (previous year: € 13,414 thousand).

In total, property, plant and equipment includes assets under development in the amount of € 68,478 thousand (previous year: € 43,533 thousand). These primarily comprise investment measures in gas network distribution plants and heat generation plants under development.

(15) RIGHTS OF USE ASSETS IFRS 16

Leasing rights of use developed as follows:

IN € K	Distribution systems	Real estate	Other	TOTAL
Status Jan. 1, 2023	24,035	67,243	2,462	93,740
Additions	1,042	1,997	1,082	4,121
Departures	0	–25	–160	–185
Depreciation and amortization	–2,291	–7,231	–1,112	–10,634
As at Dec. 31, 2023	**22,786**	**61,984**	**2,272**	**87,042**
Status Jan. 1, 2024	22,786	61,984	2,272	87,042
Additions	2,504	859	3,332	6,695
Departures	0	–867	0	–867
Depreciation and amortization	–2,270	–7,246	–1,713	–11,229
As at Dec. 31, 2024	**23,020**	**54,730**	**3,891**	**81,641**

The real estate mainly includes the rental of office space and space for energy plants. The distribution facilities are mainly network lease agreements for parts of the gas network in various municipalities in Brandenburg.

(16) INVESTMENTS IN ASSOCIATES

Goodwill attributable to associates was not disclosed under intangible assets but rather as a component of the carrying amount of investments in associates (€ 784 thousand; prior year: € 784 thousand) pursuant to IAS 28.42

The following table shows the summarised financial information on the associates and joint ventures, all of which result from continuing operations (GASAG shares):

ASSOCIATED COMPANIES

IN € K	DEC. 31, 2024	Dec. 31, 2023
Non-current assets	12,561	12,965
Current assets	3,135	3,195
Non-current liabilities	1,080	2,434
Current liabilities	7,157	6,320
Balance sheet total	15,696	16,160
Sales revenue	6,879	6,829
Net income for the year	673	564

JOINT VENTURES

IN € K	DEC. 31, 2024	Dec. 31, 2023
Non-current assets	3,835	3,503
Current assets	1,832	1,732
Non-current liabilities	363	131
Current liabilities	1,784	1,698
Balance sheet total	5,667	5,235
Sales revenue	618	1,183
Net income for the year	1	30

The investment values are made up as follows:

IN € K	DEC. 31, 2024	Dec. 31, 2023
Associated companies	**12.864**	**11,883**
Gas-Versorgung Cottbus GmbH, Cottbus	4,348	3,468
Netzgesellschaft Hohen Neuendorf GmbH & Co. KG, Hohen Neuendorf	3,078	2,903
Berliner Energieagentur GmbH, Berlin	1,901	2,054
WGI GmbH, Dortmund	1,171	1,171
Rathenower Netz GmbH, Rathenow	1,412	1,412
NGK Netzgesellschaft Kyritz mbH, Kyritz	545	545
Gasversorgung Zehdenick GmbH, Zehdenick	258	81
WN Windpark Naundorf GmbH & Co., Berlin	151	249
Joint ventures	**7,322**	**3,183**
ARGE Wärmelieferung, Cottbus	658	658
Netzgesellschaft Hennigsdorf Gas mbH, Hennigsdorf	1,071	1,072
G2Plus GmbH, Berlin	0	26
Consus Netz-Werk GmbH, Berlin	6	6
Quartierswerk Gartenfeld GmbH, Berlin	1,737	1,421
Windpark Mallnow GmbH & Co. KG	3,850	0
Carrying amounts of investments in companies accounted for using the equity method	**20,186**	**15,066**

(17) FINANCIAL ASSETS

Non-Current Financial Assets

IN € K	DEC. 31, 2024	Dec. 31, 2023
Other loans	121	285
Shareholdings	16,835	16,835
Finance lease receivables	4,077	4,654
Derivatives	13,970	752
	35,003	**22,526**

The investments relate to **financial investments in unlisted equity instruments** and **other investments,** which are included in the GASAG Group's "Other investments" overview of investments. Please refer to Note **"(32) Reporting on financial instruments"** for information on measurement.

Non-current financial assets also include the non-current portion of **lease receivables** from leases classified as finance leases. These relate to contracting projects and subleases of real estate.

The following table shows the minimum lease payments as well as the reconciliation to the gross investment in the leases:

DEC. 31, 2024 IN € K	Present value minimum leasing rate	Not yet realized financial income	Gross investment
With a remaining term of up to 1 year	1,416	456	1,872
With a remaining term of 1 to 5 years	2,854	981	3,835
With a remaining term of more than 5 years	1,213	305	1,518
	5,483	**1,742**	**7,225**

The figures from the previous year for comparison:

DEC. 31, 2023 IN € K	Present value minimum leasing rate	Not yet realized financial income	Gross investment
With a remaining term of up to 1 year	961	511	1,472
With a remaining term of 1 to 5 years	3,059	1,232	4,291
With a remaining term of more than 5 years	1,585	443	2,028
	5,605	**2,186**	**7,791**

Information on derivatives is provided separately under note **"(32) Reporting on Financial Instruments".**

Current Financial Assets

IN € K	DEC. 31, 2024	Dec. 31, 2023
Finance lease receivables	1,393	946
Derivatives	29,372	1,435
	30,765	**2,381**

The increase in financial assets is mainly due to the change in the market values of forward transactions recognised as derivatives in the wake of lower energy prices.

(18) CONTRACT ASSETS

Assets in connection with customer contracts mainly relate to capitalized contract costs in the amount of € 16,441 thousand (previous year: € 11,169 thousand) (thereof current € 3,294 thousand (previous year: € 4,521 thousand)). This relates exclusively to contract acquisition costs. The expenses invoiced by third parties for the period (e.g. commission payments to sales partners) are capitalized. The resulting asset is utilized on a straight-line basis over the average customer retention period. Utilization in the financial year amounted to € 5,426 thousand (previous year: € 11,336 thousand).

In addition, contractual assets amounting to € 3,114 thousand (previous year: € 2,339 thousand) (of which € 2,140 thousand (previous year: € 837 thousand) are current), which mainly result from the granting of bonus payments to customers and are consumed over the term of the contract. The reduction in sales due to the allocation of previously recognized contractual assets to the appropriate period amounted to € 2,665 thousand (previous year: € 1,570 thousand) in the past financial year.

(19) DEFFERED TAXES (ASSETS AND LIABILITIES)

Deferred tax assets and liabilities result from temporary valuation differences between the IFRS balance sheet and the tax balance sheet, as well as from tax loss carryforwards.

IN € K		DEC. 31, 2024 DEFERRED TAX ASSETS	DEC. 31, 2024 DEFERRED TAX LIABILITIES	Dec. 31, 2023 Deferred tax assets	Dec. 31, 2023 Deferred tax liabilities
Intangible assets	(1)	5,350	4,619	6,762	5,016
Property, plant and equipment	(2)	2,062	136,527	1,925	136,288
Rights of use	(3)	0	24,358	0	25,913
Shares in associated companies		223	0	153	0
Financial assets	(4)	0	18,007	0	10,408
Inventories	(5)	1,139	602	130	2,505
Assets in connection with customer contracts	(6)	0	5,923	0	4,097
Trade receivables and other receivables	(7)	3,207	0	1,162	0
Assets held for sale		0	180	0	0
Deferred income	(8)	32,600	852	37,955	430
Provisions	(9)	9,316	13,869	10,881	18,964
Financial debts	(10)	6,784	85	44,620	99
Liabilities from deliveries and services and other liabilities	(11)	27,275	3,350	32,702	5,478
Liabilities in connection with assets held for sale		72	0	0	0
		88,028	**208,372**	**136,290**	**209,198**
Tax loss carryforwards	(12)	19,380		22,495	
Gross amount		**107,408**	**208,372**	**158,785**	**209,198**
Balancing		89,572	89,572	96,976	96,976
Net amount		**17,836**	**118,800**	**61,809**	**112,222**
thereof short-term		*2,345*	*18,506*	*37,098*	*28,840*
thereof long-term		*15,491*	*100,294*	*24,711*	*83,382*

The differences between the tax balance sheet and the IFRS balance sheet are shown below:

(1) The reduction in deferred tax liabilities results from the amortization of customer bases and internally generated intangible assets that were not capitalized in the tax balance sheet.

The reason for the reduction in deferred tax assets is the amortization of goodwill capitalized in previous years in the supplementary balance sheets of NBB, which resulted from the transfers of the NBB shares from GASAG AG, EMB GmbH and the former SpreeGas GmbH to GBG GmbH.

(2) The valuation differences are essentially the result of the different underlying useful lives. While the IFRS balance sheet is based on the expected actual useful lives, the tax balance sheet values are based on the official depreciation tables. Furthermore, impairment losses have been recognized in the IFRS balance sheet.

The deferred tax liabilities are due in particular to the application of declining balance depreciation in the tax balance sheet in the years 2020 to 2022. In addition, in contrast to the tax balance sheet, the deferred items for construction costs and investment grants are shown unnetted in the deferred income item in the IFRS balance sheet (8).

(3) Deferred tax liabilities result from taking into account the requirements of IFRS 16.

(4) The development of deferred tax liabilities is mainly due to the measurement of derivatives at fair value in accordance with IFRS 9.

(5) The deferred tax assets are attributable to the valuation differences with regard to work in progress.

The deferred tax liabilities are attributable to the valuation differences in natural gas inventories.

(6) The different carrying amounts are due to the application of IFRS 15.

(7) Deferred tax assets mainly result from the reclassification of work in progress reported in individual financial statements to assets under construction.

(8) The deferred taxes in deferred income result from the difference in the reversal of special items from investment grants between the tax balance sheet and the IFRS balance sheet. The deferred tax liabilities also include some of the special items with an equity portion formed for tax purposes at EMB GmbH (formerly SpreeGas GmbH).

(9) Differences in the provisions result from the different accounting and valuation of the pension provisions, the provisions for partial retirement arrangements, VBL reorganisation contributions and provisions for repayment obligations. The indirect pension obligations (primarily agreements on the provision of the employees and workers of the State of Berlin and VBL reorganisation money) are accounted for in accordance with IFRS. Furthermore, different actuarial parameters are used. The other long-term provisions (terms of more than twelve months) are discounted

in accordance with IFRS, in deviation from tax regulations. In the tax balance sheet, no provisions for impending losses may be formed.

The decrease in deferred tax liabilities is primarily due to the reduction in provisions for regulatory items in the tax balance sheet that are not recognized under IFRS.

(10) The decrease in deferred taxes on financial liabilities is due to the development of the market values of derivatives.

(11) The deferred tax assets and liabilities are mainly attributable to the application of IFRS 16.

(12) In accordance with IAS 12, deferred taxes are recognized on tax loss carryforwards. The reduction in deferred taxes on loss carryforwards results from their utilization in the reporting year.

The total amount of deferred tax assets includes tax reduction claims resulting from the expected utilization of the following existing loss carryforwards in subsequent years:

IN € K	DEC. 31, 2024	Dec. 31, 2023
Corporation tax (incl. solidarity surcharge)	39,723	41,241
Trade tax	93,038	114,503

Deferred taxes from carryforwards of unused tax losses are capitalized to the extent that their realization is reasonably certain.

Deferred tax assets and liabilities must be offset if the actual taxes can be offset, they relate to the same tax authority and the same taxable entity.

In the reporting year, € 5,729 thousand (previous year: € –40,206 thousand) in deferred taxes from measurement recognized directly in equity were offset against equity.

(20) INVENTORIES

IN € K	DEC. 31, 2024	Dec. 31, 2023
Raw materials and supplies	411	372
Goods	32,043	27,046
Work in progress	3,343	3,844
Advance payments made	0	0
Emission certificates	82,682	57,689
	118,479	**88,951**

The goods reported under inventories mainly relate to the working gas stockpiled in the natural gas storage facilities in the amount of € 31,701 thousand (previous year: € 26,502 thousand).

The emission certificates were acquired as part of national emissions trading.

Inventories are subject to restrictions on disposal in of € 40,500 thousand; there are no other encumbrances.

(21) INCOME TAX RECEIVABLES

Tax receivables include refund claims for income taxes such as corporation tax, trade tax and capital gains tax including the solidarity surcharge.

(22) TRADE RECEIVABLES AND OTHER RECEIVABLES

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

IN € K	DEC. 31, 2024	Dec. 31, 2023
Trade receivables	**173.240**	**197,990**
from gas deliveries	108.529	127,449
from grid usage fees	28.567	30,907
from heat and electricity supplies	29.567	32,518
from other deliveries and services	6.577	7,116
Other receivables	**69.053**	**76,786**
	242,293	**274,776**

In addition to the goods and services invoiced to customers, trade receivables include unbilled receivables from gas, heat and electricity deliveries as well as grid usage fees amounting to € 854,505 thousand (previous year: € 1,116,693 thousand). These were offset against the unbilled advance payments of € 759,607 thousand (previous year: € 983,790 thousand), as well as federal funds under the Emergency Aid Act and the energy price brakes (net) in the amount of € 24,950 thousand (previous year: € 16,565 thousand).

Of the other receivables, € 907 thousand (previous year: € 6,178 thousand) are attributable to tax refund claims from value added tax, € 3,663 thousand (previous year: € 5,537 thousand) to deferred income, € 11,547 thousand (previous year: € 7,972 thousand) to receivables from other taxes, and € 6,774 thousand (previous year: € 11,000 thousand) to the initial margin paid in connection with energy-related exchange transactions. (previous year: € 7,972 thousand) and on the initial margin paid in the context of energy-related exchange transactions of € 6,774 thousand (previous year: € 11,534 thousand).

The following table shows the age structure of the carrying amounts of trade receivables and the corresponding valuation allowances for each maturity band:

IN € K	Book value	Not due	Due for 1–30 days	Due for 30–60 days	Due for 60–120 days	Due for 120–360 days	Due for over 360 days
Trade receivables before value adjustments as at Dec. 31, 2024	182,850	136,785	13,869	3,625	2,125	13,392	13,054
Value adjustments	**9,610**	**1,644**	**634**	**680**	**221**	**2,414**	**4,017**
Trade receivables as at Dec. 31, 2024	**173,240**	**135,141**	**13,235**	**2,945**	**1,904**	**10,978**	**9,037**
Trade receivables before value adjustments as at Dec. 31, 2023	205,618	163,345	13,882	3,689	3,127	11,376	9,199
Value adjustments	**7,628**	**1,574**	**746**	**408**	**276**	**1,188**	**2,436**
Trade receivables as at Dec. 31, 2023	**197,990**	**161,771**	**13,136**	**3,281**	**2,851**	**10,188**	**6,763**

Invoiced receivables from deliveries and services are generally due within 16 days.

With regard to overdue, unimpaired trade receivables, there are no indications as at the reporting date that the debtors will not meet their payment obligations.

Bad debt allowances on trade receivables developed as follows:

IN € K	2024	2023
Value adjustments		
Status Jan. 1	7,628	7,522
Additions (expenses for value adjustments)	2,824	2,714
Consumption	113	2,092
Resolution	729	516
As at Dec. 31	**9,610**	**7,628**

The total amount of € 2,824 thousand (previous year: € 2,714 thousand) (previous year: € 2,714 thousand) comprises additions due to specific valuation allowances of € 1,586 thousand (previous year: € 2,515 thousand) and general valuation allowances of € 1,238 thousand (previous year: € 199 thousand). Reversals of individual value adjustments in the amount of € 457 thousand (previous year: € 243 thousand) and reversals of flat-rate individual value adjustments in the amount of € 272 thousand (previous year: € 273 thousand) were taken into account.

All expenses and income from value adjustments and write-offs of trade receivables are reported under other operating expenses or other operating income.

The following table shows the expenses for the complete derecognition of receivables and income from the receipt of payments on receivables derecognised in the previous year:

IN € K	2024	2023
Expenses for the complete derecognition of receivables	4,132	3,774
Income from payments received on receivables derecognized in previous years	723	1,125

The ratio of expenses for the derecognition of trade receivables to the valuation allowances on trade receivables results from the special posting system of the flat-rate individual valuation allowance in the GASAG Group. Withdrawals during the year are not booked against the flat-rate specific bad debt allowance, but are recognised directly in expenses. Payments received on receivables already impaired are recognised in other operating income. The value adjustment on trade receivables is determined on the reporting date as the balance of the existing value adjustment and the calculated value adjustment requirement, and the corresponding amount is added or released. This accounting system does not have any effect on earnings.

In the 2024 financial year, interest income of € 450 thousand (previous year: € 267 thousand) was recognized on derecognized or impaired receivables.

(23) CASH AND CASH EQUIVALENTS

IN € K	DEC. 31, 2024	Dec. 31, 2023
Cash on hand / checks	43	54
Credit balances with banks	9,257	9,483
Short-term investments	34,200	120,500
	43,500	**130,037**

(24) ASSETS AND LIABILITIES HELD FOR SALE

Due to the expiry of the easement agreements, the municipality of Massen- Niederlausitz awarded the gas concession for the districts of Betten and Massen to Stadtwerke Finsterwalde GmbH, Finsterwalde. All gas distribution facilities required to operate the gas supply network for general supply will be sold to the new gas network operator on January 1, 2025.

The assets are classified as held for sale as at December 31, 2024. An impairment test immediately prior to classification as held for sale did not reveal any need for impairment. The composition of the two items is shown in the following overview.

IN € K	DEC. 31, 2024	Dec. 31, 2023
Land and buildings	8	0
Distribution systems	595	0
Assets held for sale	**603**	**0**
Special items from investment grants Assets held for sale	**240**	**0**

(25) EQUITY

The breakdown and changes in equity and non-controlling interests are shown in the statement of changes in equity.

Subscribed Capital

The subscribed capital is divided into 8,100,000 no-par bearer shares with a notional value of € 51.00. All of the shares have been issued and are fully paid up. The subscribed capital has not changed compared to 31 December 2023 and amounts to € 413,100 thousand.

Capital reserve

The capital reserve contains only premiums within the meaning of § 272 (2) no. 1 HGB. Pursuant to § 150 (2) AktG, 10 % of GASAG's share capital may not be distributed from the legal reserve with limited availability. The remaining amount may only be used as described in section 150 (4) AktG.

Reserve for Unrealized Gains or Losses

Unrealized gains and losses from the measurement of hedging transactions at fair value and remeasurements from defined benefit pension obligations are recognized in these reserves.

IN € K	2024	Of which IAS 39 / IFRS 9	Of which IAS 19	2023	Of which IAS 39 / IFRS 9	Of which IAS 19
Status Jan. 1	–94,851	–85,856	–8,995	21,082	27,151	–6,069
Changes recognized directly in equity	108,289	106,992	1,297	–115,933	–113,007	–2,926
As at Dec. 31	**13,438**	**21,136**	**–7,698**	**–94,851**	**–85,856**	**–8,995**

Retained Earnings

The retained earnings include the net profit for the year remaining after allocation to other revenue reserves, other revenue reserves and the reserve from the first-time application of IFRS and the undistributed profits from previous years. The reserves from the first-time application of IFRS amount to € 90,843 thousand.

Non-Controlling Interests

The following table lists the companies that mainly determine the balance sheet item "Non-controlling interests".

	Stadtwerke Forst GmbH, Forst (Lausitz)	
	2024	2023
Non-controlling interests in %	25.00	25.00
IN € K		
Non-controlling interests are attributable to non-controlling interests:		
Pro rata equity	4,582	4,431
Pro rata net income for the year	201	460
Financial positions of the subsidiaries:		
Dividends paid in the financial year	–1,628	–2,195
Assets	41,248	40,581
Liabilities	23,044	22,977
Sales revenue	40,116	37,190
Net income for the year	799	1,828
Components of other comprehensive income	0	0
Overall result	**799**	**1,828**

(26) DEFFERED INCOME

Deferred income developed as follows in the reporting years 2023 and 2024:

IN € K	Jan. 1, 2023	Additions leads	Resolutions	Rebookings	Repayments	Dec. 31, 2023
Government grants	**1,647**	**0**	**106**	**0**	**0**	**1,541**
Investment allowances	1,647	0	106	0	0	1,541
of which short-term (< 1 year)						*107*
Grants from third parties	**265,428**	**5,985**	**11,596**	**0**	**29**	**259,788**
Building cost/investment grants (according to NDAV and concession contracts)	251,353	4,967	10,102	0	1	246,217
of which short-term (< 1 year)						*10,055*
Other investment grants	14,075	1,018	1,494	0	28	13,571
of which short-term (< 1 year)						*1,303*
Total	**267,075**	**5,985**	**11,702**	**0**	**29**	**261,329**
of which short-term (< 1 year)						*11,465*
of which long-term (> 1 year)						*249,864*

IN € K	Jan. 1, 2024	Additions leads	Resolutions	Rebookings	Repayments	DEC. 31, 2024
Government grants	**1,541**	**0**	**106**	**0**	**0**	**1,435**
Investment allowances	1,541	0	106	**0**	0	1,435
of which short-term (< 1 year)						*105*
Grants from third parties	**259,788**	**10,053**	**11,827**	**–240[1)]**	**26**	**257,748**
Building cost/investment grants (according to NDAV and concession contracts)	246,217	5,340	10,197	–240	26	241,094
of which short-term (< 1 year)						*10,158*
Other investment grants	13,571	4,713	1,630	0	0	16,654
of which short-term (< 1 year)						*1,448*
Total	**261,329**	**10,053**	**11,933**	**–240[1)]**	**26**	**259,183**
of which short-term (< 1 year)						*11,711*
of which long-term (> 1 year)						*247,472*

1) Reclassification to assets held for sale

In the reporting year and in the previous year, the GASAG Group companies were unable to apply for any investment subsidies under the Investment Subsidies Act due to the current legal situation. The investment grants still available result from previous years.

The construction cost and investment subsidies are mainly paid for investments supply and house connection lines. The other investment grants mainly relate to payments for the construction of heat generation plants and customer control systems.

(27) PROVISIONS

IN € K	DEC. 31, 2024	Dec. 31, 2023
Non-current provisions		
Provisions for defined benefit plans	25,555	28,936
Other provisions	23,017	21,965
	48,572	**50,901**
Current provisions		
Provisions for defined benefit plans	2,411	2,369
Other provisions	42,141	55,880
	44,552	**58,249**
	93,124	**109,150**

Provisions for Defined Benefit and Defined Contribution Plans

The GASAG Group grants both defined benefit and defined contribution pension commitments. The commitments are based primarily on the length of service and the remuneration of the employees.

In the case of defined contribution plans, the company does not enter into any further obligations beyond the payment of contributions to the pension funds. The expenses are reported under personnel expenses. In the reporting year, benefits totaling € 14,566 thousand (previous year: € 13,404 thousand) were paid or accrued for the reporting period.

The company pension plan provided by the VBL is to be considered a performance-oriented, joint pension plan of several employers in accordance with IAS 19, since the employees have a legal claim to the benefits set forth in the plan's statutes, regardless of the contributions actually made. In principle, therefore, the employees' claim is against the VBL and not against the company, but there is a subsidiary liability for the company. Provisions should be created if the VBL's assets are insufficient to cover the obligations. The valuation and calculation is to be based on the fund's assets attributable to the company. The VBL was unable to provide this information. Since there is insufficient information available to recognise the VBL as a defined benefit plan, these pension benefits are treated as a defined contribution plan. The VBL exists as a pension scheme at the federal/state level, so no specific data is to be provided for individual sponsoring companies. It is not possible to explain how the plan's financial position might affect future contributions, as these are ultimately determined by the VBL.

Provisions are recognized for defined benefit plans in accordance with existing pension commitments for future pension entitlements and current benefits to eligible active and former employees and their surviving dependants. There are both direct (from direct commitments) and indirect pension obligations (via external pension providers). These are essentially funded by provisions, meaning that the obligations from current pensions and entitlements to pensions payable in the future are covered by the provisions reported in the balance sheet. The main plans are salary-dependent and entitle the beneficiaries to lifelong pension payments. The amount of the benefits generally depends on the length of service and the salary of the beneficiaries in the years prior to retirement. The future obligations are measured using actuarial methods with a conservative estimate of the relevant parameters. The actuarial calculations of the pension obligations and the result for the period were based on the following average parameters:

IN %	2024	2023
Discount rate	3.40	3.19
Average future salary increase	2.50	2.50
Average future pension increase	2.00	2.00

The assumptions on mortality and the resulting life expectancy are based on the Heubeck 2018G mortality tables.

The following table shows a summary of the defined benefit plans with and without plan assets.

IN € K	DEC. 31, 2024	Dec. 31, 2023
Defined benefit plans without plan assets	45,297	48,626
Fair value of plan assets	17,331	17,321
Total defined benefit plans (net)	27,966	31,305

The plan assets are the insurance policies used to reinsure the pension benefits. The actual result from plan assets amounted to € 446 thousand in 2024 (previous year: € 402 thousand). 63.0 % (previous year: 62.0 %) of the plan assets (exclusively German endowment insurance policies) consist of cash assets from external provident funds and 37.0 % from reinsurance policies (previous year: 38.0 %). In 2024, € 237 thousand (previous year: € 223 thousand) is to be paid into the plan assets.

The following table shows the development of the defined benefit obligation and the fair value of the plan assets.

There were no reimbursements for matters for which provisions were recognized.

IN € K	Present value of the performance oriented commitment	To be enclosed fair value of the plan assets	Liability from performance more oriented commitment
Jan. 1, 2023	45,864	17,163	28,701
Expenses for pension obligations recognized in profit or loss			
Current service cost	106	0	106
Interest expense/interest income	1,637	639	998
Recognized in the result for the period subtotal	**1,743**	**639**	**1,104**
Pension benefits paid	–2,926	–537	–2,389
Gains/losses from revaluation recognized directly in equity			
Changes in financial assumptions	3,945	0	3,945
Other changes in value	0	–237	237
Recognized in other comprehensive income subtotal	**3,945**	**–237**	**4,182**
Employer contributions	0	293	–293
Dec. 31, 2023	**48,626**	**17,321**	**31,305**

IN € K	PRESENT VALUE OF THE PERFORMANCE ORIENTED COMMITMENT	TO BE ENCLOSED FAIR VALUE OF THE PLAN ASSETS	LIABILITY FROM PERFORMANCE MORE ORIENTED COMMITMENT
Jan. 1, 2024	48,626	17,321	31,305
Expenses for pension obligations recognized in profit or loss			
Current service cost	88	0	88
Interest expense/interest income	1,498	545	953
Recognized in the result for the period subtotal	**1,586**	**545**	**1,041**
Pension benefits paid	–2,986	–657	–2,329
Gains/losses recognized directly in equity losses from revaluation			
Changes in financial assumptions	–1,929	0	–1,929
Other changes in value	0	–99	99
Recognized in other comprehensive income subtotal	**–1,929**	**–99**	**–1,830**
Employer contributions	0	221	–221
Dec. 31, 2024	**45,297**	**17,331**	**27,966**

The following table shows a quantitative sensitivity analysis of the key assumptions as of December 31, 2024:

		Changes in defined benefit obligations			
ASSUMPTIONS	Change in %	DEC. 31, 2024 WITH INCREASE OF THE ASSUMPTIONS IN € K	DEC. 31, 2024 CHANGE IN € K	Dec. 31, 2023 with increase of the assumptions in € K	Dec. 31, 2023 change in € K
Discount rate	1.0	–4,392	5,358	–5,148	6,368
Future salary increases	1.0	84	–80	103	–98
Future pension increases	1.0	3,183	–2,735	5,173	–4,411

The above sensitivity analyses have been performed using a process that extrapolates the effect on the defined benefit obligation of realistic changes in key assumptions at the end of the reporting period. In doing so, one assumption is changed while all other assumptions are held constant

The average duration of the defined benefit obligation at the end of the current reporting year is approximately 11.25 years (previous year: 11.6 years).

Payments of € 3,029 thousand (previous year: € 3,160 thousand) are expected within the next 12 months as part of the defined benefit obligations.

Other Provisions

Other provisions Provisions – Maturities

IN T €	DEC. 31, 2024 TOTAL	of which remaining term < 1 YEAR	of which remaining term > 1 YEAR	Dec. 31, 2023 Total	of which remaining term < 1 year	of which remaining term > 1 year
Provisions for dismantling obligation for natural gas storage facilities	27,655	7,814	19,841	36,071	17,601	18,470
Provisions for legal disputes	11,109	11,109	0	11,181	11,181	0
Provisions for project costs not yet invoiced	10,585	10,585	0	9,629	9,629	0
Provisions for income, earnings and other taxes	2,194	2,194	0	7,691	7,691	0
Provision for settlement obligation	1,685	1,685	0	2,409	2,409	0
Provisions for bonuses and other discounts	4,888	4,888	0	3,047	3,047	0
Provisions for soil remediation	602	602	0	657	657	0
Provisions for demolition, dismantling and aftercare	1,850	600	1,250	1,720	547	1,173
Provisions for benefits to employees	2,067	698	1,369	2,704	1,173	1,531
Other provisions	2,523	1,966	557	2,736	1,945	791
	65,158	**42,141**	**23,017**	**77,845**	**55,880**	**21,965**

Movement in provisions

IN T €	Jan. 01, 2024	Consumption	Resolution	Feed	Interest rate change [1]	DEC. 31, 2024
Provisions for restoration obligations natural gas storage	36,071	–8,390	0	0	–26	27,655
Provisions for legal disputes	11,181	–236	–1,495	1,659	0	11,109
Provisions for not yet invoiced project costs	9,629	–7,955	–1,061	9,972	0	10,585
Provisions for income, profit and other taxes	7,691	–5,317	–458	278	0	2,194
Provision for billing obligation	**2,409**	**0**	**–956**	**232**	**0**	**1,685**
Provisions for bonuses and other discounts	**3,047**	**–1,460**	**–86**	**3,387**	**0**	**4,888**
Provisions for soil remediation	**657**	**0**	**–69**	**14**	**0**	**602**
Provisions for demolition, dismantling and aftercare	**1,720**	**0**	**–2**	**55**	**77**	**1,850**
Provisions for benefits to employees	**2,704**	**–290**	**–547**	**140**	**60**	**2,067**
Other provisions	2,736	–668	–173	610	18	2,523
	77,845	**–24,316**	**–4,847**	**16,347**	**129**	**65,158**

1) Accrued interest on provisions; interest effects due to changes in interest rates and maturities including effects recognized directly in equity in accordance with IFRIC 1

The **provisions for dismantling obligations for the natural gas storage facility** were mainly recognized due to obligations under public law. The BES final operating plan and the associated decommissioning permit were approved by the responsible state mining authority at the end of December 2022 and are now limited until December 31, 2035. The removal of the storage facility, the backfilling of the wells and the dismantling of the surface facilities are being carried out in accordance with the provisions of the final operating plan. The aftercare and dismantling activities are proceeding according to plan.

The provisions for legal disputes include legal costs, class actions and reclaims.

Provisions for other obligations to employees mainly relate to obligations from company agreements. The obligations from partial retirement arrangements are measured on the basis of actuarial reports. The valuation parameters used for this are shown below:

IN %	2024	2023
Interest rate	2.83	3.90
Average future salary increase	2.50	2.50
Average future pension increase	2.00	2.00

The expenses for partial retirement obligations are included in the operating result and the interest expenses for the compounding of the provisions are included in the financing expenses. The provisions for partial retirement arrangements mainly have terms of up to 5 years.

In fiscal year 2007, GASAG Treuhand e. V. was established to provide insolvency protection for claims arising from partial retirement agreements in accordance with section 8a of the Partial Retirement Act. The financial resources transferred to the trustee in the amount of € 5,160 thousand (previous year: € 8,992 thousand) are to be managed by the trustee from the point of view of preserving substance and may also be used in future exclusively and irrevocably to meet the corresponding obligations

The trust assets attributable to the settlement arrears of the partial retirement obligations represent the plan assets. The fair value of the plan assets in the GASAG Group amounting to € 5,160 thousand (previous year: € 9,085 thousand) is netted against the obligations.

(28) FINANCIAL LIABILITIES

IN € K	DEC. 31, 2024	Dec. 31, 2023
Liabilities to credit institutions and promissory note loans	**540,772**	**547,871**
of which with a remaining term of up to 1 year	*95,790*	*63,881*
of which with a remaining term of more than 1 year	*444,982*	*483,990*
Other financial liabilities	**82,221**	**82,161**
of which with a remaining term of up to 1 year	*10,706*	*1,117*
of which with a remaining term of up to 1 year	*71,515*	*81,044*
Derivatives	**10,849**	**121,893**
of which with a remaining term of up to 1 year	*7,169*	*100,500*
of which with a remaining term of more than 1 year	*3,680*	*21,393*
	633,842	**751,925**

Financial liabilities mainly comprise liabilities to banks and promissory note loans.

0.37 % (previous year: 0.76 %) of liabilities to banks are subject to variable interest rates.

As in the previous year, the range of interest rates for fixed-interest financial liabilities is between 0.67 % and 4.85 %.

The following table shows the contractually agreed (undiscounted) cash flows of the non-derivative financial liabilities and derivative financial instruments. All instruments that were held as at December 31, 2024 and whose payments were contractually agreed were taken into account. The variable interest payments from financial instruments were calculated on the basis of the most recent interest rates before December 31, 2024 were determined.

			of which in the periods		
IN € K	BOOK VALUE DEC. 31, 2024	Cash flows total	2025	2026–2029	2030 ff.
Financial liabilities to credit institutions and promissory note loan	–540,772	–594,479	–105,536	–222,389	–266,554
Other financial liabilities	–82,221	–87,996	–11,668	–4,084	–72,244
Derivative financial liabilities	–10,849	–92,662	–86,662	–6,000	0
Derivative financial assets	43,342	–249,603	–134,872	–114,731	0

For comparison, the prior year figures:

			of which in the periods		
IN € K	Book value Dec. 31, 2023	Cash flows total	2024	2025–2028	2029 ff.
Financial liabilities to credit institutions and promissory note loan	–547,871	–598,182	–57,983	–260,160	–280,039
Other financial liabilities	–82,161	–89,172	–2,338	–13,715	–73,119
Derivative financial liabilities	–121,893	–504,121	–337,926	–166,195	0
Derivative financial assets	2,187	–53,978	–39,075	–14,903	0

Information on derivatives is presented separately under Note **“(32) Reporting on financial instruments”.**

(29) TRADE PAYABLES AND OTHER LIABILITIES

		Remaining term			Remaining term	
IN € K	DEC. 31, 2024	≤ 1 YEAR	> 1 YEAR	Dec. 31, 2023	≤ 1 year	> 1 year
Liabilities from deliveries and services	268,091	268,091	0	276,437	276,437	0
Liabilities from the purchase of natural gas	209,582	209,582	0	207,118	207,118	0
Other trade accounts	58,509	58,509	0	69,319	69,319	0
Other liabilities	244,281	164,657	79,624	263,033	176,556	86,477
Leasing liabilities	88,145	10,791	77,354	91,853	10,148	81,705
Obligations to employees	18,261	15,991	2,270	21,806	17,034	4,772
Tax liabilities	41,524	41,524	0	14,990	14,990	0
Debtors with credit balances	42,316	42,316	0	105,577	105,577	0
Miscellaneous other liabilities	54,035	54,035	0	28,807	28,807	0
	512,372	**432,748**	**79,624**	**539,470**	**452,993**	**86,477**

Other liabilities mainly include lease liabilities in the amount of € 91,853 thousand (previous year: € 97,531 thousand), obligations from employee benefits due in 2023 in the amount of € 17,034 thousand (previous year: € 15,237 thousand), tax liabilities in the amount of € 14,990 thousand (previous year: € 13,001 thousand), debtors with credit balances totalling € 105,577 thousand (previous year: € 84,754 thousand).

The minimum lease payments and present values from leases are as follows:

IN € K	MINIMUM LEASE INSTALLMENT 2024	Minimum lease installment 2023	PRESENT VALUES DEC. 31, 2024	Present values Dec. 31, 2023
With a remaining term of up to 1 year	12,969	12,652	10,736	10,178
With a remaining term of 1 to 5 years	41,225	40,183	34,922	33,277
With a remaining term of more than 5 years	46,289	53,439	42,450	48,480
	100,483	**106,274**	**88,108**	**91,935**

The total cash outflow for leasing in the financial year amounted to € 15,948 thousand (previous year: € 15,586 thousand).

(30) OBLIGATIONS TO EMPLOYEES

		of which remaining term			of which remaining term	
IN € K	DEC. 31, 2024	< 1 YEAR	> 1 YEAR	Dec. 31, 2023	< 1 year	> 1 year
Provisions for defined benefit plans	27,966	2,411	25,555	31,305	2,369	28,936
Other provisions from obligations to third parties employees	2,067	698	1,369	2,704	1,173	1,531
Liabilities from obligations to employees	18,261	15,991	2,270	21,806	17,034	4,772
	48,294	**19,100**	**29,194**	**55,815**	**20,576**	**35,239**

(31) INCOME TAX LIABILITIES

Income tax liabilities include income tax obligations such as corporation tax including the solidarity surcharge and trade tax.

8 OTHER NOTES

(32) REPORTING ON FINANCIAL INSTRUMENTS

Financial instruments include primary and derivative financial instruments.

Primary financial instruments mainly comprise trade receivables and cash and cash equivalents on the assets side and loans to banks and promissory note lenders as well as trade payables on the liabilities side.

Trade receivables and other assets, cash and cash equivalents as well as trade payables and other liabilities mainly have short remaining terms. The carrying amounts of these instruments therefore approximate their fair value as at the balance sheet date.

The fair values of financial liabilities to banks and other financial liabilities are determined by discounting the instruments over the remaining term using standard market interest rates.

The following table shows the carrying amounts, fair values and the measurement category in accordance with IFRS 9 as well as the allocation to the hierarchy levels in accordance with IFRS 13 of all financial instruments recognized in GASAG's consolidated financial statements.

BACK TO CONTENT

IN € K	Hierarch rating IFRS 13	Level category acc. IFRS 9	CARRYING AMOUNT DEC. 31, 2024	FAIR VALUE DEC. 31, 2024	Carrying amount Dec. 31, 2023	Fair Value Dec. 31, 2023
Assets						
Shareholdings						
Non-notated EK instruments	3	FVOCI	621	621	621	621
Other investments	3	FVPL	16,214	16,214	16,214	16,214
Financial receivables and other financial assets						
Other loans	–	AmC	121	121	285	285
Finance lease receivables	2	–	5,470	6,326	5,600	6,693
Other financial assets	–	AmC	39,815	39,815	47,272	47,272
Derivates						
Derivatives with hedging relationship	2	–	43,342	43,342	2,188	2,188
Trade receivables and other receivables	–	AmC	173,240	173,240	197,990	197,990
Cash and cash equivalents	–	AmC	43,500	43,500	130,037	130,037
Liabilities						
Financial debts						
Financial debts against credit institutions and promissory note loans	3	AmC	540,772	496,708	547,871	488,976
Other financial liabilities [1]	3	AmC	81,202	71,761	81,186	69,258
Minority interests in partnerships	3	AmC	1,019	1,019	975	975
Derivates						
Derivatives with hedging relationship	2	–	10,849	10,849	121,893	121,893
Liabilities from deliveries and services	–	AmC	268,091	268,091	276,437	276,437
Other financial liabilities	–	AmC	106,932	106,932	135,171	135,171
Other financial liabilities	2	FVPL	2,305	2,305	16,802	16,802

[1] without minority interests Partnerships

Measurement categories in accordance with IFRS 9:
- AmC – measured at amortized cost
- FVOCI – measured at fair value through other comprehensive income (fair value through OCI)
- FVPL – measured at fair value through profit or loss (fair value through P&L)

In accordance with IFRS 13, the following hierarchy levels are used to determine and report the fair value of financial instruments:

Level 1: Fair values based on quoted prices in active markets,

Level 2: Fair values that are determined on the basis of valuation techniques which use inputs that have a significant effect on the recorded fair value and are based on observable market data,

Level 3: Fair values that are determined on the basis of valuation techniques which use inputs that have a significant effect on the recorded fair value and are not based on observable market data.

In fiscal year 2024, there were no reclassifications between fair value measurement at Level 1 and Level 2 and no reclassifications into or out of Level.

The fair values of the other investments reported as financial investments are not immediately available due to the lack of an active market. Therefore, the fair value is estimated using valuation techniques. The discounted earnings method is used as the valuation method. The following table shows the main observable input parameters of the discounted earnings method and their effects on the valuation of the financial investments:

SIGNIFICANT NON-OBSERVABLE PARAMETERS	Rate %	Effects of changes in input parameters on the fair value (sensitivity analysis)
Growth factor for perpetuity	0.5 %	A decrease in the growth rate of 0.5 % points would lead to a decrease of around € 0.9 million in the fair value. An increase in the growth factor is unrealistic.
Return on sales (in relation to net income)	10.0 %	An increase (decrease) in net profit for the year of 10 % points would lead to an increase of around € 3.2 million (a decrease of around € 3.2 million) in the fair value.
Capitalization interest rate	7.11 %	An increase (decrease) in the capitalization interest rate by 0.1 percentage points would lead to a decrease of around € 2.4 million (an increase of around € 2.4 million) in the fair value.

The following table shows the changes in the other equity investments recognized as investments in unquoted equity instruments:

IN € K	2024	2023
January, 1	16,835	15,041
Additions	0	1,794
December, 31	**16,835**	**16,835**

Net results by measurement categories

	AmC		FVPL	
IN € K	2024	2023	2024	2023
Financial costs	–14.189	–15,306	0	0
Financial income	2.073	4,011	0	1,801
Cost of materials	0	0	14,497	–16,802

Derivative financial instruments and hedging relationships

The following derivative transactions existed on the balance sheet date:

IN € K	POSITIVE FAIR VALUE	NEGATIVE FAIR VALUE	NOMINAL VOLUME	Nominal volume by maturity UP TO 1 YEAR	FROM 1 TO 1 TO 5 YEARS
Commodity derivatives in hedging relationship	52,842	–22,691	419,535	267,865	151,670
	52,842	**–22,691**	**419,535**	**267,865**	**151,670**

The figures from the previous year for comparison:

IN T €	Positive fair value	Negative fair value	Nominal volume	Nominal volume by maturity Up to 1 year	From 1 to 5 years
Interest rate swaps in hedging relationship	6	0	1,500	1,500	0
Commodity derivates in hedging relationships	27,655	–149,903	591,366	404,398	186,968
	27,655	**–149,903**	**592,866**	**405,898**	**186,968**

Physical forward transactions are mainly used to hedge price risks in the commodities area. If the requirements of IFRS 9 for hedge accounting are met, these are recognized as cash flow hedges with no effect on profit or loss.

The development of the reserve for cash flow hedges and the ineffectiveness are shown below:

DEC. 31, 2024 IN € K	As of Jan. 1, 2024	Gains or losses recognized in equity from CFH	Due to the profit and loss effective realization of the underlying transaction	AS OF DEC. 31, 2024
Hedging of interest	–6	47	–41	0
Rate risks heading of commodity risks	122,248	–49,506	–102,893	–30,151

Commodity derivatives are valued individually at their forward rate or price on the balance sheet date. Where possible, the forward rates or prices are based on market quotations supplemented by extrapolated prices where necessary. The future cash flows determined are discounted over the remaining term of the transactions using standard market interest rates. The prices hedged with commodity derivatives range from € 20 to € 79/MWh for gas and from € 63 to € 243/MWh for electricity.

The counterparty default risk is also taken into account when determining the fair value of derivative financial instruments. The counterparty default risk for financial assets is recognized by means of a credit value adjustment, while the own default risk for financial liabilities is recognized by means of a debit value adjustment.

The nominal volume of the derivative financial instruments is shown unnetted by the sum of all underlying purchase and sale values.

Derivative financial instruments are subject to standard market netting agreements. They are generally traded on the basis of the master agreement for financial futures and the EFET agreements (European Federation of Energy Traders). The following overview shows those financial assets and financial liabilities that are offset in accordance with IAS 32 or are subject to enforceable master netting agreements:

DEC. 31, 2024 IN € K	GROSS AMOUNT	OFFSETTING	COLLATERAL	CARRYING AMOUNT	AMOUNT NOT OFFSET
Derivates (assets)	52,842	–7,969	–1,531	43,342	43,342
Derivates (liabilities)	–22,691	7,969	3,873	–10,849	–10,849

For comparison, the prior-year figures:

DEC. 31, 2023 IN € K	Gross amount	Offsetting	Collateral	Carrying amount	Amount not offset
Derivates (assets)	27,661	–12,560	–12,913	2,188	2,188
Derivates (liabilities)	–149,903	12,560	15,450	–121,893	–121,893

(33) ENERGY AND FINANCIAL RISK MANAGEMENT

Objectives and Policies

In the course of its business activities, GASAG is exposed to a number of risks from energy and financial transactions. GASAG limits these risks through systematic risk management and controlling processes, which are an integral part of the energy procurement and finance business processes.

The internal guidelines govern the uniform Group-wide trading, settlement and monitoring processes as well as uniform risk reporting. The aim of these risk management processes is to enable GASAG to identify risks at an early stage, analyze them in their entirety and derive the resulting risk policy measures for shaping business policy.

Energy Price and Quantity Risk Management

Within the GASAG Group, a distinction is made between price and volume risks. Volume risk is defined as the potential loss that arises if purchase or delivery obligations cannot be met. The market price change risk is defined as the risk of potential losses from open positions in the event of changes in the market prices underlying the energy trading transactions. Volume and market price change risks can occur in combination.

Physical forward transactions are used to reduce the risk of price changes from sales and procurement transactions and to hedge innovative price offers. Risk positions between fixed and variable cash flows from sales and procurement transactions are generally hedged when a maximum volume is reached in accordance with the existing risk strategy. GASAG therefore only has a small number of unhedged positions. The risk from fluctuations in the value of unhedged positions from these transactions is determined for gas using a scenario analysis based on a historical simulation with a 14-day holding period and a residual risk of 2.5 %. The risk of the unhedged gas item amounted to € 51.8 thousand as at the reporting date (previous year: € 132 thousand). For electricity, the risk is measured using the value-at-risk method with a confidence interval of 95 % and a holding period of 25 days. Based on historical fluctuations in value, the value-at-risk as at the reporting date amounted to € 38.3 thousand (previous year: € 33.5 thousand) for positions in the electricity business.

Market price change risks in relation to physical commodity derivatives in hedging relationships arise to the extent that the changes in the valuation of the derivatives recognized directly in equity vary due to market price fluctuations. Commodity derivatives are remeasured at changed market prices on the basis of historical market price fluctuations in the reference market prices. The market prices used for this are changed by parallel shifts of between and for natural gas and electricity respectively. The potential risk of a reduction in equity calculated in this way amounts to € 119,341 thousand (previous year: € 68,677 thousand).

Management of Financial Risks

Within GASAG, financial risks are defined as risks from interest rate, currency and other market price risks. These result from existing and planned financial transactions that are exposed to market price fluctuations. In addition, liquidity risks are considered a component of financial risk management.

GASAG and its affiliated companies use a uniform method of risk measurement for the purpose of comparing different risk positions. No derivative financial instruments are currently used to reduce market price risk positions.

Interest Rate Risk

Interest rate risks exist for liabilities to banks, from promissory note loans issued, from other financial liabilities, from interest rate swaps and from receivables from banks.

The change in relevant market interest rates can cause a change in the fair value of interest-bearing financial instruments or lead to fluctuations in the future cash flows resulting from the financial instrument.

The risk of fluctuations in future cash flows from interest-bearing liabilities is eliminated within GASAG through the use of derivative financial instruments. As of December 31, 2024, there are no significant unhedged floating-rate liabilities in the portfolio.

In the case of primary financial instruments with fixed interest rates, market interest rate fluctuations only affect the result if these are measured at fair value. Thus, all financial instruments with fixed interest rates measured at amortised cost in accordance with IFRS 9 are not subject to interest rate risk within the meaning of IFRS 7.

Currency Risk

Financial transactions take place almost exclusively in the GASAG Group companies‘ own currency area, so there is no significant currency risk. As at the balance sheet date, there were no forward exchange contracts to hedge future transactions.

Liquidity Risk

The objective of liquidity management is to ensure the liquidity of the GASAG Group and the individual companies of the GASAG Group at all times. GASAG is responsible for identifying, measuring and managing liquidity positions in cooperation with the subsidiaries with the aim of ensuring financial performance. In particular, rolling twelve-month liquidity plans are used for this purpose.

The GASAG Group's credit and guarantee lines are provided by a total of 11 banks, some of which have no maturity date. As of the balance sheet date, credit and guarantee lines committed in writing amounted to € 279.2 million. Utilization as at the balance sheet date was mainly through guarantees and amounted to € 37.2 million. In addition, further verbally committed unused credit lines are available.

Counterparty Default Risks

The counterparty default risk relates to possible asset losses that could arise from the non-fulfilment of contractual obligations on the part of trading partners.

The maximum theoretical default risk of derivative transactions results from the sum of the positive market values of the instruments from which claims against trading partners exist. This risk is reduced in the case of trading partners with offsetting options.

Counterparty default risks of trading partners in the energy and finance sectors are managed using a Group-wide limit system. A trading partner's limit is determined in particular on the basis of external credit ratings, which are supplemented by selected key figures. The changes in the parameters mentioned are continuously monitored as part of standardised risk management processes. Furthermore, potential counterparty default risks are determined using a Monte Carlo simulation, taking into account the default probabilities of counterparties and corresponding risk positions. With a probability of over 99 %, the loss potential does not exceed € 6 million (previous year: € 2 million).

Capital Structure Management

The aim of capital structure management in the GASAG Group is to maintain capital market viability and thus to ensure that the companies of the GASAG Group are able to act financially at all times.

In the GASAG Group, financial ratios relating to capital structure, financial strength and profitability are determined based on the annual financial statements, long-term corporate planning and forecasts. Strategic capital structure management aims to optimise these financial ratios. Tactical capital structure management serves to maintain these financial ratios. The GASAG Group manages its capital structure and makes adjustments taking into account changes in the economic environment. To optimise the capital structure, adjustments can be made to GASAG's dividend payments to shareholders, among other things.

As at 31 December 2024, no changes have been made to the capital structure management objectives, policies and procedures.

The net financial position of the GASAG Group is shown below. This results from cash and cash equivalents less financial liabilities, lease liabilities and the balance of positive and negative fair values of derivatives.

IN € K	2024	2023
Cash and cash equivalents	43,500	130,037
Liabilities to banks	–540,772	–547,871
Other financial liabilities	–82,221	–82,161
Leasing liabilities	–88,145	–91,853
Derivates	32,493	–119,705
Net financial position	**–635,145**	**–711,553**

(34) CONTINGENT LIABILITIES AND OTHER FINANCIAL OBLIGATIONS

Contingent liabilities and other financial obligations as at the balance sheet date:

IN € K	DEC. 31, 2024	Dec. 31, 2023
Litigation and other risks	10,976	11,617
Issuance from guarantees	16,994	574
Contingent liabilities	**27,970**	**12,191**
Purchase obligations for (bio)natural gas	592,126	831,127
Upstream network costs	110,213	96,194
Purchase commitments	100,296	84,902
Purchase obligations for electricity	100,271	105,934
Other	76,306	77,461
Other financial obligations	**979,212**	**1,195,618**

The main purchase obligations relate to natural gas, electricity and biomethane supply contracts for standard commercial transactions. Taking into account the individual terms, this results in financial obligations with a nominal value of € 1,197.7 million until 2032. The figure for procurement obligations as at December 31, 2024 in the table above is the discounted amount.

The amount of € 110,213 thousand (previous year: € 96,194 thousand) for upstream grid costs results from short-term contracts in connection with the ordering of grid capacities in upstream grids.

The breakdown of purchase commitments is shown the table below:

SHARE IN %	DEC. 31, 2024	Dec. 31, 2023
Purchase commitments for property, plant and equipment	45.4	59.0
Order commitment expense orders	52.5	40.1
Renewable raw materials	2.1	0.9
	100	**100**

In addition, other financial obligations mainly include operating costs from rental and leasing agreements, service obligations in the area of technical equipment and IT.

Due to existing extension options in rental agreements, there are potential future cash outflows of € 23,129 thousand (previous year: € 22,410 thousand).

The extension options relate in particular to rental agreements for office space of GASAG Group companies on the EUREF campus in Berlin. They can only be exercised by companies of the GASAG Group and not by the lessor. The extension options were not taken into account in the measurement of the lease liabilities as it is currently not sufficiently certain that they will be exercised. If a significant event or a significant change in circumstances occurs, a reassessment is made as to whether the exercise of extension options is sufficiently certain. Future rental and lease obligations include obligations from short-term leases in the amount of € 61 thousand (previous year: € 64 thousand) and leases for low-value assets in the amount of € 1,208 thousand (previous year: € 1,859 thousand).

In addition, GSP and ENGIE Deutschland GmbH, Cologne, issued a letter of comfort for the financial resources of Quartierswerk GmbH so that it can fulfill all obligations arising from the Quartierswerk contract.

(35) NOTES TO THE CASH FLOW STATEMENT

Intangible Assets
The GASAG Group recognized additions to intangible assets in the amount of € 5,458 thousand (previous year: € 3,411 thousand). Payments for intangible assets amounted to € –5,458 thousand (previous year: € –3,411 thousand).

Property, Plant and Equipment
The GASAG Group acquired property, plant and equipment for € 129,516 thousand (previous year: € 114,577 thousand). Payments to purchase property, plant and equipment amounted to € 129,381 thousand (previous year: € 114,291 thousand).

Financial Assets
The financial assets stated in the cash flow statement relate to shares in associated companies and non-current financial assets.

Cash and Cash Equivalents
As at the reporting date, cash and cash equivalents consisted of cash and cash equivalents amounting to € 43,500 thousand (previous year: € 130,037 thousand).

Interest and dividends paid/received
The cash flow from operating activities includes interest received in the amount of € 2,469 thousand (previous year: € 4,164 thousand), interest paid in the amount of € 14,727 thousand (previous year: € 15,383 thousand), and dividends received totalling € 833 thousand (previous year: € 719 thousand).

Cash flow from financing activities includes dividends paid totalling € 52,721 thousand (previous year: € 48,660 thousand).

Financing Activities

In the fiscal year, liabilities from financing activities changed as follows:

IN € K	2023	With an effect on cash	With no effect on cash Change in fair value	2024
Liabilities to banks	547,871	–7,099	0	540,772
Other financial liabilities	82,161	70	0	82,231
Derivates	121,893	0	–111,044	10,849
Total financial liabilities	**751,925**	**–7,029**	**–111,044**	**633,852**

(36) RELATED PARTIES

As of December 31, 2024, Vattenfall GmbH, Berlin, (hereinafter Vattenfall) and ENGIE Beteiligungs GmbH, Berlin, (hereinafter ENGIE) each held a 31.575 % share of GASAG's share capital. In addition E.ON Beteiligungen GmbH, Essen, held a 36.85 % stake in GASAG. The parent company of Vattenfall is Vattenfall AB, Stockholm, Sweden, of E.ON Beteiligungen GmbH, E.ON SE, Essen, of ENGIE, ENGIE Deutschland AG, Berlin.

A consortium agreement has been in place between the shareholders of GASAG, Vattenfall and ENGIE since June 2015, which was approved by the EU Commission in December 2015 and again in December 2020, and has been implemented since January 1, 2021. Vattenfall and ENGIE thus jointly hold a majority stake in GASAG.

In addition to the shareholders of GASAG, the related parties of the GASAG Group with which the GASAG Group conducted business in the 2024 financial year include the affiliated companies of Vattenfall AB, Stockholm, Sweden, ENGIE S.A., Paris, France, and E.ON SE, Essen, Germany.

The shareholders exercise significant influence over the GASAG Group through their shareholdings.

Transactions were conducted with related parties that resulted in the following items in the financial statements:

	Revenue		Expenses		Assets		Liabilities	
IN € K	2024	2023	2024	2023	DEC. 31, 2024	Dec. 31, 2023	DEC. 31, 2024	Dec. 31, 2023
Entities with significant influence	**99,704**	**121,924**	**107,136**	**297,925**	**98,903**	**99,244**	**32,015**	**49,328**
E.ON-Group	20,773	22,019	38,772	37,168	42,293	43,113	17,716	15,230
Vattenfall-Group	73,914	96,261	17,834	214,040	56,541	53,831	851	12,242
ENGIE-Group	5,017	3,644	50,530	46,717	69	2,300	13,448	21,856
Investments accounted using the equity method	**101,594**	**13,333**	**81,176**	**4,619**	**105,469**	**4,699**	**359,417**	**1,799**
Associates	101,167	12,245	80,191	4,176	105,308	3,914	358,956	1,559
Joint Ventures	427	1,088	985	443	161	785	461	240

The relationships between the companies of the GASAG Group and the Vattenfall Group exist primarily in the area of gas supplies. Revenues mainly represent income generated on the basis of natural gas supply contracts. Expenses mainly include material expenses from gas supply contracts and services the area of hardware and software.

Transactions with companies in the ENGIE Group mainly relate to natural gas deliveries received. The expenses mainly represent the cost of materials from gas procurement contracts.

Assets and liabilities represent the outstanding balances in relation to the aforementioned business relationships between the GASAG Group and related parties. Of the assets, trade receivables include € 98,903 thousand (previous year: € 99,244 thousand) from companies with a significant influence and € 105,469 thousand (previous year: € 4,699 thousand) from companies accounted for using the equity method. Of the liabilities, € 32,015 thousand (previous year: € 49,328 thousand is attributable to trade payables to companies with a significant influence and € 359,417 thousand (previous year: € 1,799 thousand) to companies accounted for using the equity method.

The companies accounted for using the equity method are shown in the overview of shareholdings (see section **"3 Scope of consolidation"**). Income from associated companies mainly results from gas deliveries. The expenses mainly relate to services in the context of market and sales developments in connection with the natural gas product. The receivables and liabilities result from trade.

The members of the **supervisory board** in fiscal year 2024 were:

Eric Stab	(Chairman of the Supervisory Board since 01.03.2024) Country Manager Germany and Chairman of the Executive Board of ENGIE Deutschland AG, Berlin
Manfred Schmitz	(Chairman of the Supervisory Board until 29.02.2024) Management consultant at Manfred Schmitz Consult GmbH, Grafschaft
Thorsten Neumann	(1st Deputy Chairman of the Supervisory Board) Employee of NBB Netzgesellschaft Berlin Brandenburg mbH & Co. KG, Berlin
Marten Bunnemann	(2nd Deputy Chairman of the Supervisory Board) CEO E.ON Energy Infrastructure Solutions GmbH (Eis), Essen (since September 1, 2024) Chairman of the Executive Board of Avacon AG, Helmstedt (until August 31, 2024)
Helge Rugor	(3rd Deputy Chairman of the Supervisory Board) Vice President Real Estate & Facility Management of Vattenfall AB, Vattenfall GmbH, Berlin
Christian Barthélémy (until February 11, 2025)	Employee of Vattenfall GmbH, Berlin (since January 1, 2025) Chairman of the Management Board of Vattenfall GmbH, Berlin and Vattenfall Country Representative Germany (until December 31, 2024)
Michael Buggenhagen	Head of Legal Germany at Vattenfall GmbH, Berlin
Stephan Gabarb	Director Strategic Cooperations & Business Development of ENGIE Deutschland AG, Berlin (since December 13, 2024)
Anne Marie Gestin (since March 1, 2024)	Finance Business Partner Networks Europe of ENGIE Romania SA, Bucharest (Romania)
Dirk Hahn	Employee of NBB Netzgesellschaft Berlin Brandenburg mbH & Co KG, Berlin
Thomas Henn	Commercial Director Energy of ENGIE Deutschland AG, Cologne
Annette Kofler	Chief Legal Officer of ENGIE Deutschland AG, Berlin
Annette Krafscheck	Employee of GASAG AG, Berlin

Tanja Kunert	Employee of NBB Netzgesellschaft Berlin Brandenburg mbH & Co KG, Berlin
Stephan Lachmann	Employee of NBB Netzgesellschaft Berlin Brandenburg mbh & Co KG, Berlin
Ursula Luchner	Employee of GASAG AG, Berlin
Dr. Sebastian Lührs	Vice President Steering Energy Networks Germany of E.ON SE, Essen
Franziska Marini Schäffter	Managing Director and Labor Director of Vattenfall GmbH, Berlin, and Head of Human Resources at Vattenfall Energy Trading GmbH, Hamburg, (since January 1, 2025) Head of Human Resources at Vattenfall Energie Trading GmbH, Hamburg (until December 31, 2024)
Stefan Müller	Director Media Relations & Editorial of Vattenfall GmbH, Berlin (until April 19, 2024)
Alexander van Ofwegen (since February 20, 2025)	Managing Director of Vattenfall N.V. Netherlands and Senior Executive Vice President of the Business Area Customers & Solutions of Vattenfall AB, Netherlands
Andreas Otte	Employee of GASAG AG, Berlin
Jürgen Schütt	Member of the Executivet Board of E.DIS AG, Fürstenwalde
Marcus Sohns	Head of Strategic Cooperation at the ENGIE Deutschland GmbH, Cologne
Norbert Speckmann	Business Unit Manager Energy & Facility Solutions Member of the Managment Board of ENGIE Deutschland GmbH, Cologne (until December 13, 2024)
Robert Zurawski	Chairman of the Management Board of Vattenfall GmbH, Berlin and Vattenfall Europe Windkraft GmbH, Hamburg, Country Representative German and Vattenfall Vice President Business Control of the Business Area Wind (since January 1, 2025) Managing Director Finance of Vattenfall GmbH, Berlin and Chairman of the Management Board of Vattenfall Europe Windkraft GmbH, Hamburg and Vice President Business Control of the Vattenfall Business Area Wind (until December 31, 2024)

Management Board

The following persons were members of the Management Board in the 2024 financial year:

Business division I (Corporate):

Georg Friedrichs (Chairman)	Network; Communication; Personnel; Legal; Corporate Development; Board Staff; Compliance; Equal Treatment; Internal Audit; Data Protection; Occupational Safety

Business division II (Operations):

Matthias Trunk	Sales Private & Commercial Customers; Green Solutions; Renewable Energies; Energy Procurement; Information Management; Marketing

Business division III (Finance):

Stefan Hadré	Risk Management & Controlling; ISMS; Purchasing; Real Estate Management; Performance Management & Reporting; Taxes; Finance Business Services; Storage

According to IAS 24, members of the Executive Board and members of the Supervisory Board of GASAG AG qualify as key management personnel.

The remuneration of GASAG's Executive Board members was determined by the Supervisory Board. The current remuneration system provides for a fixed basic annual salary payable in equal monthly installments and an annual variable bonus, which is determined by the Supervisory Board after the end of each fiscal year. With the bonus, the remuneration of the Management Board also includes a variable, annually recurring component that is linked to business and personal success. There are no components with a long-term incentive effect and risk character, such as share option programs.

The members of the Executive Board receive the following benefits in total:

IN € K	2024	2023
Fixed remuneration	889	860
Variable remuneration	422	406
	1,311	**1,266**

Both fixed and variable remuneration are short-term benefits.

No loans or advances were granted or repaid to members of the Executive Board or Supervisory Board in the 2024 financial year. There are no contingent liabilities in favor of the members of the Executive Board and Supervisory Board.

Former members of the Executive Board and their surviving dependants received benefits of € 1,160 thousand in the 2024 reporting period (previous year: € 1,139 thousand). Provisions for obligations to former members of the Executive Board and their surviving dependants amounted to € 13,506 thousand as at the reporting date. (previous year: € 14,337 thousand). The reinsurance policies of € 6,462 thousand (previous year: € 6,587 thousand) were offset against the obligations to current and former members of the Executive Board and their surviving dependants.

The expense allowance for the Supervisory Board amounted to € 102 thousand (previous year: € 168 thousand). The salaried employee representatives on the Supervisory Board are still entitled to a regular salary as part of their employment contract. This is based on the provisions of the Works Constitution Act and corresponds to appropriate remuneration for the corresponding function or activity in the company. This applies accordingly to the representative of senior executives on the Supervisory Board.

The GASAG Group has not entered into any material transactions with related parties.

(37) DISCLOSURE OF CONCESSIONS

A gas concession agreement exists between the State of Berlin and NBB Netzgesellschaft Berlin-Brandenburg mbH & Co. KG (NBB) for the territory of the State of Berlin. In the supplementary agreement of 1/3 November 2022, the State of Berlin and NBB agreed to an adjustment to the term provision of the gas concession agreement. Accordingly, the gas concession agreement was initially extended until 31 December 2027.

(38) OTHER DISCLOSURES

Auditor's Fee

The auditor's fees reported as expenses break down as follows:

IN € K	2024	2023
Audit	546	605
Other audit-related services	129	376
Other services	82	100
Total	**757**	**1,081**

Events after the Balance Sheet Date

After the balance sheet date, the dividends (see note **"(12) Earnings per share"**) were proposed by the Executive Board. The payment of the dividend has no tax consequences for the GASAG Group.

No other events occurred between the balance sheet date and the date of preparation of the GASAG consolidated financial statements that would have a material effect on the net assets, financial position and results of operations, which would have to be reported here and would change the statements in the GASAG consolidated financial statements.

Forward-Looking Statements

This report includes forward-looking statements that relate to the continued course of business, including forecasts of economic and political developments as well as the GASAG Group's business development. These statements are based on prudent assumptions made by the management board of GASAG. However, due to residual risks and uncertainties, the management board is unable to give any assurance that these assumptions will prove to be correct collectively or individually.

Berlin, February 27, 2025

GASAG AG
The management board

Georg Friedrichs	Stefan Hadré	Matthias Trunk

INDEPENDENT AUDITOR'S REPORT

To GASAG AG, Berlin

AUDIT OPINIONS

We have audited the consolidated financial statements of GASAG AG, Berlin, and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of comprehensive income, consolidated statement of profit or loss, consolidated statement of changes in equity and consolidated statement of cash flows for the financial year from 1 January to 31 December 2024, and notes to the consolidated financial statements, including material accounting policy information. In addition, we have audited the group management report of GASAG AG for the financial year from 1 January to 31 December 2024. In accordance with the German legal requirements, we have not audited the content of the statement on corporate governance pursuant to § [Article] 289f Abs. [paragraph] 4 HGB [Handelsgesetzbuch: German Commercial Code] (disclosures on the quota for women on executive boards).

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) (the IFRS Accounting Standards) as adopted by the EU and the additional requirements of German commercial law pursuant to § [Article] 315e Abs. [paragraph] 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 31 December 2024, and of its financial performance for the financial year from 1 January to 31 December 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.

Pursuant to § 322 Abs. 3 Satz [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 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 of the Group 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 § 289f Abs. 4 HGB (disclosures on the quota for women on executive boards) as an unaudited part of the group management report.

Our audit opinions on the consolidated financial statements and on the group management report do not cover the other information, and consequently we do not express an audit opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information mentioned above and, in so doing, to consider whether the other information

- is materially inconsistent with the consolidated financial statements, with the group management report disclosures audited in terms of content or with our knowledge obtained in the audit, or

- otherwise appears to be materially misstated.

RESPONSIBILITIES OF THE EXECUTIVE DIRECTORS 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 IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to § 315e Abs. 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 of the group management report.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS AND OF 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 audit 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 this group management report.

We exercise professional judgment and maintain professional skepticism 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 for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- Obtain an understanding of internal control relevant to the audit of the consolidated financial statements and of arrangements and measures (systems) 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 control and these arrangements and measures (systems), respectively.

- 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 IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to § 315e Abs. 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 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 audit 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 control that we identify during our audit.

Berlin, February 27, 2025

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

sgd. Stefanie Bartel Wirtschaftsprüferin	sgd. ppa. Jörg Beckert Wirtschaftsprüfer
(German Public Auditor)	(German Public Auditor)

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