

**Private Joint Stock Company
“National Power Company
“Ukrenergo”**

Unaudited Interim Condensed Consolidated
Financial Statements
for the Six Months Ended 30 June 2026

PRIVATE JOINT STOCK COMPANY "NATIONAL POWER COMPANY "UKRENERGO"

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REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

To the Shareholder and Management of the Private Joint Stock Company "National Power Company "Ukrenergo"

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of the Private Joint Stock Company "National Power Company "Ukrenergo" and its subsidiaries (hereinafter – the Group) as of 30 June 2026 and the related interim condensed consolidated statement of profit or loss and other comprehensive income, interim condensed statement of changes in equity and interim condensed statement of cash flows (under direct method) for the six-month period then ended, and selected explanatory notes (hereinafter – the interim condensed consolidated financial statements). Management is responsible for the preparation and fair presentation of these interim condensed consolidated financial statements in accordance with the requirements of International Accounting Standard 34 Interim Financial Reporting. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements as of 30 June 2026 and for the six months then ended, are not prepared, in all material respects, in accordance with International Accounting Standard 34, *Interim Financial Reporting*.

Material Uncertainty Related to Going Concern

These interim condensed consolidated financial statements have been prepared on the Group's going concern assumption. It should be noted that the tariffs for the Group's services are set and approved by the regulator and should fully cover all economically reasonable costs to ensure uninterrupted operations. Therefore, given the critical importance of the Group as the only transmission system

operator in Ukraine, the state, as the owner, supports and promotes the stable operation of the Group to ensure the security of electricity supply.

However, we draw attention to Note 2 to the interim condensed consolidated financial statements, which states that from 24 February 2022, the Group's operations and financial performance are negatively affected by the full-scale military invasion into Ukraine by the Russian Federation. The magnitude or timing of further developments or the timing of their cessation are uncertain. These events and conditions, in conjunction with the impact of the default on the Eurobonds 2028 and respective invocation of the cross-default provisions in relation to other loans of the Group, which occurred in 2024, as outlined in Notes 2 and 10, indicate the existence of material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern in the event of adverse developments related to the consequences of military aggression for the Group and the outcome of negotiations with the Group's creditors. Our conclusion is not modified in respect of this matter.

The review was performed under the supervision of the Key Audit Partner, Nikolaenko O.M.

Key Audit Partner

Registration number with the Register of auditors and audit entities: 101574

Kyiv, 04 September 2026

Limited Liability Company BDO. Identification code under EDRPOU: 20197074. Registration number with the Register of auditors and audit entities: 2868. Legal address: 4, Lazar Hloba Street, Dnipro, 49000. Tel. 044-393-26-87.

BDO LLC is included in the Register of auditors and audit entities in section 4 "Audit entities entitled to perform statutory audits of financial statements of public interest entities". Link to the Register: <https://www.apu.com.ua/subjekty-audytorskoi-dijalnosti-jaki-majut-pravo-provodyty-obovjazzkovyj-audit-finansovoi-zvitnosti-pidpryjemstv-shho-stanovljat-suspilnyj-interes/>



PRIVATE JOINT STOCK COMPANY "NATIONAL POWER COMPANY "UKRENERGO"

STATEMENT OF MANAGEMENT'S RESPONSIBILITIES FOR THE PREPARATION AND APPROVAL OF THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2026

Management is responsible for the preparation of the interim condensed consolidated financial statements that present fairly the financial position of Private Joint Stock Company "National Power Company "Ukrenergo" and its subsidiaries ("the Group") as of 30 June 2026, and the results of its operations, cash flows, and changes in equity for the six months then ended, in compliance with International Financial Reporting Standards ("IFRS"), and the requirements to financial statements preparation under the Law of Ukraine "On accounting and financial reporting in Ukraine" ("Law on accounting and financial reporting").

In preparing the interim condensed consolidated financial statements, management is responsible for:

- Properly selecting and applying accounting policies;
- Presenting information, including accounting policies, in a manner that provides relevant, reliable, comparable, and understandable information;
- Providing additional disclosures when compliance with the specific requirements in IFRS are insufficient to enable users to understand the impact of particular transactions, other events, and conditions on the Group's financial position and financial performance; and
- Making an assessment of the Group's ability to continue as a going concern.

Management is also responsible for:

- Designing, implementing, and maintaining an effective and reliable system of internal controls, throughout the Group;
- Maintaining adequate accounting records that are sufficient to show and explain the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Group, and which enable them to ensure that the interim condensed consolidated financial statements of the Group comply with IFRS;
- Maintaining statutory accounting records in compliance with the Ukrainian legislation and IFRS;
- Taking reasonably available measures to safeguard of the assets of the Group; and
- Detecting and preventing fraud and other irregularities.

The unaudited interim condensed consolidated financial statements of the Group for the six months ended 30 June 2026 were approved by management on 04 September 2026.

On behalf of management:

V.B. Zaichenko,
Chairman of the Management Board

I.I. Yuryk,
Member of the Management Board

PRIVATE JOINT STOCK COMPANY "NATIONAL POWER COMPANY "UKRENERGO"

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF 30 JUNE 2026

In Ukrainian Hryvnias and in thousands

	Notes	30 June 2026 (unaudited)	31 December 2025 (audited)
ASSETS			
Non-current assets			
Property, plant and equipment	5	126,884,102	126,179,415
Intangible assets		1,382,557	1,365,437
Deferred tax assets	22	3,780,789	3,099,920
Loans receivable		211,602	50,514
Other non-current assets		206,492	241,046
Total non-current assets		132,465,542	130,936,332
Current assets			
Inventories		1,344,059	1,219,703
Trade accounts receivable	6	29,706,967	29,915,674
Prepayments		212,100	608,715
Other accounts receivable		854,264	652,429
Taxes receivable, other than income tax	7	297,520	1,155,855
Loans receivable		102,930	90,491
Prepaid expenses		171,067	249,549
Cash and cash equivalents	8	18,802,152	11,736,386
Other current assets	9	1,339,199	2,566,721
Total current assets		52,830,258	48,195,523
TOTAL ASSETS		185,295,800	179,131,855
EQUITY			
Share capital		37,160,209	37,160,209
Corporatization effect		(35,933,854)	(35,933,854)
Revaluation reserve		73,277,582	73,551,844
Reserve capital		139,422	139,422
Accumulated deficit		(81,428,728)	(71,045,402)
Translation reserve		19,851	18,499
TOTAL EQUITY		(6,765,518)	3,890,718
LIABILITIES			
Non-current liabilities			
Loans and borrowings	10	17,168,467	15,334,064
Retirement benefit obligations		295,841	275,060
Special purpose funding	11	19,747,930	15,257,428
Other non-current liabilities		622,756	535,958
Total non-current liabilities		37,834,994	31,402,510
Current liabilities			
Loans and borrowings	10	92,134,426	90,056,442
Trade accounts payable	12	56,118,494	47,397,392
Advances received	13	1,427,574	897,418
Other accounts payable		216,814	208,539
Income tax payable		175	758
Taxes payable, other than income tax		59,927	52,136
Provisions		2,950,362	2,566,914
Deferred income	11	64,172	60,358
Other current liabilities	14	1,254,380	2,598,670
Total current liabilities		154,226,324	143,838,627
TOTAL LIABILITIES		192,061,318	175,241,137
TOTAL LIABILITIES AND EQUITY		185,295,800	179,131,855

On behalf of management:

V.B. Zaichenko,
Chairman of the Management Board

I.I. Yuryk,
Member of the Management Board

PRIVATE JOINT STOCK COMPANY "NATIONAL POWER COMPANY "UKRENERGO"

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 JUNE 2026

In Ukrainian Hryvnias and in thousands

	Notes	Six months ended 30 June 2026	Six months ended 30 June 2025
		(unaudited)	
Revenue	15	63,802,454	53,461,410
Cost of sales	16	(63,899,370)	(45,236,547)
Gross (loss)/profit		(96,916)	8,224,863
Other operating income	17	2,022,072	3,260,986
Administrative expenses	18	(840,997)	(777,275)
Other operating expenses	19	(2,477,056)	(3,259,082)
Impairment of financial assets, net	6	(2,235,262)	(1,823,007)
Impairment of property, plant and equipment and intangible assets, net	5	(463,706)	(21,487)
Operating (loss)/profit		(4,091,865)	5,604,998
Finance income	20	638,488	734,104
Finance costs	21	(3,279,462)	(3,113,172)
Foreign exchange loss, net	26	(4,276,316)	(3,736,185)
Loss before tax		(11,009,155)	(510,255)
Income tax benefit	22	621,974	25,791
LOSS FOR THE PERIOD		(10,387,181)	(484,464)
Other comprehensive income			
<i>Items that will not be reclassified subsequently to profit or loss, net of income tax:</i>			
Impairment of property, plant and equipment	5	(329,184)	(33,635)
Deferred tax on impairment of property, plant and equipment		58,777	6,054
<i>Items that may be reclassified subsequently to profit or loss, net of income tax:</i>			
Cumulative translation difference on retranslation to Group's presentation currency		1,352	4,857
Other comprehensive loss for the period		(269,055)	(22,724)
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD		(10,656,236)	(507,188)

On behalf of management:

V.B. Zaichenko,
Chairman of the Management Board

I.I. Yuryk,
Member of the Management Board

PRIVATE JOINT STOCK COMPANY "NATIONAL POWER COMPANY "UKRENERGO"

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 30 JUNE 2026**

In Ukrainian Hryvnias and in thousands

	<u>Share capital</u>	<u>Corporatization effect</u>	<u>Revaluation reserve</u>	<u>Reserve capital</u>	<u>Accumulated deficit</u>	<u>Translation reserve</u>	<u>Total equity</u>
Balance at 1 January 2026	37,160,209	(35,933,854)	73,551,844	139,422	(71,045,402)	18,499	3,890,718
Loss for the period	-	-	-	-	(10,387,181)	-	(10,387,181)
Other comprehensive loss for the period	-	-	(270,407)	-	-	1,352	(269,055)
Total comprehensive loss for the period	-	-	(270,407)	-	(10,387,181)	1,352	(10,656,236)
Realised revaluation reserve	-	-	(3,855)	-	3,855	-	-
Balance at 30 June 2026 (unaudited)	<u>37,160,209</u>	<u>(35,933,854)</u>	<u>73,277,582</u>	<u>139,422</u>	<u>(81,428,728)</u>	<u>19,851</u>	<u>(6,765,518)</u>

On behalf of management:

V.B. Zaichenko,
Chairman of the Management Board

I.I. Yuryk,
Member of the Management Board

PRIVATE JOINT STOCK COMPANY "NATIONAL POWER COMPANY "UKRENERGO"

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 30 JUNE 2025**

In Ukrainian Hryvnias and in thousands

	<u>Share capital</u>	<u>Corporatization effect</u>	<u>Revaluation reserve</u>	<u>Reserve capital</u>	<u>Accumulated deficit</u>	<u>Translation reserve</u>	<u>Total equity</u>
Balance at 1 January 2025	37,160,209	(35,933,854)	67,467,606	139,111	(60,357,071)	12,573	8,488,574
Loss for the period	-	-	-	-	(484,464)	-	(484,464)
Other comprehensive loss for the period	-	-	(27,581)	-	-	4,857	(22,724)
Total comprehensive loss for the period	-	-	(27,581)	-	(484,464)	4,857	(507,188)
Realised revaluation reserve	-	-	(6,675)	-	6,675	-	-
Balance at 30 June 2025 (unaudited)	<u>37,160,209</u>	<u>(35,933,854)</u>	<u>67,433,350</u>	<u>139,111</u>	<u>(60,834,860)</u>	<u>17,430</u>	<u>7,981,386</u>

On behalf of management:

V.B. Zaichenko,
Chairman of the Management Board

I.I. Yuryk,
Member of the Management Board

PRIVATE JOINT STOCK COMPANY "NATIONAL POWER COMPANY "UKRENERGO"

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNDER DIRECT METHOD) FOR THE SIX MONTHS ENDED 30 JUNE 2026 *In Ukrainian Hryvnias and in thousands*

in Ukrainian hryvnias and in thousands

	Notes	2026	2025
		(unaudited)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash inflows from:			
Revenue		57,939,110	56,112,663
Return of taxes and duties		104	34
Special purpose funding		1,837,724	819,066
Advances from buyers and customers		6,629,070	3,731,128
Prepayments returned		749	3,229
Interest on current accounts with banking institutions		537,572	704,020
Forfeits (fines, penalties) from counterparties		398,483	754,928
Operating leases		1,552	5,097
Other proceeds		1,026,123	392,175
Cash outflows to:			
Goods (works, services)		(47,766,569)	(48,596,011)
Staff costs		(1,995,802)	(1,701,922)
Social charges		(516,335)	(446,699)
Liabilities on taxes and duties:		(1,837,107)	(1,412,706)
Income taxes		(709)	(3,151)
Value added tax		(1,198,855)	(864,092)
Other taxes and duties		(637,543)	(545,463)
Prepayments		(939,960)	(1,089,050)
Return of advances		(85,532)	(14,122)
Other expenses		(2,282,534)	(1,790,379)
Net cash flows from operating activities		12,946,648	7,471,451
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from loan repayments		7,156	-
Loans provided		(258,329)	(17,569)
Purchases of property, plant and equipment and intangible assets		(1,921,709)	(3,414,966)
Net cash flows used in investing activities		(2,172,882)	(3,432,535)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from loans and borrowings	26	961,802	41,539
Repayment of loans and borrowings	26	(2,873,632)	(2,726,883)
Interest paid	26	(1,917,540)	(2,127,460)
Other payments	26	(1,833)	(1,892)
Net cash flow used in financing activities		(3,831,203)	(4,814,696)
Net increase/(decrease) in cash and cash equivalents		6,942,563	(775,780)
Cash and cash equivalents at the beginning of the period	8	11,736,386	15,515,975
Effect of exchange rates change on cash and cash equivalents		123,203	428,152
Cash and cash equivalents at the end of the period	8	18,802,152	15,168,347
NON-CASH TRANSACTIONS			
	Notes	2026	2025
Payments to acquire property, plant, and equipment and intangible assets by a lending bank	26	235,654	698,073
Payments to acquire property, plant, and equipment and intangible assets by grants and international technical assistance		3,845,188	3,174,425

On behalf of management:

V.B. Zaichenko,
Chairman of the Management Board

I.I. Yuryk,
Member of the Management Board

PRIVATE JOINT STOCK COMPANY "NATIONAL POWER COMPANY "UKRENERGO"

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2026

In Ukrainian Hryvnias and in thousands, unless otherwise indicated

1. THE ORGANISATION AND ITS OPERATIONS

Creation and change of the Group's shareholder

State Enterprise "National Energy Company "Ukrenergo" was established by the order of the Ministry of Energy of Ukraine dated April 15, 1998, No.54 on the basis of the state enterprise "National Dispatch Center of Electricity of Ukraine" with the merger of the reorganized state enterprise "State Electric Company "Ukrelectroperedacha".

Private Joint Stock Company "National Power Company "Ukrenergo" (NPC "Ukrenergo", the "Company") is a legal entity incorporated as a joint stock company with 100% shares fixed in state ownership due to reorganization through the transformation of the State Enterprise "National Power Company "Ukrenergo" in a Private Joint Stock Company in accordance with the order of the Cabinet of Ministers of Ukraine dated November 22, 2017, No.829-r "On Approval of the Transformation of the State Enterprise National Power Company Ukrenergo into the Private Joint Stock Company".

By the Decree of the Cabinet of Ministers of Ukraine dated November 14, 2018, No.1001-r integral property complex of the state enterprise "National Energy Company "Ukrenergo" was transferred from the Ministry of Energy and Coal Industry of Ukraine to the Ministry of Finance of Ukraine.

On July 29, 2019, the Ministry of Finance of Ukraine approved Order No.321 on the Company's transformation into Private Joint Stock Company. The Company's shares are not listed on international or national stock exchanges.

The Decree of the Cabinet of Ministers of Ukraine date July 28, 2021, No.833-r "Certain issues of management of state property" approved the transfer of management of corporate rights owned by the state in share capital of the Company from the Ministry of Finance of Ukraine to the Ministry of Energy of Ukraine, and authorized the Ministry of Energy of Ukraine as body of management of state property, which was assigned to the Company by the right of operational management. On September 16, 2021, the state, represented by the Ministry of Energy of Ukraine, became the owner of 100% of the Company's shares.

Main activities and structure of the Group

NPC "Ukrenergo" Group (hereinafter – the "Group") consists of the Company and subsidiaries "Ukrenergo Digital Solutions" LLC and EUkrenergo, the sole owner of which is the Company. "Ukrenergo Digital Solutions" LLC was founded in 2020 and is engaged in development of special purpose software for transmission system operator. EUkrenergo was founded in 2022 in Belgium to provide mechanisms for regulating deviations of the actual balance of electricity flows from planned values (unintended deviations, so-called technological flows), arising in the process of synchronous operation of adjacent energy systems in accordance with FSKar procedures.

NPC "Ukrenergo", which is a natural monopoly in electricity transmitting via high voltage lines, operates 144 substations 110-750 kV and over 23,000 km of main and interstate power lines (including 52 substations and over 6,000 km of power lines located on temporarily occupied territories).

The Group's Head Office is located at: 25 Symona Petliury Street, Kyiv, Ukraine.

The principal activities of the Group are dispatch (operational and technological) control of the Integrated Power System of Ukraine (the "IPS"), electricity transmission via high voltage lines from generation to distribution networks, acting as administrator of commercial accounting and administrator of settlements in the electricity market of Ukraine.

In addition, the Group was assigned with public service obligation to increase the share of energy generation from alternative energy sources.

Tariffs for electricity transmission and dispatch (operational and technological) control services are regulated and approved by the National Energy and Utilities Regulatory Commission (the "NEURC").

PRIVATE JOINT STOCK COMPANY "NATIONAL POWER COMPANY "UKRENERGO"

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2026

In Ukrainian Hryvnias and in thousands, unless otherwise indicated

The Company was built on a regional basis and combined four territorial administrations: Northern, Southern, Eastern and Western. The Company also has a separate division "Construction and Repair", which provides power equipment repairing, implementation of certain projects under investment program projects by its own staff, and other.

The Group also has assets located at temporarily occupied territories of Autonomous Republic of Crimea (Crimean ES, Dzhankoi Main Power Grids (MPG), Feodosiya MPG, Simferopol MPG, Health Complex "Semidvirya", Boarding House "Energetik" and SD "Pivdenienergoprom"), Donetsk and Lugansk region (Chaikinski MPG and Luhansk MPG). The Group lost control over these assets and cannot obtain economic benefits from them. Respectively, these assets were fully impaired in previous years. In 2020 the arbitral tribunal began to consider the case of the illegal seizure by the Russian Federation of the Group's infrastructure facilities on territory of Autonomous Republic of Crimea (Note 24).

Starting from January 01, 2024, the Group becomes the 40th full member of the European network of operators of the electricity transmission system ENTSO-E.

Changes in the composition of the Supervisory Board

On May 13, 2026, the Cabinet of Ministers of Ukraine approved the candidates for the state representatives on the Supervisory Board of NPC "Ukrenergo". On May 15-16, 2026, the Ministry of Energy of Ukraine approved the new composition of the state representatives, which included Y.M. Boiko, M.A. Brusenko and Y.Y. Perelyhin. Therefore, the current composition of the Supervisory Board of NPC "Ukrenergo" has now been fully formed.

Amendments to the Charter of NPC "Ukrenergo"

On February 13, 2026, Ministry of Energy of Ukraine introduced amendments to the Charter of NPC "Ukrenergo", which had been agreed in advance with the international financial institutions and other stakeholders in accordance with the requirements of legislation and loan agreements. The main changes are some updates to the competencies and decision-making procedures of the bodies of NPC "Ukrenergo".

The unaudited interim condensed consolidated financial statements of the Group for the six months ended 30 June 2026 were approved by the Management Board on 04 September 2026.

2. OPERATING ENVIRONMENT

On February 24, 2022, the Russian Federation launched a full-scale invasion of the territory of Ukraine, resulting in an escalation of hostilities and the occupation of certain Ukrainian territories. Martial law introduced in connection therewith has been repeatedly extended and remains in effect as at the date of approval of these interim condensed consolidated financial statements. Prolonged hostilities and the related consequences continue to determine the operating environment of the economy and the development of certain sectors.

In the first half of 2026, Ukraine's energy system continued to operate under significant security risks and the consequences of Russian attacks on critical infrastructure. A significant electricity shortages and regular attacks on energy facilities constrained production activity in a number of sectors of the economy. According to estimates of the National Bank of Ukraine ("the NBU"), in the first quarter of 2026, gross value added of the energy sector decreased by 15.2% year-on-year, while losses to energy and logistics infrastructure continued to adversely affect economic activity. At the same time, the restoration of production capacities, the development of defense and energy equipment production supported the adaptation of the economy to war conditions.

The economic environment in Ukraine remained challenging in the first half of 2026. In the second quarter of 2026, economic growth resumed due to the stabilisation of the energy system and an increase in budget expenditures amid reduced uncertainty regarding the receipt of official financing. Real GDP in the first half of 2026 remained unchanged compared to the same period of the previous year. Economic growth was constrained by the consequences of intensified Russian attacks on

PRIVATE JOINT STOCK COMPANY "NATIONAL POWER COMPANY "UKRENERGO"

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2026

In Ukrainian Hryvnias and in thousands, unless otherwise indicated

logistics infrastructure, including the blockade of ports, as well as attacks on the energy sector and business facilities.

Inflation gradually slowed in the first half of 2026. In June 2026, consumer inflation stood at 7.2% year-on-year. Inflationary pressures remained elevated due to an increase in business costs for labour, fuel and electricity, as well as higher prices for services and processed food products.

The NBU's monetary policy in the first half of 2026 remained focused on ensuring price and foreign exchange stability amid elevated inflationary risks. From January 30, 2026, the key policy rate stood at 15.0%, and in July 2026 the NBU increased it to 15.5% per annum to maintain the attractiveness of hryvnia-denominated assets, foreign exchange market resilience and controlled inflation expectations.

External financial support remains an important factor in Ukraine's macrofinancial stability. Since June 2026, Ukraine has started receiving tranches under the Ukraine Support Loan (USL) programme. In July 2026, the IMF Executive Board approved the first review of the four-year Extended Fund Facility (EFF) programme. According to the NBU's estimates, taking into account these and other sources of financing, the total amount of direct budget support from partners in 2026 may reach approximately USD 54 billion. These financing volumes are expected to be sufficient to cover the budget deficit. As at June 30, 2026, Ukraine's international reserves amounted to USD 51.3 billion, providing an adequate buffer to maintain foreign exchange market stability and meet external obligations. In addition to financial assistance from the EU, the USA, the IMF and other partners, technical assistance aimed at restoring energy infrastructure also played a significant role.

As at the date of approval of these interim condensed consolidated financial statements, the war in Ukraine continues, causing further destruction of property and critical infrastructure. The consequences of hostilities remain significant, while their further impact on Ukraine's economy is uncertain. Further stabilisation of the economy will largely depend on the security situation, infrastructure restoration and the maintenance of international support for Ukraine.

Transfer of corporate rights and assets to the Group's management

On June 21, 2024, the Cabinet of Ministers of Ukraine, by Resolution No. 618-r, adopted a decision to transfer 100% of the corporate rights of LLC "Lviv Insulator Company" (EDRPOU code 30823262) ("LLC "LIC") to the management of NPC "Ukrenergo". Pursuant to Resolution No. 618-r, an Asset (Property) Management Agreement dated January 08, 2025 ("the Agreement") was concluded between the Asset Recovery and Management Agency ("ARMA") and the Company, under which ARMA transfers 100% of the charter capital of LLC "LIC" to the Company's management in order to prevent the risk of emergencies in the energy sector, for a term until August 31, 2029 (inclusive) or until early termination of the Agreement. The act of acceptance and transfer of LLC "LIC" to the Company's management was signed on January 24, 2025.

LLC "LIC" was established in 2002 based on the Lviv Insulator Plant, which had been operating since 1965, and is the sole manufacturer of glass insulators in Ukraine, which are critical for the functioning of the energy infrastructure.

According to the terms of this Agreement, the Group has limited ability to exercise its power over LLC "LIC" to influence its results, and the Agreement may be terminated early. Thus, as of the date of issuance of the Group's interim condensed consolidated financial statements for the six months ended 30 June 2026, the Group does not exercise control over LLC "LIC" within the meaning of IFRS 10 "Consolidated Financial Statements", acting instead as an agent under the corporate rights management agreement.

PRIVATE JOINT STOCK COMPANY "NATIONAL POWER COMPANY "UKRENERGO"

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In Ukrainian Hryvnias and in thousands, unless otherwise indicated

In order to restore production, finance capital investments and cover operating expenses of LLC "LIC", in June 2025 the Group and LLC "LIC" entered into a revolving interest-free financial assistance agreement with a limit of up to UAH 525 million, to be provided in tranches (instalments). Repayment of the financial assistance is to be made in accordance with the agreed schedule of limit changes, but no later than 31 August 2029 or the date of early repayment or termination of the agreement. As of 30 June 2026 and 31 December 2025, the outstanding amount of financial assistance provided by the Group to LLC "LIC" amounted to UAH 470,000 thousand and UAH 218,827 thousand, respectively.

Government regulation of electricity market

Tariff regulation of the Group's operating activities

The tariff for electricity transmission services and the tariff for dispatch (operational and technological) control services of the Integrated Power System of Ukraine for the Group are set by the National Energy and Utilities Regulatory Commission (the "NEURC").

Tariffs for electricity transmission services in 2025-2026 were as follows:

Year	Period	Tariff, UAH/MWh	Date and number of the NEURC resolution
2025	January - December	686.23	19.12.2024 No. 2200
2026	January - March	713.68	05.12.2025 No. 2009
2026	April - July	742.91	05.12.2025 No. 2009
2026	From 01 August 2026	928.45	28.07.2026 No. 1228

By Resolution of the NEURC dated July 28, 2026, No. 1228, a new tariff rate for electricity transmission services for 2026 was established from August 01, 2026 at the level of 928.45 UAH/MWh (+25.0%) (Note 27).

Tariffs for dispatch (operational and technological) control services in 2025-2026 were as follows:

Year	Period	Tariff, UAH/MWh	Date and number of the NEURC resolution
2025	January - December	98.97	19.12.2024 No. 2201
2026	April - June	110.03	05.12.2025 No. 2010
2026	From 01 July 2026	118.64	30.06.2026 No. 1001

By Resolution of the NEURC dated June 30, 2026, No. 1001, a new tariff rate for dispatch (operational and technological) control services for 2026 was established from July 01, 2026 at the level of 118.64 UAH/MWh (+7.8%) (Note 27).

Performing of public service obligation

According to Article 62 of the Law of Ukraine "On electricity market" (the "Law"), in order to ensure the general economic interest in the electricity sector of Ukraine, necessary to meet the interests of citizens, society, and the state, and to ensure the sustainable long-term development of the electricity sector and competitiveness of Ukraine's national economy, on market participants may have been imposed special obligations to ensure public interests in the functioning of the electricity market ("public service obligation", "PSO"). The Law also stipulates that the Cabinet of Ministers of Ukraine may impose other PSO on market participants.

According to Article 33 of the Law, the transmission system operator ("TSO") performs public service obligations in the electricity market. In accordance with Article 62 of the Law, the Group is imposed with public service obligation to increase the share of electricity production from alternative energy sources for the duration of the "green" tariff, the term of support for producers of electricity from alternative energy sources, which according to the results of the auction became eligible for support ("PSO RES").

PSO RES is also imposed on the State Enterprise "Guaranteed Buyer" ("the Guaranteed Buyer") and universal service providers ("USP"). Information on PSO RES costs is provided in Note 16.

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In 2021, the transition from a commodity to a financial model of PSO implementation was made. According to the new PSO financial model household consumers (population) pay USPs a fixed price, which changed during 2024-2026:

- From June 01, 2023, to May 31, 2024 – 2.64 UAH/kWh incl. VAT.
- From June 01, 2024, to October 31, 2026 – 4.32 UAH/kWh incl. VAT.

Balancing Market

In 2026, the situation on the balancing market, where the Group acts as the settlement administrator, remained unresolved and loss-making for the Group.

For the six months ended 30 June 2026, the financial result of the Group on the domestic balancing market (excluding costs related to the settlement of system constraints, which are compensated through the tariff for dispatch (operational and technological) control services, as well as cross-border balancing) amounted to a loss of UAH 5.2 billion, which is UAH 4.9 billion higher than the result for the corresponding period of 2025 (loss of UAH 0.3 billion). In addition, costs related to the settlement of system constraints for the six months ended June 30, 2026 and 2025 amounted to UAH 3.4 billion and UAH 1.3 billion, respectively.

At the same time, revenue from activities on the internal balancing market for the six months ended June 30, 2026 amounted to UAH 16.0 billion, which was UAH 6.8 billion, or 73%, higher than in the corresponding period of the previous year (UAH 9.2 billion), while expenses (excluding costs related to the settlement of system constraints and cross-border balancing) amounted to UAH 21.2 billion, which was UAH 11.6 billion, or 121%, higher than in the corresponding period of the previous year (UAH 9.5 billion).

Such a significant deterioration in settlements on the balancing market is driven by the increasing number of attacks by the aggressor on energy infrastructure facilities, which in turn leads to large volumes of forced consumption restrictions and system constraints in the power system. Updated approaches to calculating the system state within the real-time unit (RTU) and the settlement period (SP), the increase in electricity market prices, as well as the formation of imbalance prices and balancing energy prices, which came into effect in 2025 following amendments to the Market Rules, do not operate effectively under non-market restrictions caused by the consequences of such attacks. As a result, there is a persistent trend towards an increasing gap between the Group's income and expenses on the balancing market, leading to a growing debt of the Group to market participants.

An additional negative effect on the widening of the gap between accrued revenues and expenses in the balancing market was caused by the increase in the maximum prices in the balancing market during the six months ended June 30, 2026, compared to the corresponding period of the previous year – from UAH 10,000/MWh to UAH 17,000/MWh.

By Resolution of the NEURC dated March 24, 2026, No. 416, amendments were introduced to Resolution of the NEURC No. 332 of February 25, 2022. These amendments allowed, starting from April 01, 2026, the TSO not to take into account the volume of forced reduction of electricity consumption carried out in response to an operational command or instruction (including volumes disconnected by special automatic load shedding) (REC) when determining the system state. They also oblige the transmission system operator and distribution system operators to inform consumers about the forecast volumes of restrictions on electricity consumption and capacity. These changes allowed the revenues and expenses in the respective market segment to be partially balanced.

In order to further resolve the situation on the balancing market, the Group continues to work with the NEURC on improving the mechanisms for the functioning of the balancing market under martial law in order to eliminate the causes of the negative financial result in this segment. In particular, the Group submitted to the Regulator proposals for the necessary amendments to the Market Rules approved by Resolution of the NEURC dated March 14, 2018, No. 307, and Resolution of the NEURC dated February 25, 2022, No. 332, aimed at improving the approach to pricing in the balancing market, including eliminating the impact of the system state on the formation of imbalance prices and balancing electricity prices, improving the approaches to determining the non-compliance charge

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for BSPs and balancing service providers, and providing compensation to electricity suppliers for positive imbalances.

In accordance with applicable laws and regulations, the financing of the negative financial result (the residual value of imbalance charges for electricity accounted for in sub-account UA-1) is carried out through the tariff for dispatch (operational and technological) control services.

Other legislative changes in the electricity market

Maximum prices in the day-ahead market, intraday market, and balancing market

According to the Resolutions of the NEURC dated July 25, 2025, No. 1133 and dated January 16, 2026, No. 70, from July 31, 2025 to March 30, 2026, the maximum prices amounted to 15,000 UAH/MWh in the day-ahead market and the intraday market, and 16,000 UAH/MWh in the balancing market.

From March 31, 2026, differentiation of the maximum prices by time intervals of the day was introduced:

- on the "day-ahead" market and the intraday market: from 5,600 UAH/MWh to 15,000 UAH/MWh;
- on the balancing market: from UAH 6,600 UAH/MWh to UAH 16,000 UAH/MWh.

By Resolution of the NEURC dated April 23, 2026, No. 621, starting from April 30, 2026, the following maximum price caps were established: 15,000 UAH/MWh in the day-ahead market and the intraday market, and 17,000 UAH/MWh in the balancing market.

The purpose of the changes is to create conditions for the stable functioning of the market amid a generation deficit, as well as to increase the interest of importers in supplying electricity to cover peak demand.

The increase in electricity market prices has a negative impact on the Group due to increased costs of purchasing electricity to compensate for technological losses and the formation of a negative result from the operation of the balancing market.

Electricity export/import with ENTSO-E

In January 2026, the maximum cross-border transmission capacity for electricity imports from the European Union to the Ukraine–Moldova control block increased to 2,450 MW, providing additional volumes of electricity to cover domestic shortages, additional balancing opportunities and enhancing the resilience of the power system. The previous level of the maximum agreed import capacity for the Ukraine–Moldova block was 2,150 MW.

Distribution of income from the distribution of the transmission capacity of interstate power networks in 2025

Pursuant to the Law of Ukraine No. 4777-IX dated February 10, 2026, the Group is allowed to use funds received from the granting access to the transmission capacity of interstate power networks in 2025 as follows:

- 40% – to repay payables on the balancing market;
- 40% – to repay payables under the PSO RES to SE "Guaranteed Buyer";
- 10% – to repay payables under the PSO RES to universal service suppliers;
- 10% – for maintenance and expansion of cross-border transmission capacity.

For the six months ended June 30, 2026, under this mechanism, the Group directed approximately UAH 2.8 billion, including VAT, towards repayment of its trade payables. These legislative changes will improve the situation with the Group's overdue trade payables and increase the liquidity of the electricity market (Note 12).

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Participation of the Group in special electricity procurement auctions

The Cabinet of Ministers of Ukraine adopted the Resolution No. 1597 dated December 05, 2025, amending the procedure for electronic auctions for electricity sales under bilateral contracts. In accordance with paragraph 50 of this procedure, the Group is allowed to participate in special sessions for the sale of lot packages under bilateral contracts at a price not lower than the weighted average market price for bilateral contracts over the previous three months, taking into account a discount of up to 30%. These changes enable the Group to reduce costs for procurement of electricity to compensate technological losses in 2026.

Integration of the Energy Markets of Ukraine and the EU

On April 7, 2026, the Verkhovna Rada of Ukraine adopted the Law of Ukraine "On Amendments to Certain Laws of Ukraine Regarding the Implementation of European Law Provisions on the Integration of Energy Markets, Enhancement of Security of Supply and Competitiveness in the Energy Sector" No. 4834-IX. The Law is aimed at further integration of the Ukrainian and European energy markets and provides, in particular, for:

- introduction of mechanisms for cross-border balancing and the possibility of exchanging and jointly using reserves with European transmission system operators;
- establishment of the legal framework for coupling Ukraine's "day-ahead" and intraday markets with the respective EU market segments (market coupling);
- expansion of opportunities for consumers to participate in the electricity market and development of distributed generation, in particular through aggregation and demand response mechanisms;
- improvement of mechanisms for managing system constraints and congestion through the introduction of pre-dispatch in accordance with European practice.

The Law is aimed at implementing European requirements for the functioning of the electricity market with the objective of coupling the Ukrainian electricity market with the markets of the EU countries and the Energy Community. The fundamental changes cover market participants, functions, mechanisms, market services, the issues of price caps, the limits of mandatory electricity sales across market segments, as well as special obligations in the market. The changes will be implemented gradually, taking into account the martial law in Ukraine, and will require the development of a significant part of subordinate regulatory acts for their implementation.

Application assumptions about the Group's ability to continue as a going concern

On 24 February 2022 Russia initiated a full-scale military invasion of Ukraine, which was followed up by the immediate enactment of martial law by the Ukrainian President's Decree approved by the Parliament of Ukraine and the corresponding introduction of the related temporary restrictions that impact the economic environment and business operations. There remains a significant uncertainty over the future development of the military invasion, its duration and short and long-term impact on the Group, its people, operations, liquidity, and assets. There could be multiple scenarios for further developments of the current situation with unknown likelihood and the magnitude of the impact on the Group might vary.

As a result of the war, the Group has suffered a number of changes in its activities, the consequences of which are described below.

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Impact on the Group's financial results

Based on the results of operations for the six months ended June 30, 2026, the Group incurred a loss of UAH 10.4 billion (2025: loss of UAH 0.5 billion).

The key factors that positively affected the change in the Group's financial result for the six months ended June 30, 2026, compared to the corresponding period of the previous year were:

- Revenue from dispatch (operational and technological) control services increased by UAH 0.1 billion, or 0.7%, mainly due to an 11.2% increase in the tariff for dispatch (operational and technological) control services for the period from April to June 2026 compared to the previous year, from 98.97 UAH/MWh to 110.03 UAH/MWh. Despite this, dispatch volumes decreased by 9.4% compared to the corresponding period of the previous year due to large-scale attacks on Ukraine's energy infrastructure (Note 15).
- Revenue from providing access to cross-border transmission capacity increased by UAH 2.6 billion, or 372%, compared to the corresponding period of the previous year, mainly due to an increase in electricity imports from the EU during period of electricity deficit in the IPS of Ukraine caused by missile attacks by the Russian Federation on Ukraine's energy infrastructure, as well as electricity exports during periods of surplus (Note 15).

At the same time, the following factors had a negative impact on the Group's financial result for the six months ended June 30, 2026, compared to the corresponding period of the previous year:

- Revenue from electricity transmission services decreased by UAH 0.4 billion, or 1.3%, as a result of a 6.1% decrease in electricity transmission volumes compared to the corresponding period of the previous year due to large-scale attacks on Ukraine's energy infrastructure, which caused a significant electricity deficit in the IPS of Ukraine at the beginning of 2026 (Note 15). The tariff for electricity transmission services increased: from January to March 2026 - by 4.0% from 686.23 UAH/MWh to 713.68 UAH/MWh, and from April to July 2026 - by a further 4.1% to 742.91 UAH/MWh.
- The financial results from activities in the balancing market deteriorated by UAH 4.9 billion, while expenses related to the settlement of system constraints increased by UAH 2.1 billion, mainly as a result of the increasing number of attacks by the aggressor on energy facilities, which, in turn, causes significant volumes of forced consumption restrictions and system constraints in the energy system, changes in the approach to the formation of imbalance and balancing energy prices (the price at which the Group purchases electricity in the balancing market is significantly higher than the price at which it sells it in the same market segment), and an increase in the maximum prices in the balancing market. This resulted in a widening gap between the Group's accrued revenues and expenses in the balancing market in 2025–2026 (Notes 15 and 16).
- Expenses for the purchase of electricity to compensate for technological losses increased by UAH 1.4 billion, or 20%, primarily due to an increase in the volume of technological losses in the grid caused by missile and drone attacks on Ukraine's energy infrastructure (Note 16). The increase in the market price of electricity due to higher price caps in the market was offset by the Group's opportunity to participate in special sessions for the sale of lot packages under bilateral contracts (Resolution of the Cabinet of Ministers of Ukraine No. 1597 dated December 5, 2025).
- Costs for curtailment of RES production increased by UAH 0.9 billion, or 80%, compared to the previous year, as a result of a 63% increase in volumes due to the existing surplus of capacity in the energy system during daylight hours at the beginning of the spring-summer period and the reduced level of flexibility of the IPS of Ukraine following large-scale damage at the beginning of 2026 (Note 16).
- Costs for the purchase of electricity in the framework of providing emergency assistance increased by UAH 0.6 billion, or 595%, primarily due to an increase in the volumes and cost of electricity imported under emergency assistance during periods of electricity deficit in the IPS of Ukraine.
- Income from assets received free of charge through grants, international and humanitarian assistance in the form of energy equipment decreased by UAH 0.5 billion, or 28% (Notes 11 and 17).

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- Foreign exchange losses arising from loans and borrowings denominated in foreign currencies amounted to UAH 4.2 billion, which was UAH 0.5 billion, or 14%, higher than for the corresponding period of the previous year. The main reason was the depreciation of the Ukrainian hryvnia amid macroeconomic challenges: the UAH/EUR exchange rate increased by UAH 1.31, or 2.6%, and the UAH/USD exchange rate increased by UAH 2.46, or 5.8%.
- Non-recognition of a portion of the deferred tax asset in the amount of UAH 1.3 billion arising from deductible temporary differences and unused tax losses. Recognition of this portion of the asset was not considered probable within a reasonable forecast horizon, mainly due to the deterioration in the situation with accruals on the balancing market in 2025–2026 and a decrease in electricity transmission volumes as a result of large-scale attacks on Ukraine's energy infrastructure (Note 3).

Despite significant challenges and the unpredictability of the course of hostilities, the Group fully ensures its ongoing operations, continues and plans to continue to provide sustainable electricity transmission and dispatch (operational and technological) control services, carry out power system balancing activities, and implement measures aimed at maximising the efficient use of its existing potential and expanding the Group's future capabilities, including further integration into ENTSO-E operational processes and maximising the use of electricity import and export opportunities between Ukraine and EU countries.

Impact on the condition of the Group's assets

During 2022–2026, Ukraine's energy infrastructure suffered significant losses as a result of the full-scale military aggression of the Russian Federation. Systematic missile and drone attacks resulted in damage to and destruction of electricity generation, transmission and distribution facilities, as well as other critical energy infrastructure. As a result of prolonged hostilities, the need for restoration of energy sector assets increased significantly. According to estimates provided by the Ministry of Energy of Ukraine and international partners, as at the beginning of 2026, the total losses of Ukraine's energy sector were estimated at approximately USD 24.8 billion, while recovery and reconstruction needs amounted to approximately USD 90.6 billion.

During the first half of 2026, attacks on Ukraine's energy infrastructure continued. As a result, a significant part of energy capacities was damaged or destroyed. The total capacity of generation facilities occupied or destroyed since the beginning of the full-scale invasion is estimated at approximately 18 GW. Overall, the condition of Ukraine's energy system in 2026 is characterised as controlled, but with numerous challenges resulting from military aggression and the destruction of critical infrastructure.

In 2026, measures to restore and enhance the resilience of the energy system remain a priority. Despite the significant scale of the damage, Ukraine's energy system has demonstrated its ability to adapt to operating under prolonged wartime risks. Further enhancement of the reliability of the energy system requires the restoration and modernisation of grid infrastructure, development of distributed generation and energy storage systems, diversification of energy supply sources, strengthening of the physical protection of energy facilities and expansion of international support. At the same time, Ukraine continues to reform the energy sector and integrate it with the European energy market, which is expected to contribute to the long-term resilience and security of the energy system.

According to preliminary estimates, the main consequences of the war on the Group's assets are the following:

- As a result of numerous missile strikes since October 2022, part of the Group's energy infrastructure, particularly high-voltage substations, has been damaged or destroyed. In addition, as of 30 June 2026, part of the Group's assets is located in temporarily uncontrolled territory. The Group does not disclose the total carrying value of assets destroyed or damaged as a result of missile strikes, or information on assets located in temporarily uncontrolled territory, as such information is sensitive and may be classified as restricted information, including in relation to critical infrastructure facilities.

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- Electricity is not supplied to the temporarily occupied territory of Ukraine, except for the supply of electricity to the Zaporizhzhia NPP in order to prevent emergency situations at the nuclear facility. The condition of power transmission lines and substations located in temporarily uncontrolled territory cannot be assessed due to lack of access.
- In the event of an electricity deficit in the system, priority is given to electricity imports. In November 2025, the available import capacity from the EU to Ukraine and Moldova was increased to 2,300 MW, and from the beginning of 2026 to 2,450 MW. The Group and the state continue to actively work on further increasing cross-border transmission capacity for electricity imports. In addition, the Group, as a transmission system operator, where necessary, engages emergency assistance from transmission system operators of neighbouring countries and, in the most critical situations, applies emergency load shedding.
- In December 2025, the transmission system operators (TSOs) of Ukraine, Slovakia, Hungary and Romania launched monthly auctions for the long-term allocation of cross-border transmission capacity for January 2026. For Ukraine, this provides an opportunity for more effective price forecasting and, in the longer term, a reduction in the cost of imported electricity. At a broader level, the introduction of monthly auctions contributes to closer integration of the Ukrainian and European electricity markets and enhances the resilience of the integrated power system of Ukraine.
- During 2023–2026, the Group implemented projects aimed at constructing physical protection for energy facilities, i.e., engineering fortifications, which are expected to significantly improve resilience to missile and drone strikes.
- The Group is actively working to create attractive conditions for investors in the electricity market with a view to developing its own generation and energy storage systems, which will enhance the security and resilience of Ukraine's power system. Strengthening the resilience of the power system to such missile attacks requires the decentralisation of generation capacity, which would be more resistant to such attacks due to its dispersed nature, and should comprise a mix of different generation types. In addition to solar and wind power plants, which are highly dependent on weather conditions, balancing technologies are required, including highly flexible gas-fired power plants, energy storage systems, and modern thermal generation based on biogas and other renewable fuels.
- In 2026, the second stage of the Competition for the construction of new generation capacity was launched, aimed at overcoming or reducing the electricity deficit in the regions where energy infrastructure was most affected by Russian attacks (Kyiv, Cherkasy, Sumy, Kharkiv, Poltava, Dnipropetrovsk and Odesa regions). On May 22, 2026, the Cabinet of Ministers of Ukraine determined the initial volume of new generation capacity for the second stage of the Competition at 1.3 GW, and on June 16, 2026, increased it to 1.5 GW. The incentive for investors to participate in the Competition will be a state-guaranteed compensation of the potential difference in the electricity price during peak hours – in the morning and evening. It is expected that by the end of 2026, the final results of the Competition will be approved and contracts with the winners will be signed, and a significant part of the new generation capacity will be added to Ukraine's energy system by the end of 2027.
- The Ukrainian energy sector has received and continues to receive humanitarian and technical assistance in the form of energy equipment from international partners. Significant grant support is provided by partners, including the United Nations Development Programme, the Energy Community, the Japan International Cooperation Agency (JICA), the European Bank for Reconstruction and Development (EBRD) and Kreditanstalt für Wiederaufbau (KfW), which enables the procurement of critical equipment for the restoration of networks.
- During 2022–2026, the Group cooperated with international financial institutions to ensure the effective use of previously raised funds for the restoration of damaged networks and facilities and to support the Group's liquidity, including through the repurposing of existing loan agreements, as well as the attraction of additional financial resources for the rapid recovery of the network and the resilience of the power system. The total amount of loan and grant funding raised, together with repurposed existing loans, in 2022–2026 amounted to approximately EUR 1.5 billion and was primarily used for the procurement of equipment for the restoration and modernisation of the power system (Notes 11 and 17).
- The Group records all damage to its assets and assesses losses resulting from the war. The Group is developing a legal mechanism to protect its interests in obtaining compensation for such damages. One of the most influential international energy organisations in Europe, the

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Energy Community, of which Ukraine has been a member since 2010, will support the Group in pursuing claims against the Russian Federation and seeking compensation for damages caused to the Group's transmission networks. A relevant Memorandum was signed between the Group and the Energy Community Secretariat.

Impact on the financial condition of the Group

Trade accounts receivable

With the onset of the full-scale war, the solvency of a significant portion of consumers has deteriorated or been lost. The level of settlements in the electricity market has deteriorated significantly. The electricity market experienced a shortage of funds due to weakened solvency, bankruptcies of end consumers, and the destruction of their infrastructure.

For the six months ended June 30, 2026, the Group's gross accounts receivable increased by UAH 2.0 billion, or 3% (from UAH 70.7 billion to UAH 72.7 billion), mainly due to an increase in receivables on the balancing market.

At the same time, during the period of martial law, the Group has limited ability to stimulate the collection of receivables from market participants, which has significantly contributed to the deterioration of settlement discipline and the increase in the Group's accounts receivable during 2022–2026. During the reporting period, expected credit losses on trade accounts receivable amounted to UAH 2.2 billion, primarily due to an increase in overdue receivables and delays in payments on the balancing market from various categories of market participants (Note 6).

To address the settlement crisis and reduce debt among electricity market participants, the Group, market participants, and government authorities have implemented and continue to develop the following measures:

- Development and implementation of mechanisms to reduce debt in the balancing market, including through the introduction of a mechanism for interaction between "protected" consumers / critical infrastructure facilities and electricity suppliers, as well as the identification of funding sources for their electricity procurement costs, and addressing the issue of unregulated unauthorized electricity consumption.
- Active engagement with the NEURC to set tariffs for 2027 and future years at a level that will fully cover all economically justified costs, including residual deficit amounts subject to compensation based on the results of reviews of licensed activities for 2023–2025 and not included in the tariffs for 2025–2026, which will enable the Group to fully settle for goods and services with market participants, thereby increasing overall liquidity in the electricity market.
- Implementation, pursuant to the Law of Ukraine No. 4777-IX dated February 10, 2026, of the mechanism allowing the Group to use the funds received in 2025 from granting access to the transmission capacity of interstate power networks of Ukraine, respectively, to repay its trade accounts payable, which in turn will increase liquidity in the electricity market and improve settlements among market participants.

The Group continues to assess and manage its credit risks, analyse the condition of its receivables and actively cooperate with counterparties, the regulator and the Ministry of Energy of Ukraine. Management expects that in future periods it may revise its assessment of the probability of repayment of receivables by market participants, taking into account the ongoing volatility of the course of hostilities, changes in the economic environment, international support and other factors.

Trade accounts payable

For the six months ended June 30, 2026, the Group's accounts payable increased by UAH 8.7 billion, or 18% (from UAH 47.4 billion to UAH 56.1 billion), mainly due to an increase in the Group's payables on the balancing market by UAH 7.9 billion. At the same time, the amount of overdue accounts payable increased by UAH 8.7 billion, or 21% (from UAH 40.8 billion to UAH 49.5 billion), mainly as a result of an increase in the difference between the Group's revenues and expenses on the balancing market, which leads to an increase in the Group's payables to market participants (described in detail earlier in Note 2).

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Given the need to balance inflows and outflows on the special account of the balancing market, which affects the performance of all participants in the balancing market, as well as to ensure an even distribution of the financial burden among the payers of tariffs for TSO services, by Resolution of the NEURC dated March 24, 2026, No. 416, amendments were made to Resolution of the NEURC dated February 25, 2022, No. 332, which allowed, starting from April 1, 2026, to partially balance revenues and expenses in the respective market segment.

In particular, the Group submitted to the Regulator proposals for the necessary amendments to the Market Rules approved by Resolution of the NEURC dated March 14, 2018, No. 307, and Resolution of the NEURC dated February 25, 2022, No. 332, aimed at improving the approach to pricing in the balancing market, including eliminating the impact of the system state on the formation of imbalance prices and balancing electricity prices, improving the approaches to determining the non-compliance charge for BSPs and balancing service providers, and providing compensation to electricity suppliers for positive imbalances (described earlier in Note 2).

In addition, pursuant to the Law of Ukraine dated February 10, 2026, No. 4777-IX, the Group was allowed to use the funds received in 2025 from the granting access to the transmission capacity of interstate power networks to repay liabilities on the balancing market and under the RES PSO (described earlier in Note 2). For the six months ended June 30, 2026, under this mechanism, the Group directed approximately UAH 2.8 billion, including VAT, towards repayment of its trade payables. These legislative changes will improve the situation with the Group's overdue trade payables and increase the liquidity of the electricity market (Note 12).

Loans and borrowings

The main effects of the war on loans and borrowings received by the Group were as follows:

- As a result of the events described in Note 10, on November 09, 2024, due to the adoption of several regulations that make it impossible for the Group to make the payment of the current and deferred coupons under the Eurobonds 2028, which constituted an event of default (technical default) under respective obligations. As a result of the technical default on the Eurobonds 2028, as of 30 June 2026, part of the long-term liabilities under loans and borrowings was reclassified from non-current to current liabilities, namely:
 - UAH 37.0 billion of obligations under Eurobonds 2028, as an event of default gives creditors the right to demand early repayment of the full amount of the debt under Eurobonds 2028, and the Group did not have the right to postpone the repayment of these obligations for at least twelve months after the reporting period;
 - UAH 36.3 billion of obligations on some loans from IFIs and state-owned banks due to the application of cross-default provisions.

As of 30 June 2026, the total carrying amount of loans and borrowings in technical default or cross-default, which were fully classified as current liabilities, is UAH 91.1 billion.

As of the date of approval of these interim condensed consolidated financial statements, the Group has not received any notice from creditors regarding the immediate payment of any amounts due under the Eurobonds 2028 or loans from IFIs and state-owned banks. The Group communicates with creditors regarding the restructuring process of the Eurobonds 2028 on a regular basis and assures its operational and financial stability.

- In April 2025, a preliminary agreement was reached regarding the terms of the debt management operation for the Eurobonds 2028 with the Ad Hoc group of bondholders. In April 2026, the Group reached an agreement on updated terms of the liability management transaction for the Eurobonds 2028 with the Ad Hoc group of bondholders regarding: (i) an increase in the amount of the available cash for the Tender Offer supported by the DFI-backed financing, (ii) a modification to the amortisation profile of the new unsecured bonds, and (iii) the payment in cash shortly after the settlement date of interest accrued on the new unsecured bonds for the period from 1 July 2025 to the settlement date. All other terms of the agreement with the Ad Hoc group of bondholders, including the structure of the transaction, remain unchanged. The Group is focusing its efforts on implementing the agreements reached with the Ad Hoc group of bondholders as quickly as possible, which will contribute to the Group's long-term financial stability (Note 10).

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- On July 04, 2025, the Group received a waiver letter from the EIB of its right to demand early repayment of Loan No. FIN 87.554 Serapis No. 2017-0155, which arose as a result of non-compliance with financial covenants as of 31 December 2024 and the temporary suspension of payments under the Eurobonds 2028 (technical default). Accordingly, as of June 30, 2026, the Group classified this loan as non-current in the consolidated statement of financial position (Note 10).
- On July 02, 2026, the Group received a waiver letter from the EBRD waiving its right to demand early repayment of the relevant loans due to non-compliance with the above financial covenants as of December 31, 2025 and 2024 (Note 10).
- As of June 30, 2026, the Group was not in compliance with certain financial covenants under loans from IFIs (Note 10). The Group will take all possible measures to improve its financial position and, accordingly, its compliance with financial covenants; however, it is expected that certain financial covenants may not be met in future periods as a result of the impact of the war on the Group's operations. The Group intends to obtain waivers in advance for future periods, if necessary, in order to avoid potential breaches of financial covenants under its loans and borrowings.
- As a result of the amendments to the charter of NPC "Ukrenergo" made by the Ministry of Energy of Ukraine in May 2025 without prior notification to the EBRD, the requirements of the loan agreements with the EBRD were violated (Note 10). As a result, in June 2025, the Bank notified the Ministry of Energy of Ukraine, the Ministry of Finance of Ukraine and the Group about the reservation of its rights to terminate further financing and the possible demand of early repayment of the Group's and the state's obligations under the loan agreements with the EBRD. To resolve this matter, the Ministry of Energy of Ukraine held consultations with the EBRD, and on July 01, 2025 and February 13, 2026, amendments to the Charter of NPC "Ukrenergo" were introduced, which had been agreed in advance with the international financial institutions and other stakeholders in accordance with the requirements of legislation and loan agreements (Note 1).
- With the onset of the war in 2022, the Group suspended repayments of principal on UAH-denominated loans from state-owned banks due to force majeure circumstances and agreed payment holidays with creditor banks. During 2023–2026, the Group's management regularly agreed with state-owned banks on the deferral of repayment of outstanding principal under the loans to later periods (Notes 10).
- During the six months ended June 30, 2026, the Group made timely and full repayments of principal and interest on loans from IFIs and state-owned banks in accordance with the agreed terms of the loan agreements.
- During 2022–2026, the Group entered into a number of grant agreements with a total value of approximately EUR 615 million in order to attract additional financial resources for the rapid recovery of the network and to enhance the resilience of the power system.
- The Group continues to cooperate and maintain active communication with IFIs regarding the attraction of loans and borrowings for working capital needs and for the restoration of equipment damaged or destroyed by missile attacks. The Group actively leverages its status as a transmission system operator, which is currently a full member of the European ENTSO-E community, enjoys a high level of trust from international partners, and is successfully attracting financing primarily aimed at restoring equipment damaged or destroyed by missile attacks and at repaying the Group's liabilities to market participants.
- Part of the Group's loans and the Eurobonds 2028 are denominated in foreign currencies, and changes in exchange rates have a significant impact on the Group's financial performance (Note 26). However, given that the Group's foreign currency loans and borrowings are long-term, the impact of exchange rate fluctuations on the Group's cash flows over the next twelve months from the date of approval of these interim condensed consolidated financial statements is limited.

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Management's plans and the Group's ability to continue as a going concern

For the purposes of assessing the going concern assumption, management has prepared a cash flow projection scenario for the 12 months period ended September 2027 based on the following key assumptions:

- no further significant advancement of Russian troops into the territory of Ukraine and no further escalation of hostilities that could materially affect the Group's assets;
- no significant further deterioration in electricity consumption and transmission in Ukraine as a result of the war;
- an increase in interconnector capacity, which will partially offset reduced domestic generation capacity, and further transformation of the transmission network, contributing to improved electricity supply to specific nodes and supporting the development of decentralised generation;
- strengthening of the physical protection of the Group's facilities, enhancement of air defence capabilities and a reduction in the effectiveness of missile attacks on energy infrastructure;
- as required by law, all economically justified costs of the Group will be covered by tariffs for electricity transmission and dispatch (operational and technological) control services, which are regulated and approved by the NEURC. Any differences between actual and planned costs in current periods are to be reflected in tariffs for subsequent years;
- cooperation with international partners to attract grants, international technical assistance, and concessional loans and borrowings, including for the restoration of assets, in order to replace and reduce the cost of debt capital in the Group's financing structure (without a significant increase in total debt);
- achieving financial neutrality in the balancing market, including the settlement of receivables from "protected" consumers and critical infrastructure facilities, and the establishment of balanced pricing;
- implementation of additional mechanisms in the electricity market to halt the accumulation of debt and improve the level of settlements;
- completion of the restructuring of the Eurobonds 2028 in 2026, which will contribute to the long-term financial stability of the Group.

Under this scenario, management expects to have sufficient liquidity to settle external debt in accordance with the agreed schedules throughout the entire forecast period. However, it remains uncertain how hostilities will further develop and what impact this may have on the Group's operations, the physical security of its assets, electricity transmission and tariffs for the Group's services. In the event of a deterioration in the military situation, management expects that it will still be able to apply liquidity mitigation measures to ensure the continued uninterrupted operation of the Group.

As part of management's going concern assessment, the Group continuously updates its long-term model to reflect the latest developments, including potential changes in transmission volumes, tariffs set by the NEURC, repayment schedules of loans and borrowings, and the creditworthiness of debtors, etc.

The Group also considers a negative scenario, which may include a significant escalation of hostilities with a potential expansion of affected areas within Ukraine, substantial damage to energy infrastructure, a significant reduction in international support for Ukraine, the easing of sanctions against the Russian Federation, and a material outflow of the labour force abroad. However, given the high degree of uncertainty related to (i) the development, outcomes and intensity of hostilities, their impact on the population and business activities in affected areas, as well as their potential escalation and spread to other regions of Ukraine; or (ii) the possible political and socio-economic consequences of the war and a significant reduction in international support for Ukraine, the Group's management is unable to reliably assess all significant implications for its operations under such a negative scenario.

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Given the stabilisation of hostilities since the second half of 2022 and their geographical concentration in the East and South of Ukraine, the unprecedented political, economic and military support provided to Ukraine by international partners, as well as the political and economic stability of Ukraine as of the date of approval of these interim condensed consolidated financial statements, the Group's management believes that the realisation of a negative scenario is unlikely.

The results of modelling based on these scenarios indicate that, taking into account the approved tariffs for the Group's services for 2026, the successful further deferral of payments and reduction of interest rates on loans from state-owned banks, the agreements reached with existing investors in April 2026 and the potential completion of the restructuring of the Eurobonds 2028 in 2026, as well as the agreement of new projects for the restoration and modernisation of assets with IFIs financed through grants, international technical assistance and concessional loans and borrowings, management believes that the Group has sufficient economic resources to continue its operations in the foreseeable future.

The full extent of the impact of further developments in the war on the Group's operations remains uncertain; however, the potential impact could be significant. Management notes that the development, duration and consequences of the war are subject to significant uncertainty. In addition to hostilities, the Group's performance may be materially affected by factors beyond its control, and the Group has limited ability to mitigate such risks, including the approval of tariffs for the Group's services, bankruptcy and insolvency of market participants, changes in exchange rates, changes in electricity consumption, and changes in the prices of goods and services due to inflation. Accordingly, the estimates and assumptions applied by management in assessing the impact of the war on the Group's financial position and operations may change materially in the future as circumstances evolve.

It is worth noting that in accordance with the legislation and regulatory acts, all economically reasonable costs of the Group must be covered by tariffs for the services of electricity transmission and dispatch (operational and technological) control, which are regulated and approved by the NEURC. Any differences between the actual and planned costs of the current periods should be reflected in the tariffs for the following years.

Management acknowledges that the future development and duration of the war, as well as potential non-compliance with debt obligations, represent a major source of material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern and, therefore, the Group may be unable to realise its assets and discharge its liabilities in the normal course of business. Despite the significant uncertainty associated with the war in Ukraine, management continues to take measures to mitigate its impact on the Group and, accordingly, considers it appropriate to prepare these interim condensed consolidated financial statements on a going concern basis.

In addition, the state, as the owner of the Group, considers its critical importance as the sole transmission system operator in Ukraine to ensure security of electricity supply. Thus, the state is directly interested in the stable work of the Group and will, if necessary, support the activities of the Group in the future.

3. BASIS FOR PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis for preparation

The interim condensed consolidated financial statements for the six months ended 30 June 2026 have been prepared in accordance with IAS 34 *Interim Financial Reporting*. It does not include all of the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual financial statements for the year ended 31 December 2025 prepared in accordance with IFRS.

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Significant accounting policies

The accounting policies and methods of computation adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2025 except for the adoption of the new standards, interpretations and amendments to IFRSs that became effective as of January 01, 2026, which are described below. The Group has not early adopted any standards, interpretations, or amendments that have been issued but are not yet effective.

Functional currency and presentation currency

The functional currency of Ukrainian companies of the Group is the Ukrainian Hryvnia ("UAH"), and the Group's subsidiary EUkrenergo in Belgium is the Euro ("EUR"). Transactions in currencies other than the functional currency of the Group's companies are considered foreign currency transactions, and are translated into the functional currency using the currency exchange rate that prevailed on the dates of the corresponding transactions. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rates that were in effect at the reporting date. Non-monetary items that are valued at their historical value in a foreign currency are translated using currency exchange rates as of the dates of initial transactions. Non-monetary items that are measured at fair value in a foreign currency are translated using currency exchange rates at the date of the fair value measurement. Foreign exchange differences are recognised in profit or loss in the period in which they arise. Foreign exchange differences resulting from operating activities are recorded as other operating expenses or income, while other foreign exchange differences are presented separately in the statement of profit or loss.

The presentation currency of these interim condensed consolidated financial statements of the Group is the Ukrainian Hryvnia ("Hryvnia" or "UAH"). All amounts reflected in the consolidated financial statements are presented in hryvnias, rounded to thousands, unless otherwise specified.

The exchange rates used in the preparation of these interim condensed consolidated financial statements were presented as follows:

Currency	As of 30 June 2026	Average currency exchange rate for six months ended 30 June 2026	As of 31 December 2025	Average currency exchange rate for six months ended 30 June 2025
UAH / US Dollar	44.85	43.74	42.39	41.63
UAH / Euro	51.17	51.03	49.86	45.47

Adoption of new and revised standards

The Group has adopted such standards and interpretations beginning or after January 01, 2026:

- Amendments to IFRS 9 *Financial Instruments* and IFRS 7 *Financial Instruments: Disclosures*: Amendments to the Classification and Measurement of Financial Instruments;
- Amendments to IFRS 9 *Financial Instruments* and IFRS 7 *Financial Instruments: Disclosures*: Contracts Referencing Nature-dependent Electricity;
- Annual Improvements to IFRS Accounting Standards — Volume 11.

The adoption of the amendments to the standards did not have a material impact on the financial position or performance indicators reflected in the interim condensed consolidated financial statements, and did not result in any changes in the Group's accounting policies and amounts reflected for the current or previous periods.

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Standards and Interpretations issued but not yet effective

IFRS 20 Regulatory Assets and Regulatory Liabilities

On May 26, 2026, the International Accounting Standards Board (IASB) published IFRS 20 *Regulatory Assets and Regulatory Liabilities* (hereinafter – IFRS 20), which replaces IFRS 14 *Regulatory Deferral Accounts* and supplements IFRS 15 *Revenue from Contracts with Customers*. IFRS 20 comes into force on January 01, 2029 with the possibility of early application.

This standard is aimed at improving the reporting of financial results of companies subject to tariff regulation (electricity, gas supply, water supply, transport infrastructure, etc.). It introduces a new accounting model, according to which a company whose activities are subject to tariff regulation and meet the criteria for the scope of the standard recognizes regulatory assets and regulatory liabilities. The new model reconciles the total revenue recognized for a reporting period under IFRS with the total amount of allowable consideration that an entity is entitled to receive for regulated goods or services supplied or rendered during that period.

The new standard includes detailed disclosure requirements and is designed to give users clearer information about the financial effects of rate regulation and expected future cash flows. The standard will be mandatory for all entities with rate-regulated activities, not just for first time IFRS Accounting Standards adopters.

It is worth noting that the Group has previously developed and will apply accounting policies to reflect the impact of tariff regulation on the financial statements, which are described in detail in the annual consolidated financial statements for the year ended December 31, 2025, and are consistent with the main principles set out in IFRS 20. The Group is currently working to determine all the impacts that this IFRS will have on the consolidated financial statements, and plans to apply it from the date of its entry into force.

Critical accounting judgments and key sources of estimation uncertainty

The significant accounting judgments and key sources of estimation uncertainty used in the preparation of the condensed interim consolidated financial statements are not materially different from the judgments and estimates used in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2025.

The key assumptions regarding the future and other key sources of estimation uncertainty at the end of the reporting period that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within subsequent reporting periods are set out below.

Recoverability of deferred tax assets

Deferred tax assets, including those arising from carried forward tax losses and temporary differences, are recognized only when it is probable that they will be recovered, which depends on the sufficient future taxable profits.

As of June 30, 2026, based upon projections for future taxable profits over the periods in which the taxable temporary differences are anticipated to reverse, management believes it is probable that the Group will realize the benefits of deferred tax assets of UAH 3,780,789 thousand (Note 22). The Group did not recognize a deferred tax asset of UAH 1,316,909 thousand, arising from deductible temporary differences and unused tax losses. Recognition of this portion was not considered probable within a reasonable and supportable forecast horizon, principally because the availability of sufficient future taxable profit is affected by:

- Deterioration of the situation with accruals and financial result on the balancing market in 2025-2026, which is a consequence of the increasing number of attacks by the aggressor on energy facilities, which in turn causes large volumes of forced consumption restrictions and systemic restrictions in the energy system (Note 2).

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- A decrease in the volume of electricity transmission and supply during six months ended June 30, 2026, by 6.1% and 9.4%, respectively, compared to the same period last year due to large-scale attacks on Ukraine's energy infrastructure, which caused a significant electricity shortage in the Integrated Power System of Ukraine in early 2026.

Importantly, tax losses incurred by the Group do not expire under Tax Code of Ukraine and may be carried forward indefinitely. This provides the Group with the ability to utilize such losses over an extended period, consistent with the timing of recovery through future tariffs. Accordingly, the unrecognised deferred tax asset may be recognised in future periods to the extent that it becomes probable that sufficient future taxable profit will be available — for example, following implementation of the regulatory measures to stabilize situation on the balancing market, improvement of the Group's financial results after revision of tariffs for 2026 (Note 27).

The Group operates as a 100% state-owned transmission system operator in Ukraine and is a natural monopoly. Its activities are strategically important for ensuring stable electricity transmission by main power grid. The Group operates within a regulated environment in which tariffs are designed to allow recovery of efficiently incurred costs and associated financing over time. Accordingly, the losses incurred represent timing differences in cost recovery rather than a deterioration in the underlying economic performance of the business.

Significant part of incurred costs that were unrecovered by previous tariffs were financed through external borrowings, including loans from state-owned banks, issuance of Eurobonds 2028, IFI loans used for liquidity purposes. Under the applicable tariff-setting methodology, expenditures for repaying loans and borrowings will be recovered through future tariff adjustments, that will increase the Group's profits and cover tax losses.

Management's assessment of the recoverability of deferred tax assets is based on:

- the cost-recovery nature of the regulatory framework, including mechanisms to compensate for differences between planned and actual costs through tariffs on Group's services, including negative financial result on the balancing market;
- future tariffs will include amounts sufficient to recover previously under-recovered costs and related financing obligations (as an evidence, tariff for electricity transmission increased from 345.64 UAH/MWh in 2022 to 928.45 UAH/MWh in 2026);
- the adoption of NEURC Resolution No. 416 of March 24, 2026, and the subsequent approval in 2026 of amendments to the Market Rules and NEURC Resolution No. 332 of February 25, 2022, regarding the improvement of the pricing approach on the balancing market—including the elimination of the system state's impact on the formation of imbalance prices and balancing electricity prices, the refinement of approaches to calculating non-compliance fees for BRPs and ancillary service providers, and the provision of compensation to electricity suppliers for positive imbalances—which will help resolve the root causes of the negative financial result on the balancing market;
- the completion in 2026 of the restructuring process of the Eurobonds 2028, which will have a positive impact on the Group's financial results, ensure its long-term financial stability, and enable the unlocking of additional grant funding and international technical assistance;
- the increase in 2026 of revenue from providing access to cross-border transmission capacity (interstate electricity networks of Ukraine) as a result of the launch of monthly auctions for the long-term allocation of cross-border capacity in December 2025 and the increase of price caps in the electricity market;
- the Group's status as a regulated natural monopoly with a critical public service function;
- the implementation of measures aimed at reducing indebtedness within the electricity market, which are expected to decrease credit risk exposure and reduce expected credit losses, thereby positively affecting future taxable results;
- the expectation that the State, as the sole shareholder, will continue to support the financial stability of the Group, where necessary, to ensure continuity of operations; and
- the indefinite carryforward period of tax losses.

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The recognition and measurement of deferred tax assets are subject to estimation uncertainty as they depend on forecasts of future taxable profits. These forecasts are based on assumptions regarding the timing and extent of recovery of previously under-recovered costs through future tariffs, as determined by the regulator. Deviations between expected and actual future taxable income may have a negative impact on the recognized deferred taxes in the Group's consolidated financial statements. However, the amount of the deferred tax asset considered realizable could be adjusted in the future if estimates of taxable income are revised. For more information, see Note 22.

4. SEGMENT INFORMATION

The operating segments presented in these interim condensed consolidated financial statements are consistent with the structure of financial information, which is regularly reviewed by the Group's management. The Management Board is the main body that makes operational decisions of the Group.

Segment information is analyzed on the basis of the types of goods supplied by the Group's operating divisions. The Group's reportable segments under IFRS 8 *Operating segments* are as follows:

- Transmission system operator ("TSO") – comprising the operation, maintenance and dispatch (operational and technological) control of the Integrated Power System of Ukraine, electricity transmission via high voltage lines from generation to distribution networks based on tariffs approved by the regulator NEURC. Additionally, it includes activities for connection to electricity transmission system and sales of reactive energy.
- Energy system balancing – comprising purchase/sale of electricity to ensure a real-time balance of production, import, export, consumption of electricity and settlement of imbalances, cross-border flows and provision of emergency assistance to neighbouring countries.
- Access to the transmission capacity of IPN (interstate power networks) – comprising activities of granting access to the transmission capacity of interstate power networks.
- Other – comprising activities for development of special purpose software for transmission system operator, administrative and corporate functions and other activities, whose individual share of the Group's revenue is immaterial.

The segment result represents operating profit or loss under IFRS before unallocated other operating expenses.

For the six months ended June 30, 2026, the Group's revenue from one customer amounted to UAH 17,785,185 thousand (2025: UAH 14,832,053 thousand) and was included in the first three operating segments. Information on revenue from customers under control of the State is disclosed in Note 23. Revenue from other customers does not exceed 10% of the total revenue.

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Segment information for the six months ended 30 June 2026 was as follows:

	TSO	Energy system balancing	Access to the transmission capacity of IPN	Other	Elimination	Total
Revenue - external	41,851,062	18,630,622	3,320,770	-	-	63,802,454
Revenue - inter-segment	-	-	-	61,640	(61,640)	-
Total revenue	41,851,062	18,630,622	3,320,770	61,640	(61,640)	63,802,454
Segment operating expenses	(37,212,673)	(27,803,318)	-	(22,365)	-	(65,038,356)
Impairment of financial assets, net	(419,465)	(1,815,797)	-	-	-	(2,235,262)
Impairment of property, plant and equipment and intangible assets, net	(463,706)	-	-	-	-	(463,706)
Segment result	3,755,218	(10,988,493)	3,320,770	39,275	(61,640)	(3,934,870)
Unallocated other operating expenses, net						(156,995)
Finance income						638,488
Finance costs						(3,279,462)
Foreign exchange loss, net						(4,276,316)
Loss before tax						(11,009,155)
Income tax benefit						621,974
LOSS FOR THE PERIOD						(10,387,181)

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Segment information for the six months ended 30 June 2025 was as follows:

	TSO	Energy system balancing	Access to the transmission capacity of IPN	Other	Elimination	Total
Revenue - external	42,231,926	10,525,941	703,543	-	-	53,461,410
Revenue - inter-segment	-	-	-	49,871	(49,871)	-
Total revenue	42,231,926	10,525,941	703,543	49,871	(49,871)	53,461,410
Segment operating expenses	(32,927,027)	(13,330,215)	-	(9,776)	-	(46,267,018)
Impairment of financial assets, net	(541,990)	(1,281,017)	-	-	-	(1,823,007)
Impairment of property, plant and equipment and intangible assets, net	(21,487)	-	-	-	-	(21,487)
Segment result	8,741,422	(4,085,291)	703,543	40,095	(49,871)	5,349,898
Unallocated other operating income, net						255,100
Finance income						734,104
Finance costs						(3,113,172)
Foreign exchange loss, net						(3,736,185)
Loss before tax						(510,255)
Income tax benefit						25,791
LOSS FOR THE PERIOD						(484,464)

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5. PROPERTY, PLANT, AND EQUIPMENT

The movement of property, plant and equipment for the six months ended 30 June 2026 is presented as follows:

	Transmission lines (OHL)	Buildings and structures	Plant and equipment	Vehicles and other	Construction in progress	Total
Cost/Revalued cost						
As of 1 January 2026	51,735,464	5,318,959	32,812,146	2,715,872	40,377,955	132,960,396
Reclassification between groups	-	722	(559)	(163)	-	-
Additions	-	-	-	-	5,559,525	5,559,525
Internal transfers	-	45,700	1,632,020	113,706	(1,791,426)	-
Reversal of revaluation decrease	-	-	119	3	-	122
Transfer to inventories	-	-	-	-	(2,689)	(2,689)
Transfer to intangible assets	-	-	-	-	(44,413)	(44,413)
Disposals	-	(105)	(1,254)	(50)	-	(1,409)
Other changes	-	-	(61)	-	(6,603)	(6,664)
As of 30 June 2026	51,735,464	5,365,276	34,442,411	2,829,368	44,092,349	138,464,868
Accumulated depreciation and impairment losses						
As of 1 January 2026	870,374	181,954	1,411,323	174,020	4,143,310	6,780,981
Reclassification between groups	-	19	72	(91)	-	-
Depreciation charge	1,740,748	222,196	1,686,325	358,706	-	4,007,975
Disposals	-	(15)	(1,139)	(10)	-	(1,164)
Impairment losses	-	22,045	495,859	914	274,192	793,010
Other changes	-	-	(36)	-	-	(36)
As of 30 June 2026	2,611,122	426,199	3,592,404	533,539	4,417,502	11,580,766
Net book value						
As of 1 January 2026	50,865,090	5,137,005	31,400,823	2,541,852	36,234,645	126,179,415
As of 30 June 2026	49,124,342	4,939,077	30,850,007	2,295,829	39,674,847	126,884,102

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The movement of property, plant and equipment for the six months ended 30 June 2026 is presented as follows:

	Transmission lines (OHL)	Buildings and structures	Plant and equipment	Vehicles and other	Construction in progress	Total
<i>Cost/Revalued cost</i>						
As of 1 January 2025	53,391,856	5,110,903	35,682,836	1,667,208	32,068,722	127,921,525
Additions	3	170	903	-	6,758,802	6,759,878
Internal transfers	7,087	95,792	1,499,597	761,952	(2,364,428)	-
Transfer to inventories	-	-	-	-	(5,851)	(5,851)
Disposals	-	(15)	(3,787)	(1,489)	(1,235)	(6,526)
Other changes	-	-	-	-	(3,342)	(3,342)
As of 30 June 2025	53,398,946	5,206,850	37,179,549	2,427,671	36,452,668	134,665,684
<i>Accumulated depreciation and impairment losses</i>						
As of 1 January 2025	3,461,419	352,541	4,638,381	369,437	3,233,649	12,055,427
Depreciation charge	1,723,906	173,600	1,524,066	187,608	-	3,609,180
Disposals	-	(15)	(2,922)	(635)	-	(3,572)
Impairment losses	-	-	37,937	2,181	14,981	55,099
As of 30 June 2025	5,185,325	526,126	6,197,462	558,591	3,248,630	15,716,134
<i>Net book value</i>						
As of 1 January 2025	49,930,437	4,758,362	31,044,455	1,297,771	28,835,073	115,866,098
As of 30 June 2025	48,213,621	4,680,724	30,982,087	1,869,080	33,204,038	118,949,550

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Revaluation and impairment

The Group engaged independent professional appraisers to determine the fair values of its property, plant, and equipment as of October 01, 2025. The fair value was determined in accordance with International Valuation Standards. The Group did not revalue property, plant and equipment as of June 30, 2026 as there have been no significant changes since the last annual reporting date that would indicate that the fair value of property, plant and equipment differs significantly from their carrying amount.

As of June 30, 2026, the Group did not identify indications that the recoverable amount of property, plant and equipment might fall lower than their carrying amounts.

Additionally, on individual basis, for the six months ended June 30, 2026, as a result of the destruction of and damage to part of the Group's energy infrastructure, the Group recognized impairment losses of property, plant and equipment and construction in progress in the amount of UAH 792,888 thousand (2025: UAH 55,099 thousand), including impairment losses in the amount of UAH 329,184 thousand recognized as decrease in the revaluation reserve in other comprehensive income (2025: UAH 33,635 thousand) and impairment losses of UAH 463,704 thousand recognized in profit or loss (2025: UAH 21,464 thousand).

Depreciation expenses

During the six months ended June 30, 2026 the depreciation expenses of UAH 3,981,260 thousand (2025: UAH 3,590,165 thousand) were included in cost of sales, UAH 24,126 thousand (2025: UAH 16,966 thousand) in administrative expenses, UAH 2,370 thousand (2025: UAH 2,036 thousand) in other operating expenses, UAH 219 thousand (2025: UAH 13 thousand) were capitalised.

Capitalized borrowing costs

During the six months ended June 30, 2026 additions to construction in progress included capitalized interests in the amount of UAH 162,713 thousand (2025: UAH 288,512 thousand).

Prepayments for property, plant and equipment

Construction in progress as of June 30, 2026 included prepayments for property, plant and equipment with carrying amount UAH 8,874,388 thousand, excluding accumulated impairment losses in amount of UAH 160,034 thousand (December 31, 2025: carrying amount – UAH 6,906,944 thousand, accumulated impairment losses – UAH 160,038 thousand).

Fully depreciated assets

As of June 30, 2026 the cost of fully depreciated property, plant and equipment that are still in use by the Group amounted to UAH 85,573 thousand (December 31, 2025: UAH 75,034 thousand).

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6. TRADE ACCOUNTS RECEIVABLE

	30 June 2026	31 December 2025
Electricity to settle imbalances	46,495,353	41,686,946
Electricity transmission services	15,065,084	17,318,399
Dispatch (operational and technological) control services	9,707,643	9,534,778
Electricity from cross-border flows	633,365	748,593
Balancing electricity	576,069	581,271
Granting access to the transmission capacity of interstate power networks	192,256	667,445
Reactive energy	10,262	10,450
Electricity in the framework of providing emergency assistance	1,351	96,646
Other goods and services	6,613	6,613
Total gross amount	72,687,996	70,651,141
Less: Expected credit losses on trade accounts receivable	(42,981,029)	(40,735,467)
Total carrying amount	29,706,967	29,915,674

No credit limits are applied to the Group's customers. The average credit period for the Group's customers did not exceed 30 days. No interest is charged on trade accounts receivable that are not repaid within credit limits.

Expected credit losses on trade accounts receivable

With the onset of military aggression, the solvency of many consumers has deteriorated or lost. The level of settlements in the electricity market has significantly deteriorated. Since the beginning of the military aggression on the electricity market, there has been a shortage of funds due to deteriorating solvency, bankruptcy of end customers, and destruction of their infrastructure, which also resulted in significant increase of gross accounts receivables to the Group during 2022-2026.

At the same time, the Group, in cooperation with the regulator and state authorities, is working on implementing measures to improve settlements in the electricity market, reduce regulatory influence on market pricing, and increase the liquidity of market participants. Such measures include, but are not limited to, increasing of price caps, improving the interaction of the supplier of last resort with consumers, including protected consumers or consumers whose facilities are designated as critical infrastructure facilities, and agreeing on other sources of debt repayment.

During the six months ended June 30, 2026, the Group made an accrual of expected credit losses on trade accounts receivables in the amount of UAH 2,247,096 thousand (2025: UAH 1,823,050 thousand).

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The movements in expected credit losses on trade accounts receivable for the six months ended June 30, 2026 were as follows

	Portfolio assessment	Individual assessment	Total
Balance at 1 January 2026	8,551,659	32,183,808	40,735,467
Charge	518,216	1,728,880	2,247,096
Written off as a bad debt	(1,534)	-	(1,534)
Balance at 30 June 2026	9,068,341	33,912,688	42,981,029

The movements in expected credit losses on trade accounts receivable for the six months ended June 30, 2025 were as follows:

	Portfolio assessment	Individual assessment	Total
Balance at 1 January 2025	7,840,615	27,104,060	34,944,675
Charge	314,106	1,508,944	1,823,050
Written off as a bad debt	(23,211)	-	(23,211)
Balance at 30 June 2025	8,131,510	28,613,004	36,744,514

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Analysis of credit quality of trade accounts receivable as of June 30, 2026 is as follows:

30 June 2026	<u>Not past due</u>	<u>Past due from 1 to 30 days</u>	<u>Past due from 31 to 90 days</u>	<u>Past due from 91 to 120 days</u>	<u>Past due from 121 to 180 days</u>	<u>Past due from 181 to 365 days</u>	<u>Past due for more than 365 days</u>	<u>Total</u>
Portfolio assessment								
Gross amount	4,507,105	1,418,979	1,488,094	734,627	341,296	1,064,015	9,714,127	19,268,243
Expected credit losses	-	-	(53,573)	(42,318)	(27,071)	(159,558)	(8,785,821)	(9,068,341)
<i>Ratio of expected credit losses, %</i>	<i>0.00%</i>	<i>0.00%</i>	<i>3.60%</i>	<i>5.76%</i>	<i>7.93%</i>	<i>15.00%</i>	<i>90.44%</i>	
Individual assessment								
Gross amount	957,595	1,016,512	2,491,395	4,669,404	2,525,949	4,180,667	37,578,231	53,419,753
Expected credit losses	(21,188)	(101,601)	(294,539)	(509,729)	(424,928)	(1,274,582)	(31,286,121)	(33,912,688)
<i>Ratio of expected credit losses, %</i>	<i>2.21%</i>	<i>10.00%</i>	<i>11.82%</i>	<i>10.92%</i>	<i>16.82%</i>	<i>30.49%</i>	<i>83.26%</i>	
Total gross amount								72,687,996
Total expected credit losses								(42,981,029)

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Analysis of credit quality of trade accounts receivable as of December 31, 2025 is as follows:

31 December 2025	<u>Not past due</u>	<u>Past due from 1 to 30 days</u>	<u>Past due from 31 to 90 days</u>	<u>Past due from 91 to 120 days</u>	<u>Past due from 121 to 180 days</u>	<u>Past due from 181 to 365 days</u>	<u>Past due for more than 365 days</u>	<u>Total</u>
Portfolio assessment								
Gross amount	4,925,552	1,748,107	2,237,897	390,197	442,891	1,931,090	9,134,919	20,810,653
Expected credit losses	-	(3)	(71,416)	(19,919)	(31,092)	(233,090)	(8,196,139)	(8,551,659)
<i>Ratio of expected credit losses, %</i>	<i>0.00%</i>	<i>0.00%</i>	<i>3.19%</i>	<i>5.10%</i>	<i>7.02%</i>	<i>12.07%</i>	<i>89.72%</i>	
Individual assessment								
Gross amount	1,610,005	1,696,314	2,551,346	942,306	1,582,237	7,228,550	34,229,730	49,840,488
Expected credit losses	(31,077)	(83,668)	(195,259)	(121,478)	(287,780)	(2,649,538)	(28,815,008)	(32,183,808)
<i>Ratio of expected credit losses, %</i>	<i>1.93%</i>	<i>4.93%</i>	<i>7.65%</i>	<i>12.89%</i>	<i>18.19%</i>	<i>36.65%</i>	<i>84.18%</i>	
Total gross amount								70,651,141
Total expected credit losses								(40,735,467)

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The reconciliation of expected credit losses on trade accounts receivables for the years ended June 30, 2026 with the balance at the beginning of the year was as follows:

	Portfolio assessment	Individual assessment	Total
Balance at 1 January 2026	8,551,659	32,183,808	40,735,467
Increase in gross value/past due period of trade accounts receivable	473,285	1,625,593	2,098,878
Change in assumptions, estimates and risk parameters	44,931	103,287	148,218
Write-off of bad debt	(1,534)	-	(1,534)
Balance at 30 June 2026	9,068,341	33,912,688	42,981,029

The reconciliation of expected credit losses on trade accounts receivables for the years ended June 30, 2025 with the balance at the beginning of the year was as follows:

	Portfolio assessment	Individual assessment	Total
Balance at 1 January 2025	7,840,615	27,104,060	34,944,675
Increase in gross value/past due period of trade accounts receivable	390,309	1,320,606	1,710,915
Change in assumptions, estimates and risk parameters	(76,203)	188,338	112,135
Write-off of bad debt	(23,211)	-	(23,211)
Balance at 30 June 2025	8,131,510	28,613,004	36,744,514

The Group, assessing expected credit losses on trade accounts receivables, takes into account the cash flows expected from credit enhancements, which are an integral part of the contract. Such credit enhancements are accounts payable of the counterparties owed to the Group, which are usually settled on a net basis together with accounts receivable, but does not meet the offsetting criteria, and financial guarantees received by the Group from the customers for electricity to settle imbalances and balancing electricity arising under of the same contract (Notes 12 and 14).

As of June 30, 2026, 3% of gross trade accounts receivables are covered by credit enhancements that are an integral part of contracts (December 31, 2025: 2%). These credit enhancements resulted in a decrease in the expected credit losses on trade accounts receivable in the amount of UAH 1,074,728 thousand as of June 30, 2026 (December 31, 2025: UAH 896,263 thousand).

7. TAXES RECEIVABLE, OTHER THAN INCOME TAX

As of 30 June 2026 and 31 December 2025 taxes receivable, other than income tax consisted mainly of VAT receivable in amount of UAH 285,079 thousand and UAH 1,143,161 thousand respectively.

8. CASH AND CASH EQUIVALENTS

	30 June 2026	31 December 2025
Cash on current bank accounts	14,493,475	7,983,590
Cash on special purpose accounts	4,308,671	3,752,796
Cash on hand	6	-
Total	18,802,152	11,736,386

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Special purpose accounts are accounts with a special use regime, in particular for receiving funds under loan agreements with international financial institutions, settlements on the purchase and sale of electricity on the balancing market and others.

In accordance with the international rating agencies of Moody's or Fitch, the credit ratings of the banks with which the Group had cash and cash equivalents accounts opened as of June 30, 2026 and December 31, 2025 were as follows:

	30 June 2026	31 December 2025
Ukrainian state banks with CCC rating	18,590,895	11,417,591
Subsidiaries of international banks with AA rating	180,126	299,951
Other banks without ratings	31,131	18,844
Total	18,802,152	11,736,386

9. OTHER CURRENT ASSETS

	30 June 2026	31 December 2025
Regulatory asset	1,317,693	2,546,522
One-time commission on loans from banks	19,723	19,770
VAT amounts for which deadline or right to declare is not due	1,441	36
Other	342	393
Total	1,339,199	2,566,721

Applying the accounting policy about reflecting the impact of tariff regulation on the financial statements as of December 31, 2025, the Group recognized regulatory assets in the amount of UAH 2,546,522 thousand, which relate to the temporary difference between the period of incurring of actual costs and their reimbursement in the tariff. During the six months that ended June 30, 2026, the Group received revenue on the sales of electricity transmission services and dispatch (operational and technological) control services, compensating part of the actual costs that were incurred during previous periods. Accordingly, during the six months ended June 30, 2026, the Group recognized regulatory expenses in the amount of UAH 1,228,829 thousand, which resulted in a decrease of regulatory assets as of June 30, 2026 (Note 19).

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10. LOANS AND BORROWINGS

	30 June 2026	31 December 2025
Non-current		
Loans	17,168,467	15,334,064
Eurobonds 2028	-	-
Total non-current loans and borrowings	17,168,467	15,334,064
Current		
Loans*	43,316,971	45,193,397
Eurobonds 2028**	48,817,455	44,863,045
Total current loans and borrowings	92,134,426	90,056,442
Total loans and borrowings	109,302,893	105,390,506

* As of June 30, 2026 and December 31, 2025, long-term part of loans in the amount of UAH 36,252,510 and 37,019,057 thousand respectively, was reclassified to current liabilities due to technical default on Eurobonds 2028, and the corresponding application of cross-default provisions, and non-fulfilment of financial covenants under certain loan agreements.

** As of June 30, 2026 and December 31, 2025 the long-term part of Eurobonds 2028 in the amount of UAH 36,999,435 and 34,969,935 thousand respectively, was reclassified to current liabilities due to technical default.

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As of June 30, 2026 and December 31, 2025, the weighted average effective interest rates and balances on loans and borrowings were presented as follows:

	Creditor	Currency	30 June 2026		31 December 2025	
			% annual	Balance	% annual	Balance
European Bank for Reconstruction and Development, No. 54138	EBRD	EUR	4.11%	13,952,767	3.69%	12,865,607
European Bank for Reconstruction and Development, No. 54649	EBRD	EUR	4.07%	7,671,771	3.61%	7,475,015
European Investment Bank, No. 87.554	EIB	EUR	3.30%	6,847,466	2.84%	6,780,484
Ministry of Finance of Ukraine, No. 8462-UA	IBRD	USD	5.74%	6,086,300	5.93%	6,020,349
Oshchadbank, No. 1372/31/2	Oshchadbank	UAH	18.39%	4,583,333	21.51%	4,583,333
Ukreximbank, No. 20-1KV0016	Ukreximbank	UAH	19.89%	3,666,000	19.91%	3,666,000
Ministry of Finance of Ukraine, No. 27406	KfW	EUR	4.46%	3,037,375	4.46%	2,959,587
European Bank for Reconstruction and Development, No. 49235	EBRD	EUR	3.67%	2,933,453	3.21%	3,910,772
Ministry of Finance of Ukraine, No. FIN 31.143	EIB	EUR	5.47%	2,541,630	5.00%	2,597,357
SEPARIS No.20090117	EIB	EUR	5.43%	2,403,992	4.96%	2,576,023
Ministry of Finance of Ukraine, No. 24668-UA	IBRD	USD	2.75%	1,774,181	2.75%	1,746,947
Ministry of Finance of Ukraine, No. TF017661	KfW	EUR	2.51%	1,607,065	2.51%	1,565,908
KfW, № 2016.6520.7	IBRD	USD	5.68%	1,210,126	5.87%	1,509,472
Ministry of Finance of Ukraine, № 4868-UA	Ukrgasbank	UAH	18.62%	865,885	21.51%	865,885
Ukrgasbank, No. 20-K/20-VIP	KfW	EUR	3.16%	760,034	3.18%	719,099
Ministry of Finance of Ukraine, No. 2006 66 537	Oshchadbank	USD	5.83%	544,060	5.87%	685,623
Oshchadbank, No. 1427/31/2						
Total loans				60,485,438		60,527,461
Eurobonds 2028	-	USD	7.30%	48,817,455	7.30%	44,863,045
Total loans and borrowings				109,302,893		105,390,506

As of June 30, 2026, accrued interest on loans amounted to UAH 1,399,544 thousand (December 31, 2025: UAH 1,329,237 thousand), of which UAH 622,198 thousand are long-term as a result of changes in the terms of certain loan agreements (December 31, 2025: UAH 534,321 thousand) and UAH 777,346 thousand are current (December 31, 2025: UAH 794,916 thousand) (Note 14).

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Loans from international financial organizations

European Bank for Reconstruction and Development, loan No. 55539

Creditor: European Bank for Reconstruction and Development

In June 2026, long-term loan agreement for the total amount of EUR 90,000 thousand was concluded between the Group and the European Bank for Reconstruction and Development to implement the Project RLF – Ukrenergo Resilience Support (Northern Region Enhancement). The EBRD provides the loan in 2 tranches: Tranche A in the amount of EUR 15,000 thousand and Tranche B in the amount of EUR 75,000 thousand, each of which is set at a floating interest rate based on the EURIBOR rate or a fixed rate. Repayment of each tranches is made in equal semi-annual instalments. The First Loan Repayment Date of Tranche A begins in June 2029 and ends in June 2041. Repayment of Tranche B commences after the end of a three-year period from the date it becomes available. Under the loan agreement, a commitment fee of 0.50% per annum is payable. The loan facility includes a one-time fee of EUR 900 thousand based on the total loan amount, in accordance with the terms of the agreement. In addition, the Group is required to pay a 0.50% margin on the total loan amount to the Ministry of Finance of Ukraine.

As of June 30, 2026, the loan agreement had not yet become effective. One of the conditions for its effectiveness is the receipt by the EBRD of confirmation that the restructuring of the Eurobonds 2028 has been completed and that no default has occurred under those Eurobonds 2028.

Loans from state-owned banks

In February 2026, the Group agreed with JSC "Oschadbank" and JSB "Ukrigasbank" agreed on additional changes to the principal debt repayment schedules under the loans granted by the state-owned banks.

In February 2026, the Group and JSC "Oschadbank" signed an Amendment Agreement to Loan Agreement № 1372/31/2, approving a revised loan repayment schedule and postponing the start of repayment of the outstanding loan balance until January 2028. Under the revised schedule, repayment of the outstanding principal balance was deferred until January 2028. The loan principal is to be repaid in monthly instalments from January 2028 through 27 December 2029. The parties also agreed to amend the interest rate, which is set at UAH UIRD 3m¹ + 5%.

In February 2026, the Group and JSB "Ukrigasbank" signed an Amendment Agreement to Loan Agreement № 20-K/20-VIP approving a revised loan repayment schedule and postponing the start of repayment of the outstanding loan balance until January 2027. The loan principal is to be repaid in monthly instalments from January 2027 through 30 December 2028. The parties also agreed to amend the interest rate, which is set at UAH UIRD 3m + 5%.

Eurobonds 2028

In November 2021, the Group issued USD 825 million 6.875% Sustainability-Linked Green Bonds due 2026 on the London Stock Exchange (hereinafter - Eurobonds 2028). The maturity date of Eurobonds 2028 is 09 November 2028.

¹ UIRD (Ukrainian Index of Retail Deposit Rates) is a weighted average annual rate calculated on the basis of nominal rates on term deposits of individuals in the currency corresponding to the loan currency for a period of three months with interest payment in the end of agreement, published on the website www.bank.gov.ua, as well as in Thomson Reuters information systems.

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Temporary suspension of payments on Eurobonds 2028

In August-September 2024, Ukraine restructured its government Eurobonds. In the process of such restructuring, the following regulatory legal acts were adopted, among others:

- Law of Ukraine No. 3880-IX of 18.07.2024, which amended Article 1 of the Law of Ukraine "On Peculiarities of Transactions with State, State-Guaranteed Debt and Local Debt and Government Derivatives" and granted the Cabinet of Ministers of Ukraine (hereinafter - the "CMU") the right to make decisions on temporary suspension of payments on all or some of the relevant debt obligations or state guarantee obligations in respect of the relevant debt obligations by October 01, 2024.
- Resolution of the CMU dated July 31, 2024 No. 865 "On the implementation of transactions with state debt and state-guaranteed debt in 2024" and Resolution of the CMU dated August 27, 2024 No. 977 "On Amendments to the Resolution of the Cabinet of Ministers of Ukraine dated July 31, 2024 No. 865", according to which the CMU decided to temporarily suspend payments from November 09, 2024 under the state's guarantee obligations for Eurobonds 2028 issued under a state guarantee in 2021, for a period until the conclusion of such transaction(s) and changes in the terms of the relevant borrowing for all creditors.

It should be noted that in accordance with the second paragraph of Article 1 of the Law of Ukraine "On Peculiarities of Transactions with State, State-Guaranteed Debt and Local Debt", in the event that the CMU adopts a decision to temporarily suspend payments under the state's guarantee obligations for Eurobonds 2028, the Ministry of Energy of Ukraine, as the shareholder of the Group, has the right to make a decision to temporarily suspend payments under such obligations of the Group.

Accordingly, the Ministry of Energy of Ukraine adopted Order No. 421 dated November 04, 2024 "On Certain Debt Obligations of NPC "Ukrenergo" regarding the temporary suspension of payments from November 09, 2024 under Eurobonds 2028, issued under a state guarantee in 2021, for the period until the transaction(s) and changes in the terms of issue of Eurobonds 2028 are concluded with respect to all creditors.

In turn, on November 06, 2024, the Group officially announced the temporary suspension of payments from November 09, 2024 under Eurobonds 2028 on the website of the London Stock Exchange (RNS) and on the official website of the Group. Accordingly, on November 09, 2024, the Group did not have the legal ability to make the payment of the next and deferred coupons on the Eurobonds 2028, which is an event of default (technical default).

Event of default under the Eurobonds 2028 application of cross-default provisions gives creditors a right to demand early repayment of the full amount of the debt and the Group has not a right to defer the repayment of these liabilities for at least twelve months after the reporting period. As a result, as of June 30, 2026 and December 31, 2025, the long-term portion of the Eurobonds 2028 in the amounts of UAH 34,999,435 and 34,969,935 thousand, respectively, was reclassified to current liabilities. Due to the application of cross-default provisions, the long-term portion of certain loans from IFIs and state-owned banks in the amounts of UAH 36,252,510 and 37,019,057 thousand as of June 30, 2026 and December 31, 2025, respectively, was reclassified to current liabilities.

As of June 30, 2026 and December 31, 2025, the total carrying amount of loans and borrowings in technical default or cross-default, which fully classified as current liabilities, amounted to UAH 91,057,675 and 87,230,587 thousand, respectively.

As of the date of approval of these interim condensed consolidated financial statements, the Group has not received any notice from creditors regarding the immediate payment of any outstanding loans and borrowings.

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Reaching a preliminary agreement on the terms of the liability management transaction for Eurobonds 2028

In April 2025, the Group reached a preliminary agreement on the terms for a liability management exercise in relation to Eurobonds 2028 with an Ad Hoc group representing approximately 40% of the outstanding Eurobonds 2028 and holders outside the Ad Hoc group who, together with the Ad Hoc group, represent in excess of 45% of the outstanding nominal value of Eurobonds 2028. In July 2025 the Group announced a delay in the implementation of a liability management exercise, which is related to the resolution of certain requirements of the financing.

In April 2026, the Group reached an agreement on updated terms of the liability management transaction for the Eurobonds 2028 with the Ad Hoc group of bondholders regarding: (i) an increase in the amount of the available cash for the Tender Offer supported by the DFI-backed financing, (ii) a modification to the amortisation profile of the new unsecured bonds, and (iii) the payment in cash shortly after the settlement date of interest accrued on the new unsecured bonds for the period from 1 July 2025 to the settlement date. All other terms of the agreement with the Ad Hoc group of bondholders, including the structure of the transaction, remain unchanged.

Accordingly, the Eurobond 2028 debt management transaction includes:

- A tender offer for the Eurobonds 2028 through an unmodified reverse Dutch auction. With a cap price of 65.125% of the principal amount, including accrued and overdue interest as of the settlement date, funded with USD 445 million.
- An exchange offer for the Eurobonds 2028 into new unsecured bonds issued by the Group, carrying an annual coupon of 8.5% and repayable in semi-annual installments of 12.5% of the principal amount between 2028 and 2031.

The Group is focusing its efforts on the implementation of the agreement reached with the Ad Hoc group as soon as practicable, which will contribute to the long-term financial stability of the Group.

Covenants

Loan agreements and Eurobonds 2028 contain financial and non-financial covenants. As of June 30, 2026 and December 31, 2025, the Group was in compliance with all terms of the loan agreements and the Eurobonds 2028 except for the event of default on the Eurobonds 2028 described above and certain financial covenants under the agreements with IFIs.

International Bank for Reconstruction and Development (IBRD)

In accordance with the terms and conditions of loan agreements with the IBRD No.8462-UA and No.TF017661, the Group, inter alia, should comply with the following financial covenants:

- a) Debt Service Ratio should be not less than 1.20; and
- b) Self-financing Ratio should be not less than 25%.

In accordance with the terms of the IBRD loan and project agreements, financial covenant calculations are required to be based on the most recent annual financial statements. Accordingly, financial covenants were not calculated at interim reporting dates and, in particular, as of June 30, 2026.

As of December 31, 2025, the Group complied with the abovementioned financial covenants.

Despite compliance with financial covenants, as of June 30, 2026 and December 31, 2025, the liabilities under the IBRD loans were reclassified to current liabilities in the consolidated statement of financial position due to the application of cross-default provisions as a result of the technical default on the Eurobonds 2028.

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European Bank for Reconstruction and Development (EBRD)

According to the terms of the loan agreements with EBRD No. 49235, No. 54138 and No. 54649, the Group, inter alia, should comply with the following financial covenants:

- a) Debt Service Coverage Ratio should be not less than 1.20;
- b) Debt to EBITDA Ratio should be not more than 3.00.

These financial covenants are calculated in accordance with the procedure specified in the loan and project agreements.

As of June 30, 2026 and December 31, 2025, the values of these financial covenants were as follows:

	30 June 2026	31 December 2025
Debt Service Coverage Ratio	2.33	0.48
Debt to EBITDA Ratio	-11.07	-1151.51

As of June 30, 2026, the Group failed to comply with Debt to EBITDA Ratio, however, the Debt Service Coverage Ratio remained above the target level. As of December 31, 2025 the Group failed to comply with the above mentioned ratios. According to the terms and conditions of the loan agreements with the EBRD, in the event of the failure to comply with financial covenants thereunder, the EBRD may suspend further disbursements of the loan and/or require that the Group repay in full the outstanding amounts.

As of June 30, 2026 and December 31, 2025, the EBRD loans were reclassified to current liabilities in the consolidated statement of financial position due to non-compliance with financial covenants and the application of cross-default provisions as a result of the technical default on the Eurobonds 2028.

On July 02, 2026 the Group received a waiver letter from the EBRD of its right to demand accelerated repayment of the relevant loans arising from the Group's non-compliance with the above financial covenants as of December 31, 2025 and 2024.

Additionally, as a result of the amendments to the charter of NPC "Ukrenergo", which were made by the Ministry of Energy of Ukraine in May 2025 without prior notification to the EBRD, the requirements of the loan agreements with the EBRD were violated. Consequently, in June 2025, the Bank notified the Ministry of Energy of Ukraine, the Ministry of Finance of Ukraine and the Group about the reservation of its rights to terminate further financing and the possible demand of early repayment of the Group's and the state's obligations under the loan agreements with the EBRD. In order to resolve the above issue, the Ministry of Energy of Ukraine held consultations with the EBRD and on July 01, 2025 and February 13, 2026, amendments to the charter of NPC "Ukrenergo", which were previously agreed with the EBRD and other stakeholders in accordance with the requirements of the loan agreements.

European Investment Bank (EIB)

According to the terms of the loan agreements with EIB No. FIN 87.554 Separis No.2017-0155, the Group, inter alia, should comply with the following financial covenants:

- a) EBITDA to Debt Service Ratio should be not less than 1.20;
- b) Cashflow to Capital Expenditures Ratio should be not less than 25%.

These financial covenants are calculated in accordance with the procedure specified in the loan and project agreements.

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In accordance with the terms of the EIB Finance Contract No FIN 87.554 Separis № 2017-0155, financial covenant calculations are required to be based on the most recent annual financial statements. Accordingly, financial covenants were not calculated at interim reporting dates and, in particular, as of June 30, 2026.

As of December 31, 2025, the Group complied with the abovementioned financial covenants.

According to the terms and conditions of the loan agreement with the EIB, in the event of the failure to comply with financial covenants thereunder, the EIB may suspend further disbursements of the loan and/or require that the Group repay in full the outstanding amounts.

On July 04, 2025, the Group received a waiver letter from the EIB regarding the right to demand early repayment of the loan No. FIN 87.554 Separis No. 2017-0155, which arose due to non-compliance with financial covenants as of 31 December 2024 and temporary suspension of payments under the Eurobonds 2028 (technical default). Therefore, as of June 30, 2026 and December 31, 2025, the Group classified this loan as non-current in the consolidated statement of financial position.

As of June 30, 2026 and December 31, 2025 and prior to the date these interim condensed consolidated financial statements were authorized for issuance, the Group had not received any notice of cessation of further financing or notice requesting immediate repayment of any of the abovementioned loans.

11. SPECIAL PURPOSE FUNDING AND DEFERRED INCOME

Special purpose funding and deferred income include the following:

- Grants, assets received free of charge and similar financing of capital expenditures for the construction, modernization or reconstruction of certain assets received from the state, government organizations, companies or other participants;
- Funds or fair value of non-monetary assets received from customers under agreements for connection services to the electricity transmission system;
- Non-current assets received free of charge in the form of humanitarian aid;
- Resources and financing provided by international partners on a free and non-refundable basis as part of the implementation of projects and programs aimed at supporting Ukraine in accordance with international agreements (hereinafter - international technical assistance).

As of June 30, 2026 and December 31, 2025 the Group does not have any unfulfilled conditions and other contingencies attaching to special purpose funding and deferred income that has been recognised.

Special purpose funding and deferred income as of June 30, 2026 and December 31, 2025 were as follows:

	30 June 2026	31 December 2025
International technical assistance	14,813,234	10,909,851
Grants, assets received free of charge and similar financing	1,609,231	1,425,914
Connection to the electricity transmission system	2,810,305	2,449,085
Humanitarian aid	579,332	532,936
Total	19,812,102	15,317,786
<i>Including:</i>		
Special purpose funding (non-current liabilities)	19,747,930	15,257,428
Deferred income (current liabilities)	64,172	60,358
Total	19,812,102	15,317,786

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International technical assistance

Information about the movement in international technical assistance for the six months ended June 30, 2026 and 2025 were as follows:

	For the six months ended 30 June 2026	For the six months ended 30 June 2025
Balance at 1 January	10,909,851	7,809,501
Received international technical assistance	4,806,566	2,917,242
International technical assistance received for operating expenses	-	46,234
International technical assistance used for operating expenses	-	(46,234)
International technical assistance recognized as income	(903,183)	(1,421,856)
Balance at 30 June	14,813,234	9,304,887

International technical assistance as of June 30, 2026 and December 31, 2025 were presented in the consolidated statement of financial position as follows:

	30 June 2026	31 December 2025
Special purpose funding (non-current liabilities)	14,810,995	10,907,611
Deferred income (current liabilities)	2,239	2,240
Total	14,813,234	10,909,851

Grants, assets received free of charge and similar financing

Information about the movement in grants, assets received free of charge and similar financing (hereinafter – grants) for the six months ended June 30, 2026 and 2025 were as follows:

	For the six months ended 30 June 2026	For the six months ended 30 June 2025
Balance at 1 January	1,425,914	1,731,770
Grants received for modernization of property, plant and equipment	268,066	163,974
Grants recognized as other operating income	(84,749)	(307,291)
Balance at 30 June	1,609,231	1,588,453

Grants, assets received free of charge and similar funding as of June 30, 2026 and December 31, 2025 were presented in the consolidated statement of financial position as follows:

	30 June 2026	31 December 2025
Special purpose funding (non-current liabilities)	1,589,396	1,409,823
Deferred income (current liabilities)	19,835	16,091
Total	1,609,231	1,425,914

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Connection to the electricity transmission system

Information about the movements in funding, received from customers under agreements for connection services to the electricity transmission system for the six months ended June 30, 2026 and 2025 were as follows:

	For the six months ended 30 June 2026	For the six months ended 30 June 2025
Balance at 1 January	2,449,085	1,071,642
Funding received	382,071	682,554
Funding recognized as revenue from services rendered	(20,851)	(19,176)
Balance at 30 June	2,810,305	1,735,020

Financing received from customers under agreements for connection services to the electricity transmission system as of June 30, 2026 and December 31, 2025 were presented in the consolidated statement of financial position as follows:

	30 June 2026	31 December 2025
Special purpose funding (non-current liabilities)	2,768,611	2,407,385
Deferred income (current liabilities)	41,694	41,700
Total	2,810,305	2,449,085

Humanitarian aid

Information about the movements in non-current assets received free of charge in the form of humanitarian aid (hereinafter - humanitarian aid) for the six months ended June 30, 2026 and 2025 were as follows:

	For the six months ended 30 June 2026	For the six months ended 30 June 2025
Balance at 1 January	532,936	520,909
Humanitarian aid received	67,018	78,751
Humanitarian aid recognized as income	(20,622)	(68,338)
Balance at 30 June	579,332	531,322

Non-current assets received free of charge in the form of humanitarian aid as of June 30, 2026 and December 31, 2025 were presented in the consolidated statement of financial position as follows:

	30 June 2026	31 December 2025
Special purpose funding (non-current liabilities)	578,928	532,609
Deferred income (current liabilities)	404	327
Total	579,332	532,936

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Grants from international financial organizations

Kreditanstalt für Wiederaufbau (KfW), grant No. BMZ-No. 2024 68 528

Donor: Kreditanstalt für Wiederaufbau (KfW)

In June 2026, the Group and KfW concluded a grant agreement No. BMZ-No. 2024 68 528 for a total amount of EUR 11,000 thousand for the implementation of the Project "Increasing Efficiency of Electricity Transmission (Integration of the Ukrainian IPS to the European Integrated Power System) VII". The Bank agreed that the last date for the availability of grant funding is June 30, 2029. During 2026, the Group did not make any withdrawals of grant funds under this agreement. As of June 30, 2026, the unused grant amount is EUR 11,000 thousand.

International Bank for Reconstruction and Development, grant No. TF0C0424

Donor: International Bank for Reconstruction and Development

In February 2026, under Grant Agreement No. TF0C0424, the IBRD agreed to increase the grant amount by an additional contribution of USD 40,000 thousand. The last date for the availability of grant funding is April 30, 2027. As of June 30, 2026, the undrawn grant amount is USD 125,820 thousand (December 31, 2025: USD 118,787 thousand).

12. TRADE ACCOUNTS PAYABLE

	30 June 2026	31 December 2025
Balancing electricity	29,646,343	23,265,624
Services to increase share of electricity production from alternative sources (PSO RES)	18,499,328	17,626,371
Electricity to settle imbalances	4,641,294	3,075,912
Curtailement of RES production	1,256,288	1,097,243
Auxiliary services (frequency and active power management)	736,386	459,120
Acquisition, construction, modernization, reconstruction of non-current assets	576,680	883,276
Electricity from cross-border flows	445,725	527,527
Electricity in the framework of providing emergency assistance	76,714	110,171
Granting access to the transmission capacity of interstate power networks	25,911	97,321
Other goods, works, services	213,825	254,827
Total	56,118,494	47,397,392

13. ADVANCES RECEIVED

	30 June 2026	31 December 2025
Electricity transmission services	1,064,570	594,245
Dispatch (operational and technological) control services	266,176	136,255
Electricity to settle imbalances	67,154	165,146
Electricity in the framework of providing emergency assistance	21,425	-
Granting access to the transmission capacity of interstate power networks	164	166
Other goods, works, services	8,085	1,606
Total	1,427,574	897,418

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14. OTHER CURRENT LIABILITIES

	30 June 2026	31 December 2025
Accrued interest on loans	777,346	794,916
Financial guarantees of electricity market participants	313,009	517,699
VAT amounts for which deadline or right to declare is not due	93,100	1,161,518
Guarantee of participation in the competition for the construction of generating capacity	34,196	84,204
Other liabilities	36,729	40,333
Total	1,254,380	2,598,670

15. REVENUE

	For the six months ended 30 June 2026	For the six months ended 30 June 2025
Revenue from electricity transmission services and connection to electricity transmission system	32,455,052	32,895,116
Revenue from electricity sales on the balancing market	16,013,392	9,239,998
Revenue from dispatch (operational and technological) control services	9,374,998	9,310,316
Revenue from granting access to the transmission capacity of interstate power networks	3,320,770	703,543
Revenue from electricity sales during cross-border flows	2,350,883	1,081,229
Revenue from electricity sales in the framework of providing emergency assistance	234,783	200,332
Revenue under the ITC Agreement	31,564	4,382
Revenue from sales of reactive energy	20,815	26,102
Revenue from providing services of data transfer administrator (DTA) and insider information platform administrator (IIPA)	197	392
Total	63,802,454	53,461,410

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16. COST OF SALES

	For the six months ended 30 June 2026	For the six months ended 30 June 2025
Procurement of electricity on the balancing market	24,595,314	10,886,407
Procurement of services to increase share of electricity production from alternative sources (PSO RES)	14,830,534	14,707,285
Procurement of electricity to compensate technological losses	8,519,703	7,116,980
Depreciation and amortization	4,060,743	3,652,776
Procurement of auxiliary services (frequency and active power management)	3,281,612	3,132,311
Staff costs	2,102,341	1,687,182
Curtailement of RES production	2,047,735	1,143,190
Procurement of electricity from cross-border flows	1,991,948	1,436,564
Purchase of electricity in the framework of providing emergency assistance	676,773	97,427
Social charges	431,774	353,153
Information and consulting services	294,804	184,607
Security expenses	231,921	203,408
Repairs and maintenance	230,260	263,178
Energy and utilities	87,351	57,502
Procurement of services to ensure the uninterrupted functioning of "last resort" supplier	76,653	57,777
Expenses under the ITC Agreement	48,082	66,076
Other expense	391,822	190,724
Total	63,899,370	45,236,547

17. OTHER OPERATING INCOME

	For the six months ended 30 June 2026	For the six months ended 30 June 2025
Income from grants and free-of-charge received property, plant and equipment (Note 11)	1,008,554	1,797,485
Fines, penalties, forfeits received	401,017	765,825
Current assets received free-of-charge	399,700	157,449
Operating foreign exchange gain, net	112,955	377,090
Recovery of earlier written-off assets	43,262	47,884
Income from other sales of works, services	23,015	24,360
Income on sale of inventories and scrap	8,831	5,043
Capitalization of materials after write-offs and repairs	8,063	20,870
Income from financial security enforcement for a future ancillary services agreement	5,900	-
Change in allowance for impairment of prepayments, net	12	74
Received grants to cover consulting services	-	46,234
Stock-count results	-	12,397
Other income	10,763	6,275
Total	2,022,072	3,260,986

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18. ADMINISTRATIVE EXPENSES

	For the six months ended 30 June 2026	For the six months ended 30 June 2025
Staff costs	429,539	355,217
Court fees	159,220	146,534
Information and consulting services	74,638	129,874
Social charges	73,642	65,677
Depreciation and amortization	37,390	27,937
Expenses for maintenance of NEURC	17,846	15,725
Legal, audit and other expert services	16,967	7,288
Other costs	31,755	29,023
Total	840,997	777,275

19. OTHER OPERATING EXPENSES

	For the six months ended 30 June 2026	For the six months ended 30 June 2025
Regulatory expenses (Note 9)	1,228,829	1,331,012
Change in allowance for litigation provision, net	656,134	354,743
Fines, penalties, forfeitures recognized	180,491	979,643
Membership fees	133,064	104,585
Contributions to labor union	83,183	244,663
Staff costs	47,563	41,304
Insurance expenses	38,270	25,361
Social charges	21,970	18,844
Depreciation and amortization	2,370	2,037
Liquidation of non-current assets	2,081	8,749
Consulting services at the expense of grant funds	-	46,234
Other costs	83,101	101,907
Total	2,477,056	3,259,082

20. FINANCE INCOME

	For the six months ended 30 June 2026	For the six months ended 30 June 2025
Income from interest on current bank accounts	617,300	734,095
Income from amortization of discount on financial instruments	21,188	9
Total	638,488	734,104

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21. FINANCE COSTS

	For the six months ended 30 June 2026	For the six months ended 30 June 2025
Interest expense on loans	1,980,351	2,173,162
Capitalized borrowing costs	(163,008)	(296,850)
Interest expense on bonds	1,319,743	1,209,397
Discount costs on initial recognition	109,119	-
Interest expense on defined benefit obligations	20,781	15,502
Interest expense on lease obligations	378	634
Other finance costs	12,098	11,327
Total	3,279,462	3,113,172

22. INCOME TAX

Profits of Group's companies are subject to corporate income tax. For the six months ended June 30, 2026 and 2025 the Group's companies was subject to corporate income tax in Ukraine at the rate of 18%.

The components of income tax expense for the six months ended June 30, 2026 and 2025 were as follows:

	For the six months ended 30 June 2026	For the six months ended 30 June 2025
Current income tax expense	118	270
Deferred income tax benefit	(622,092)	(26,061)
Total income tax benefit	(621,974)	(25,791)

The reconciliation of profit before tax, multiplied by the statutory income tax rate and income tax expense for the six months ended June 30, 2026 and 2025 was as follows:

	For the six months ended 30 June 2026	For the six months ended 30 June 2025
Loss before tax	(11,009,155)	(510,255)
Income tax benefit at the statutory tax rate of 18%	(1,981,648)	(91,846)
Unrecognized deferred tax assets	1,316,909	-
Assets transferred as humanitarian aid or to non-profit organizations	42,137	65,695
Effect of expenses not deductible for tax purposes	628	360
Total income tax benefit	(621,974)	(25,791)

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As of June 30, 2026 and December 31, 2025, deferred tax assets and liabilities related to the following:

	30 June 2026	31 December 2025
Trade and other accounts receivable	7,787,684	7,385,616
Defined benefit obligation	10,617	10,048
Provision for litigation costs	391,689	333,609
Provision for accrued expenses	866	866
Impairment allowance of inventories and construction in progress	772,756	723,401
Deferred tax asset from tax losses	4,633,413	5,126,630
Deferred tax assets	13,597,025	13,580,170
Property, plant and equipment and intangible assets	(9,816,236)	(10,480,250)
Deferred tax liability	(9,816,236)	(10,480,250)
Net deferred tax assets	3,780,789	3,099,920

As of June 30, 2026, based on forecasts of future taxable profits during the periods in which the taxable temporary differences are expected to reverse, management considers it probable that the Group will realize the benefits of deferred tax assets. The Group did not recognize a deferred tax asset in the amount of UAH 1,316,909 thousand arising from deductible temporary differences and unused tax losses (Note 3).

23. RELATED PARTIES

Parties are generally considered to be related if one party has the ability to control the other party, is under common control, or can exercise significant influence or joint control over the other party in making financial and operating decisions. In considering each possible related party relationship, attention is directed to the substance of the relationship and not merely the legal form.

Key management remuneration

As of June 30, 2026 and December 31, 2025, the Group's key management consisted of 5 and 6 members of the Management Board respectively. Compensation to key management included in administrative expenses consists of cash payments, contractual salaries, bonuses and other payments provided for in the collective employment agreement. During the six months ended June 30, 2026 payments to the Group's key management amounted to UAH 54,128 thousand (2025: UAH 43,747 thousand).

During the six months ended June 30, 2026 the Group also incurred UAH 20,225 thousand (2025: UAH 38,321 thousand) of compensation to the members of Supervisory Board. The Supervisory Board consisted of 7 and 6 members as of June 30, 2026 and December 31, 2025 respectively.

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Transactions with state-controlled entities and institutions

Balances with state-controlled entities and institutions as of June 30, 2026 and December 31, 2025, were as follows:

	30 June 2026	31 December 2025
ASSETS		
Other non-current assets	6,803	6,803
Trade accounts receivable	18,058,571	17,239,291
Prepayments	69,072	510,491
Other accounts receivable	402,996	305,751
Loans given	314,532	141,005
Cash and cash equivalents	18,622,019	11,436,435
Total assets from related parties	37,473,993	29,639,776
LIABILITIES		
Trade accounts payable	32,040,042	31,044,048
Advances received	243,299	94,393
Loans received from the Ministry of Finance of Ukraine	17,813,638	18,128,834
Loans received from state-owned banks	9,659,278	9,800,841
Accrued interests on loans	1,039,209	1,000,307
Provision for litigation costs	1,434,997	1,019,767
Other current liabilities, except accrued interests on loans	4,900	15,284
Total liabilities to related parties	62,235,363	61,103,474

Transactions with state-controlled entities and institutions for the six months ended June 30, 2026 and 2025 were as follows:

	For the six months ended 30 June 2026	For the six months ended 30 June 2025
Revenue	18 671 018	16,124,085
Purchases of services to increase the share of electricity production from alternative sources (PSO RES)	(10,060,322)	(11,217,641)
Purchases of electricity and related services in the electricity market	(21,712,924)	(15,561,249)
Purchases of other goods, works, and services	(582,199)	(181,883)
Impairment of financial assets, net	(113,321)	(1,029,267)
Fines, penalties, forfeits received	237,765	589,354
Fines, penalties, forfeitures recognized	(174,231)	(936,653)
Change in allowance for litigation provision, net	(441,697)	(95,501)
Income from interest on current bank accounts	615,191	734,020
Interest expense on loans (including capitalized borrowing costs)	(1,471,595)	(1,617,174)
Income from amortization of discount of loans given	21,188	-
Discount costs on initial recognition	(109,119)	-

As of June 30, 2026, expected credit losses on trade accounts receivable, which were accrued on receivables from related parties, amount to UAH 23,290,979 thousand (2025: UAH 23,177,320 thousand).

State guarantees on loans and borrowings

As of June 30, 2026 the amount of state guarantees received from the Government of Ukraine on loans from IFIs and state-owned banks amounted to UAH 60,485,438 thousand (December 31, 2025: UAH 60,527,461 thousand).

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As described in Note 10, according to the Resolution of the Cabinet of Ministers of Ukraine dated July 31, 2024 No. 865 and Resolution of the Cabinet of Ministers of Ukraine dated August 27, 2024 No. 977, the Cabinet of Ministers of Ukraine decided to temporarily suspend payments from November 09, 2024 under the state's guarantee obligations for Eurobonds 2028 issued under a state guarantee in 2021, for a period until the conclusion of such transaction(s) and changes in the terms of the relevant borrowing for all creditors.

As of June 30, 2026, the carrying amount of Eurobonds 2028 was UAH 48,817,455 thousand (December 31, 2025: UAH 44,863,045 thousand).

24. CONTINGENCIES AND CONTRACTUAL COMMITMENTS

Taxation

The tax environment in Ukraine is characterized by complex tax administration, inconsistent interpretation of tax legislation and regulations by the tax authorities, which, inter alia, can increase financial pressure on taxpayers. Inconsistent application, interpretation and implementation of tax laws may lead to litigation, which may ultimately result in the assessment of additional taxes, penalties and interest, and these amounts could be significant.

The Group has complied with all regulations and all taxes have been paid or accrued. Management believes it has adequately provided for any potential difficulties and does not consider the risk to be greater than that faced by similar enterprises in Ukraine. Unless it is deemed probable that significant claims will arise, no provision has been made in these interim condensed consolidated financial statements.

Legal issues

Legal proceedings

In the normal course of business, the Group is subject to legal claims. Where the risk of outflow of financial resources associated with such claims is assumed as probable, a respective liability is recognised as the provision for litigation costs. Where management estimates the risk of outflow of financial resources associated with such claims as possible, or amount of outflow cannot be measured reliably, no provision is recognised, and respective amount is disclosed in the financial statements.

Claims of SE "Guaranteed Buyer" regarding delayed payments by the Group

Since the beginning of 2020 crisis signs began to appear on the electricity market: delays in the Group's payments to SE "Guaranteed Buyer" for services to increase the share of electricity production from alternative sources (hereinafter – "PSO RES") and accordingly delays in payments of SE "Guaranteed Buyer" in favor of renewable energy producers. The reason for the delay in the Group's payments for PSO is the insufficiency of funds provided for in the tariff for electricity transmission to cover this type of expenses.

During 2020-2026, SE "Guaranteed Buyer" initiated lawsuits on payment by the Group of fines and penalties for breach of debt repayment terms between the Group and SE "Guaranteed Buyer" regarding PSO RES. As of June 30, 2026, the total amount of claims in such cases amounted to UAH 12,034,011 thousand of main debt and UAH 8,761,448 thousand of fines and penalties (December 31, 2025: UAH 13,931,210 thousand of main debt and UAH 6,017,251 thousand of fines and penalties).

It should be noted that the legal relationship between the Group and SE "Guaranteed Buyer" for the payment of PSO RES, establishment of the regulator's tariff for electricity transmission services, which should cover these costs in full, is subject to state regulation and does not depend on the Group's decisions. Management believes that, given the nature of the legal relationship between the Group, SE "Guaranteed Buyer", the regulator, the state, reasons of debt accumulation, inability to repay it in time, the impact of court decisions on the net cash flow between the Group and SE

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"Guaranteed Buyer" is remote and, therefore, and no provision should be made in the Group's interim condensed consolidated financial statements as of the reporting date.

Claims of other market participants regarding delayed payments in the electricity market

Participants in the electricity market have initiated a number of lawsuits regarding the collection of the Group's debts, the calculation and payment of fines and penalties for breaching the terms of the contracts on the balancing market and on PSO RES with universal service providers (USP).

The delay in payments on the balancing market arose as a result of a deterioration in the level of payments made by counterparties on the balancing market to the Group, which accordingly affected the Group's payments to providers of balancing services, since all payments in this market segment go through a separate special account of the Group and it cannot be financed by cash inflows from other types of activities, unless it is provided for by other normative legal acts.

As described in Note 2, the significant deterioration of the situation in charges on the balancing market is a consequence of the increasing number of attacks by the aggressor on energy infrastructure, which in turn results in substantial volumes of forced load curtailment and system-wide constraints in the power system. The updated approaches to calculating the system state within the real-time unit (RTU) and the settlement period (SP), as well as the formation of imbalance prices and balancing energy prices, which became effective in 2025 following amendments to the Market Rules, do not operate correctly under non-market conditions caused by the consequences of the aggressor's attacks.

As of June 30, 2026, the Group created provision for litigation costs that could be incurred as a result of legal cases with market participants regarding delayed payments by the Group on the electricity market in the amount of UAH 2,111,893 thousand (December 31, 2025: UAH 1,789,228 thousand).

Claim against the Russian Federation regarding assets in Crimea

In April 2018, senior officials of the Russian Federation were served with the Group's official written communications on the investment dispute under the 1998 Agreement between the Cabinet of Ministers of Ukraine and the Government of the Russian Federation on the Promotion and Mutual Protection of Investments. Their purpose was to consult and negotiate with representatives of the Russian Federation to resolve the dispute through negotiations. The Russian side did not provide a response.

Having received no response, on August 27, 2019, the Group referred the dispute to arbitration (ad hoc) in accordance with the Arbitration Rules of the United Nations Commission on International Trade Law of December 15, 1976 (UNCITRAL). The Group seeks compensation for the Russian Federation's violation of the 1998 Agreement between the Cabinet of Ministers of Ukraine and the Government of the Russian Federation on the Promotion and Reciprocal Protection of Investments.

The claims also include compensation for damages caused by the illegal expropriation of the Group's investments in the Crimea, and the violation of the obligation to guarantee full and unconditional legal protection.

The Group's claims arose after the Russian Federation seized the Group's assets, property and business as a result of the illegal occupation and attempted annexation of Crimea in 2014.

On March 27, 2020, the composition of the arbitral tribunal was determined. The place of arbitration was determined to be in Paris. On July 16, 2020 the arbitral tribunal began to consider the case of the illegal seizure by the Russian Federation of the Group's infrastructure facilities in Crimea. In October 2020 the value of the assets on which the claim is based was assessed and amounted to EUR 528 mln including interest (EUR 95 mln as of October 20, 2020).

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After the start of Russia's military aggression against Ukraine, the proceedings in this case were suspended. After the appointment of a new arbitrator in November 2022, the proceedings were continued. The court held a jurisdictional hearing in Paris on September 06-08, 2023. On August 05, 2024, a decision was made in favor of the Group. Most of the Russian Federation's objections to the jurisdiction of the arbitral tribunal were rejected. Ultimately, the arbitration court will hear and rule on the Group's lawsuits filed in 2019 against the Russian Federation, in which Ukrenergo demands compensation for illegally expropriated energy assets and investments in Crimea.

Capital commitments

As of June 30, 2026, the Group had contractual capital commitments for the purchase of property, plant, and equipment in the amount of UAH 13,749,118 thousand (December 31, 2025: UAH 13,801,377 thousand).

25. FAIR VALUE

IFRS determine fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent they are available and relevant valuation techniques. However, in determining the estimated fair value, it is required to apply judgments to interpret market information. Management has used all available market information to measure fair value. The estimates presented herein are not necessarily indicative of the amounts the Group could realize in a market exchange from the sale of its full holdings of a particular instrument or pay in the course of transfer of liabilities.

Fair value of the Group's property, plant, and equipment

The Group engaged independent professional appraisers to determine the fair values of its property, plant, and equipment as of October 01, 2025.

The Group did not conduct a revaluation of property, plant and equipment as of June 30, 2026, as, based on the results of the analysis, management concluded that the carrying value of property, plant and equipment, carried at revalued cost, at the reporting date does not differ significantly from their fair value.

The following table summarizes information about property, plant and equipment recognized at fair value upon initial recognition using the fair value hierarchy:

30 June 2026	Level 2	Level 3	Total
Property, plant and equipment*	1,857,513	85,351,742	87,209,255
Total	1,857,513	85,351,742	87,209,255
31 December 2025	Level 2	Level 3	Total
Property, plant and equipment*	1,909,027	88,035,743	89,944,770
Total	1,909,027	88,035,743	89,944,770

* Property, plant and equipment do not include construction in progress that is carried at historical cost.

There were no transfers between fair value measurements during the reporting period.

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Financial instruments

Fair values of financial instruments are determined and disclosed in accordance with the requirements of IFRS 7 *Financial Instruments: Disclosures* and IFRS 13 *Fair Value Measurement*. As no readily available market exists for a large part of the Group's financial instruments, judgment is necessary to be applied to identify their fair value, based on current economic conditions and the specific risks attributable to the instrument. The estimates presented in these interim condensed consolidated financial statements are not necessarily indicative of the amounts the Group could realize in a market exchange from the sale of its full package of a particular instrument.

As of June 30, 2026 and December 31, 2025, the fair value of the Group's financial instruments were as follows:

	30 June 2026	31 December 2025
Financial assets		
Trade accounts receivable	29,706,967	29,915,674
Cash and cash equivalents	18,802,152	11,736,386
Other accounts receivable	854,264	652,429
Loans receivable	314,532	141,005
Other non-current assets*	7,095	7,096
Total financial assets	49,685,010	42,452,590
Financial liabilities		
Trade accounts payable	56,118,494	47,397,392
Loans	60,485,438	60,527,461
Eurobonds 2028	45,523,408	38,460,876
Other accounts payable	216,814	208,539
Other non-current liabilities	622,756	535,958
Other current liabilities**	1,093,147	1,315,736
Total financial liabilities	164,060,057	148,445,962

* Non-current accounts receivable are included in Other non-current assets in the consolidated statement of financial position as of June 30, 2026 and December 31, 2025.

** Financial instruments include the value only of those Other current liabilities that meet the definition of financial liabilities. The carrying amount of these financial liabilities corresponds to their fair value. As of June 30, 2026 and December 31, 2025 Other current liabilities amounted to UAH 1,254,380 thousand and UAH 2,598,670 thousand, respectively.

All of the Group's financial assets and liabilities are carried at amortized cost. The fair value of all financial instruments relates to Level 3 of the fair value hierarchy, except for Eurobonds 2028, the fair value of which relates to Level 1. The fair value of Eurobonds 2028 is measured according to quotations in active markets using interest rates equal to yields at maturity.

	30 June 2026		31 December 2025	
	Carrying amount	Fair value	Carrying amount	Fair value
Eurobonds 2028	48,817,455	45,523,408	44,863,045	38,460,876

As of June 30, 2026 and December 31, 2025, the Group used the following assumptions in assessing the fair value of each class of its financial instruments related to the Level 3 of the hierarchy of fair value:

- the fair value of trade and other accounts receivable, loans receivable, cash and cash equivalents, trade accounts payable, other current liabilities correspond to their book value due to the short-term nature of such instruments;

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- the fair value of other non-current liabilities approximates their carrying amounts determined under the effective interest rate method;
- the fair value of financial investments does not differ materially from their market value;
- the fair value of long-term loans corresponds to their carrying value in accordance with the calculation of effective interest rates on loans, taking into account changes in prime rates and the expected terms of use and repayment of loans. Calculated effective interest rates as of the reporting dates were consistent with market rates for similar instruments. Also, some long-term loans have a floating interest rate tied to market indicators that reflect the market value of such instruments.

26. RISK MANAGEMENT

The financial instruments that the Group is using in the course of its business are subject to certain risks, the main ones being credit risk, liquidity risk and market risk, including currency risk and interest rate risk. The Group does not engage in significant transactions involving derivative financial instruments. The Group's overall risk management program focuses on the unpredictability and inefficiency of the Ukrainian financial market and is aimed to minimize potential adverse effects on the Group's financial performance.

During the six months ended June 30, 2026 and 2025, there were no significant changes in the objectives, policies and process of managing the following risks.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss to the other party by failing to discharge its obligation. Credit risk arises from the Group's provision of services and sales on loan terms and other transactions with counterparties giving rise to financial assets. The Group requires bank and financial guarantees from its counterparties.

As of June 30, 2026 and December 31, 2025, the maximum exposure to credit risk is represented by the carrying amount of financial assets, net of impairment losses on such assets, was:

	30 June 2026	31 December 2025
Trade accounts receivable	29,706,967	29,915,674
Cash and cash equivalents	18,802,152	11,736,386
Other accounts receivable	854,264	652,429
Loans receivable	314,532	141,005
Non-current accounts receivable	7,095	7,096
Total	49,685,010	42,452,590

For the six months ended June 30, 2026, the Group made an accrual of expected credit losses on financial assets in the amount of UAH 2,235,262 thousand (2025: UAH 1,823,007 thousand). The Group, assessing expected credit losses on trade accounts receivables, takes into account the cash flows expected from credit enhancements, which are an integral part of the contract. Information about its influence on credit risk is described in Note 6.

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Liquidity risk

Liquidity risk is the risk that the Group will not be able to settle all liabilities as they fall due. The Group's liquidity is carefully monitored and managed by management. The Group has a detailed budgeting and forecasting process in place to ensure that it has sufficient cash to meet its liabilities.

The Group manages liquidity risk by complying with the financial discipline in accordance with a financial plan that is approved annually. The Group's key sources of funding are its operating cash flows and borrowings. Funds are used to finance the Group's investment in property, plant and equipment and its working capital needs. In case of any liquidity problems, the level of cash inflows is regulated by increasing tariffs for electricity transmission and dispatch (operational and technological) control services, which are set by NEURC with appropriate amendments to the Group's financial plan.

The table below provides the maturity analysis of financial liabilities based on contractual undiscounted repayment liabilities. The table contains both accrued interest and the principal amount of cash flow arrears as of June 30, 2026 and December 31, 2025. The amounts in the table may not be equal to the carrying amount of the related liabilities, as the table includes all cash outflows on a non-discounted basis.

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30 June 2026	Carrying amount	Contractual amounts	Up to 6 months***	6-12 months	1-5 years	More than 5 years
Loans*	61,884,982	67,554,930	43,793,349	1,499,944	12,538,240	9,723,397
Eurobonds 2028	48,817,455	48,817,455	48,817,455	-	-	-
Trade accounts payable**	56,118,494	56,118,494	56,117,056	1,438	-	-
Other accounts payable	216,814	216,814	216,814	-	-	-
Finance lease liabilities	3,350	3,779	1,899	1,277	603	-
Financial guarantees of electricity market participants	313,009	313,009	313,009	-	-	-
Total	167,354,104	173,024,481	149,259,582	1,502,659	12,538,843	9,723,397

31 December 2025	Carrying amount	Contractual amounts	Up to 6 months***	6-12 months	1-5 years	More than 5 years
Loans*	61,856,698	66,519,860	45,080,364	1,931,940	9,402,230	10,105,326
Eurobonds 2028	44,863,045	44,863,045	44,863,045	-	-	-
Trade accounts payable**	47,397,392	47,397,392	47,316,838	80,554	-	-
Other accounts payable	208,539	208,539	208,539	-	-	-
Finance lease liabilities	4,758	5,608	1,891	1,891	1,826	-
Financial guarantees of electricity market participants	517,699	517,699	517,699	-	-	-
Total	154,848,131	159,512,143	137,988,376	2,014,385	9,404,056	10,105,326

* Including accrued interests on loans.

** Including long-term trade accounts payable presented in Other long-term liabilities in the consolidated statement of financial position.

*** As described in Note 10, event of default under the Eurobonds 2028 application of cross-default provisions gives creditors a right to demand early repayment of the full amount of the debt and the Group has not a right to defer the repayment of these liabilities for at least twelve months after the reporting period. As a result, as of June 30, 2026 and December 31, 2025, loans and borrowings in the amount of UAH 91,057,675 thousand and 87,230,587 thousand, respectively, were fully classified as current liabilities. These loans and Eurobonds 2028 were presented in the table above with a maturity up to 6 months.

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Market risks

Interest rate risk

The Group normally has no significant interest bearing assets and its income and operating cash flows are substantially independent of changes in market interest rates. The Group's interest rate risk arises from loans at floating rates. The primary objective of interest rate risk management is to obtain financing at minimal cost and to match liquidity to the loan proceeds schedule.

As of June 30, 2026 and December 31, 2025, the Group had loan liabilities with a floating interest rate pegged to SOFR, EURIBOR, UIRD, as well as to the NBU discount rate as of December 31, 2025.

The following table includes information for the six months ended June 30, 2026 and for the year ended December 31, 2025, the sensitivity of the Group's pretax earnings to a probable change in interest rates with all other variables held constant:

30 June 2026	Increase "+" / decrease "-" of percentage points	Increase / (decrease) in profit before tax	Increase / (decrease) in equity
SOFR	+0,50%	(18,041)	(18,041)
SOFR	-0,50%	18,041	18,041
EURIBOR	+0,25%	(44,079)	(44,079)
EURIBOR	-0,25%	44,079	44,079
UIRD UAH	+1,00%	(45,260)	(45,260)
UIRD UAH	-1,00%	45,260	45,260
UIRD USD	+0,10%	(314)	(314)
UIRD USD	-0,10%	314	314
31 December 2025	Increase "+" / decrease "-" of percentage points	Increase / (decrease) in profit before tax	Increase / (decrease) in equity
SOFR	+0,50%	(35,943)	(35,943)
SOFR	-0,50%	35,943	35,943
EURIBOR	+0,25%	(66,149)	(66,149)
EURIBOR	-0,25%	66,149	66,149
NBU discount rate	+1,00%	(55,447)	(55,447)
NBU discount rate	-1,00%	55,447	55,447
UIRD UAH	+1,00%	(37,865)	(37,865)
UIRD UAH	-1,00%	37,865	37,865
UIRD USD	+0,10%	(770)	(770)
UIRD USD	-0,10%	770	770

Foreign currency risk

Foreign currency risk is the risk that the financial performance of the Group will be adversely impacted by changes in foreign exchange rates to which the Group is exposed. The Group sells goods and services in the domestic market of Ukraine at prices denominated in hryvnia.

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Most of the Group's loans and borrowings are denominated in foreign currencies, as well as certain agreements on the import of equipment for modernization and construction of property, plant and equipment. The Group does not use any derivatives to manage its foreign currency risk exposure. Carrying amounts of the Group's foreign currency denominated monetary assets and liabilities as of the reporting dates were as follows:

	USD		EUR	
	30 June 2026	31 December 2025	30 June 2026	31 December 2025
Assets				
Cash and cash equivalents	391,727	136,268	6,760,748	4,776,500
Trade accounts receivable	-	-	695,991	1,218,399
Other accounts receivable	-	-	449,709	347,179
Liabilities				
Loans	(9,614,667)	(9,962,391)	(41,755,553)	(41,449,852)
Eurobonds 2028	(48,817,455)	(44,863,045)	-	-
Trade accounts payable	(66,787)	(171,086)	(872,338)	(1,163,566)
Other accounts payable	-	-	-	(1,141)
Income tax payable	-	-	(57)	(476)
Accrued interests on loans	(2,511)	(3,208)	(360,335)	(328,930)
Net position	(58,109,693)	(54,863,462)	(35,081,835)	(36,601,887)

The table below provides details of the sensitivity of the Group's profit or loss and equity to a reasonably possible change in foreign exchange rates applied at the reporting date, with all other variables held constant. These sensitivities represent management's assessment at the reporting dates of reasonably possible changes in foreign exchange rates.

	2026		2025	
	USD – impact	EUR – impact	USD – impact	EUR – impact
Profit at strengthening by 10%	5,810,969	3,508,184	5,486,346	3,660,189
Loss at weakening by 10%	(5,810,969)	(3,508,184)	(5,486,346)	(3,660,189)

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Capital management

The Group's principal sources of funding are borrowings and equity. The primary objective of the Group's capital management is to ensure that it maintains an adequate credit rating and sufficiency of capital ratios to support its business. The Group monitors its capital using a gearing ratio, which is calculated as net liabilities divided by equity and net liabilities. In calculating net liability, the Group considers loans and borrowings, net of cash and short-term deposits.

The Group's capital management policy aims to ensure and maintain an optimal capital structure in order to reduce the overall cost of capital and provide the flexibility necessary for the Group to access capital markets.

	30 June 2026	31 December 2025
Loans	60,485,438	60,527,461
Eurobonds 2028	48,817,455	44,863,045
Accrued interests on loans	1,399,544	1,329,237
Less: Cash and cash equivalents	(18,802,152)	(11,736,386)
Net liability	91,900,285	94,983,357
Equity	(6,765,518)	3,890,718
Equity and net liability	85,134,767	98,874,075
Gearing ratio	1.08	0.96

Reconciliation of liabilities arising from financing activities

The tables below detail main changes in the Group's liabilities arising from financing activities, including cash and non-cash changes. Liabilities arising from financing activities are liabilities in respect of which cash flows were or future cash flows will be classified in the Group's consolidated statement of cash flows (under direct method) as cash flows from financing activities.

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Reconciliation of liabilities arising from financing activities for the six months ended June 30, 2026 was the following:

2026	Loans	Accrued interests on loans	Eurobonds 2028	Lease and other liabilities	Total
As at 1 January	60,527,461	1,329,237	44,863,045	4,757	106,724,500
Cash inflow from loans and borrowings	961,802	-	-	-	961,802
Cash repayments	(2,873,632)	(1,917,540)	-	(1,833)	(4,793,005)
Direct payments of bank to counterparties	235,654	-	-	-	235,654
Recognition of accounts payable	-	-	-	47	47
Interest expense	-	1,980,351	1,319,743	378	3,300,472
Foreign currency exchange differences, net	1,634,153	7,496	2,634,667	-	4,276,316
As at 30 June	60,485,438	1,399,544	48,817,455	3,349	110,705,786

Reconciliation of liabilities arising from financing activities for the six months ended June 30, 2025 was the following:

2025	Loans	Accrued interests on loans	Eurobonds 2028	Lease and other liabilities	Total
As at 1 January	59,137,603	1,180,157	41,920,152	7,196	102,245,108
Cash inflow from loans and borrowings	41,539	-	-	-	41,539
Cash repayments	(2,726,883)	(2,127,460)	-	(1,892)	(4,856,235)
Direct payments of bank to counterparties	698,073	-	-	-	698,073
Interest expense	-	2,173,162	1,209,397	634	3,383,193
Foreign currency exchange differences, net	4,103,589	28,579	(395,983)	-	3,736,185
As at 30 June	61,253,921	1,254,438	42,733,566	5,938	105,247,863

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27. EVENTS AFTER THE REPORTING PERIOD

Review of tariffs for electricity transmission and dispatch (operational and technological) control services for 2026

In the first half of 2026, the Group officially addressed the NEURC with a request to review the tariffs for electricity transmission and dispatch (operational and technological) control services for 2026 due to the following factors:

- Depreciation of the hryvnia exchange rate against major foreign currencies: this increases the financial burden on the Group in terms of fulfilling its special obligations to ensure an increase in the share of electricity generation from alternative sources and servicing loans and borrowings denominated in foreign currencies;
- Update of the forecast balance of the IPS of Ukraine: based on the results of 2026, a 9.5% decrease in electricity output and a 5.5% decrease in transmission volumes are expected compared to the previous version. This directly affects the amount of the Group's tariff revenues, from which its current operations are financed (emergency restoration works, procurement of materials, machinery and equipment, etc.);
- Liberalisation of price caps by the regulator from May 01, 2026: this increased the weighted average electricity price as a basis for the Group's settlements with market participants and affected the purchase of electricity to compensate for technological losses.

As a result, by Resolution of the NEURC dated June 30, 2026, No. 1001, a new tariff rate for dispatch (operational and technological) control services for 2026 was established from July 01, 2026 at the level of 118.64 UAH/MWh (+7.8%). By Resolution of the NEURC dated July 28, 2026, No. 1228, a new tariff rate for electricity transmission services for 2026 was established from August 01, 2026 at the level of 928.45 UAH/MWh (+25.0%). It is expected that this tariff increase will result in an additional UAH 7.8 billion in revenue from electricity transmission and dispatch (operational and technological) control services in 2026.

Balanced and economically justified tariffs for electricity transmission and dispatch (operational and technological) control services are necessary to ensure stable settlements with electricity producers, the prompt restoration and strengthening of the resilience of the IPS of Ukraine, and proper preparation for the next autumn-winter period.

Escalation of the russian federation's air attacks against Ukraine

The military aggression of the russian federation against Ukraine remains at an active stage, and its duration and consequences cannot be reliably estimated. In August–September 2026, an escalation of air attacks on the energy-intensive and export-oriented segments of the economy was observed. The gas production sector (as a result of systematic strikes on gas extraction and transportation facilities), machine building and other industrial production, as well as transport and port infrastructure, which limits the country's export capacity, are also under pressure.

At the end of August 2026, the ministry of defence of the russian federation announced preparations for massive strikes, and in early September the leadership of the russian federation announced an order to carry out strikes on the country's energy system ahead of the 2026/2027 heating season. A decline in production in energy-intensive industries, together with damage to generating capacity and main substations, may lead to a reduction in the volumes of electricity consumed and transmitted, which may have an adverse effect on the Group's revenue.

In addition, attacks on Ukraine's energy infrastructure using combined weaponry may result in an increase in the volume of damage to and destruction of the Group's assets. These trends may intensify in the event of further escalation. The full extent of the impact of these events on the Group's operations and on the country's economy cannot be reliably estimated as at the date of authorisation of these interim condensed consolidated financial statements.