

NAFTA a.s.

**INDEPENDENT AUDITOR'S REPORT
AND SEPARATE FINANCIAL STATEMENTS
(PRESENTED IN ACCORDANCE WITH IFRS
AS ADOPTED BY THE EU)**

Year ended 31 December 2025

**Company ID No. (IČO): 36 286 192
Tax ID No. (DIČ): 2022146599**

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NAFTA a.s.

INDEPENDENT AUDITOR'S REPORT

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To the Shareholders, Supervisory Board and Board of Directors of NAFTA a.s.:

REPORT ON THE AUDIT OF SEPARATE THE FINANCIAL STATEMENTS

Opinion

We have audited the separate financial statements of NAFTA a.s. (the "Company"), which comprise the separate statement of financial position as at 31 December 2025, and the separate statement of profit and loss, the separate statement of other comprehensive income and notes on income tax related to other comprehensive income, the separate statement of changes in equity and the separate statement of cash flows for the year then ended, and notes to the separate financial statements, including material accounting policy information and other explanatory information.

In our opinion, the accompanying separate financial statements give a true and fair view of the financial position of the Company as at 31 December 2025, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union (EU).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Separate Financial Statements* section of our report.

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) in the wording as adopted by the Slovak Chamber of Auditors (hereinafter the "Code of Ethics for Auditors"), including the ethical requirements of Act No. 423/2015 Coll. on Statutory Audit and on Amendment to and Supplementation of Act No. 431/2002 Coll. on Accounting, as amended, as amended (hereinafter the "Act on Statutory Audit"), as applicable to audits of financial statements in the Slovak Republic. We have also fulfilled our other ethical responsibilities in accordance with the Code of Ethics for Auditors and the ethical requirements under the Act on Statutory Audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Notes 3.b, 3.c and 4 to the separate financial statements describing significant estimates made by Company management in relation to the fair value estimates for property, plant and equipment and related uncertainties. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for Separate the Financial Statements

Management is responsible for the preparation and fair presentation of the separate financial statements in accordance with International Financial Reporting Standards as adopted by the EU, and for such internal control as management determines is necessary to enable the preparation of separate financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists.

This is a translation of the original auditor's report issued in the Slovak language to the accompanying financial statements translated into the English language.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these separate financial statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

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

We communicate with those charged with governance about, inter alia, the planned scope and time schedule of the audit and significant audit findings, including all material deficiencies of internal control identified during our audit.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Report on Information Disclosed in the Annual Report

The statutory body is responsible for information disclosed in the annual report prepared under the requirements of Act No. 431/2002 Coll. on Accounting, as amended (the "Act on Accounting"). Our opinion on the separate financial statements stated above does not apply to other information in the annual report.

In connection with the audit of separate financial statements, it is our responsibility to gain an understanding of the information disclosed in the annual report and assess whether such information is materially inconsistent with the audited separate financial statements or our knowledge of the entity and its position obtained in the audit of the separate financial statements, or otherwise appears to be materially misstated.

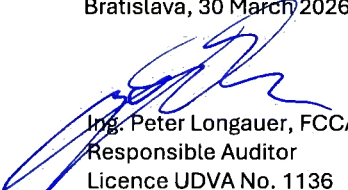
As at the issuance date of the auditor's report on the audit of separate financial statements, the annual report was not available to us.

When we obtain the annual report, we will assess whether the Company's annual report includes information whose disclosure is required under the Act on Accounting, and based on procedures performed during the audit of the separate financial statements, we will express an opinion on whether:

- Information disclosed in the annual report prepared for 2025 is consistent with the separate financial statements for the relevant year; and
- The annual report includes information pursuant to the Act on Accounting.

Furthermore, we will disclose whether material misstatements were identified in the annual report based on our understanding of the Company and its position, obtained in the audit of the separate financial statements.

Bratislava, 30 March 2026



Ing. Peter Longauer, FCCA
Responsible Auditor
Licence UDVA No. 1136

On behalf of
Deloitte Audit s.r.o.
Licence SKAu No. 014

NAFTA a.s.
SEPARATE STATEMENT OF FINANCIAL POSITION
as at 31 December 2025 and 31 December 2024
(Thousands of EUR)

	<i>Note</i>	31 December 2025	31 December 2024
ASSETS:			
NON-CURRENT ASSETS:			
Property, plant and equipment	4	1 127 238	1 183 010
Right-of-use assets	11	1 639	2 513
Intangible and other assets		13 265	11 464
Investments in subsidiaries and joint venture and other financial investments	5	51 625	46 730
Financial receivables from related parties	10	-	-
Total non-current assets		<u>1 193 767</u>	<u>1 243 717</u>
CURRENT ASSETS:			
Inventories	6	6 726	3 598
Trade and other receivables	7	6 123	14 929
Tax assets		2 859	24 895
Financial receivables from related parties	10	72 698	27 800
Cash and cash equivalents		26 228	77 953
Total current assets		<u>114 634</u>	<u>149 175</u>
TOTAL ASSETS		<u>1 308 401</u>	<u>1 392 892</u>
EQUITY AND LIABILITIES:			
EQUITY:			
Share capital	8	107 235	107 235
Treasury shares, at cost	8	(4 745)	(4 745)
Other capital funds	8	21 447	21 447
Hedging derivatives reserve and other reserves	8	(385)	(532)
Revaluation reserve	8	694 968	732 422
Profit from previous years		35 717	27 195
Profit for the current year		69 156	106 100
Total equity		<u>923 393</u>	<u>989 122</u>
NON-CURRENT LIABILITIES:			
Long-term loans received	9	-	-
Provision for abandonment and restoration and other provisions	12	58 692	64 946
Retirement payments and other long-term employee benefits	13	3 253	3 451
Deferred tax liability	18.3	251 615	264 470
Financial payables from related parties	10	35 500	-
11	11	939	1 677
Deferred income		1 427	1 631
Other non-current liabilities	14	338	153
Total non-current liabilities		<u>351 764</u>	<u>336 328</u>
CURRENT LIABILITIES:			
14	14	24 311	62 948
Current provisions	12	4 541	3 616
Tax liabilities		3 618	-
Other financial liabilities	11	774	878
Total current liabilities		<u>33 244</u>	<u>67 442</u>
TOTAL LIABILITIES		<u>385 008</u>	<u>403 770</u>
TOTAL EQUITY AND LIABILITIES		<u>1 308 401</u>	<u>1 392 892</u>

NAFTA a.s.
SEPARATE STATEMENT OF PROFIT OR LOSS
for the year ended 31 December 2025 and 31 December 2024
(Thousands of EUR)

	<i>Note</i>	<i>Year ended 31 December 2025</i>	<i>Year ended 31 December 2024</i>
CONTINUING OPERATIONS			
REVENUES:			
Natural gas storage revenues and hydrocarbon sales	20.1	154 365	170 953
Other revenues		<u>18 965</u>	<u>19 582</u>
Total revenues		173 330	190 535
OPERATING EXPENSES:			
Own work capitalised		6 446	2 291
Consumables and services		(38 740)	(29 850)
Personnel expenses	16	(27 281)	(24 775)
Depreciation and amortisation		(65 192)	(43 391)
Other operating income/(expenses), net	17.1	<u>1 592</u>	<u>1 344</u>
Total operating income/(expenses), net		(123 175)	(94 381)
FINANCE INCOME/(COSTS):			
Interest income		3 016	7 140
Interest expense		(3 091)	(1 693)
Other finance income/(costs), net	17.2	<u>34 034</u>	<u>21 710</u>
Total finance income/(costs), net		33 959	27 157
PROFIT BEFORE INCOME TAXES		<u>84 114</u>	<u>123 311</u>
INCOME TAXES	18	(14 958)	(25 634)
NET PROFIT		<u>69 156</u>	<u>97 677</u>
NET PROFIT FROM DISCONTINUED OPERATIONS AND SALE OF A PART OF BUSINESS*			
	23	-	8 423
TOTAL NET PROFIT		<u>69 156</u>	<u>106 100</u>

* Net profit from discontinued operations does not comprise internal costs and revenues; therefore, its information value is limited. Refer to Note 23 for more details.

NAFTA a.s.
SEPARATE STATEMENT OF OTHER COMPREHENSIVE INCOME
AND NOTES ON INCOME TAX RELATED TO OTHER COMPREHENSIVE INCOME
for the year ended 31 December 2025 and 31 December 2024
(Thousands of EUR)

	<i>Note</i>	<i>Year ended 31 December 2025</i>	<i>Year ended 31 December 2024</i>
PROFIT FOR THE YEAR AFTER INCOME TAXES		69 156	106 100
OTHER COMPREHENSIVE INCOME			
<i>Items that will not be subsequently reclassified to the statement of profit or loss:</i>			
Revaluation reserve		(5 306)	647 384
Actuarial gains/(losses)		193	(64)
Other comprehensive income/(loss) for the year before income taxes		(5 113)	647 320
Tax		1 371	(153 077)
Tax effect of a change to the tax rate from 21% to 24%		-	(28 890)
Tax related to items of other comprehensive income/(loss)		1 371	(181 967)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		65 414	571 453

	<i>Year ended 31 December 2025</i>			<i>Year ended 31 December 2024</i>		
	<i>Before taxation</i>	<i>Tax</i>	<i>After taxation</i>	<i>Before taxation</i>	<i>Tax</i>	<i>After taxation</i>
Revaluation reserve	(5 306)	1 417	(3 889)	647 384	(182 001)	465 383
Actuarial gains/(losses)	193	(46)	147	(64)	34	(30)
Total other comprehensive income for the year	(5 113)	1 371	(3 742)	647 320	(181 967)	465 353

NAFTA a.s.
SEPARATE STATEMENT OF CHANGES IN EQUITY
for the year ended 31 December 2025 and 31 December 2024
(Thousands of EUR)

	<i>Share capital</i>	<i>Treasury shares, at cost</i>	<i>Other capital funds</i>	<i>Revaluation reserve</i>	<i>Hedging derivatives reserve and other reserves</i>	<i>Profit from previous years</i>	<i>Profit for the current year</i>	<i>Total equity</i>
At 1 January 2024	107 235	(4 745)	21 447	291 485	(614)	36 395	155 501	606 704
Transfer of profit for the current year	-	-	-	-	-	155 501	(155 501)	-
Dividends*	-	-	-	-	-	(189 035)	-	(189 035)
Net profit for the year	-	-	-	-	-	-	106 100	106 100
Transfer of revaluation reserves	-	-	-	(24 446)	112	24 334	-	-
Other comprehensive income for the year	-	-	-	465 383	(30)	-	-	465 353
At 31 December 2024	107 235	(4 745)	21 447	732 422	(532)	27 195	106 100	989 122
Transfer of profit for the current year	-	-	-	-	-	106 100	(106 100)	-
Dividends*	-	-	-	-	-	(131 143)	-	(131 143)
Net profit for the year	-	-	-	-	-	-	69 156	69 156
Transfer of revaluation reserves	-	-	-	(33 565)	-	33 565	-	-
Other comprehensive income for the year	-	-	-	(3 889)	147	-	-	(3 742)
At 31 December 2025	107 235	(4 745)	21 447	694 968	(385)	35 717	69 156	923 393

* Dividends in the amount of EUR 74 840 thousand were not paid out but were offset against a cash pooling receivable (31 December 2024: EUR 107 752 thousand).

NAFTA a.s.
SEPARATE STATEMENT OF CASH FLOWS
for the year ended 31 December 2025 and 31 December 2024
(Thousands of EUR)

	<i>Year ended 31 December 2025</i>	<i>Year ended 31 December 2024</i>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Profit before income taxes	84 114	134 441
Adjustments to reconcile profit before income taxes to net cash provided by operating activities:		
Depreciation and amortisation	65 192	48 028
Interest income, net	75	(4 551)
Unrealised exchange rate differences	22	6
Loss allowances and provisions	(667)	3 031
Profit from the sale of non-current assets	73	(3 725)
Income from financial investments	(33 064)	(22 582)
Retirement payments and other long-term employee benefits	122	349
Other non-cash items	(4 957)	(4 395)
Changes in assets and liabilities:		
Inventories	(4 788)	1 369
Trade and other receivables	5 230	(477)
Trade and other payables	(535)	(8 758)
Provision for abandonment and restoration and other provisions	(1 999)	(801)
Employee benefits	(217)	(649)
Operating cash flows, net	<u>108 601</u>	<u>141 286</u>
Interest received	3 191	7 569
Interest paid	(1 457)	(70)
Income tax	(800)	(72 912)
Net cash flows from operating activities	<u>109 535</u>	<u>75 873</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Additions to non-current tangible and intangible assets	(17 033)	(11 414)
Proceeds from the sale of non-current assets	763	4 971
Net change in financial investments	(776)	(947)
Dividends received	33 064	22 582
Net cash flows from investing activities	<u>16 018</u>	<u>15 192</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net change in loans and borrowings provided	-	28 852
Net change in cash pooling	(120 551)	(7 500)
Dividends paid	(55 917)	(80 903)
Lease payments	(788)	(913)
Net cash flows from financing activities	<u>(177 256)</u>	<u>(60 464)</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(51 703)	30 601
NET CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	77 953	47 360
EXCHANGE RATE DIFFERENCES ON CASH AND CASH EQUIVALENTS	(22)	(8)
NET CASH AND CASH EQUIVALENTS, END OF PERIOD	<u>26 228</u>	<u>77 953</u>

1. GENERAL

1.1. Description of Business

NAFTA a.s. (hereinafter "NAFTA" or the "Company") is a joint stock company based in the Slovak Republic. The registered office of the Company is in Bratislava at Votrubova 1. The Company was established on 1 March 2006 and registered in the Commercial Registry of the Slovak Republic on 16 March 2006.

NAFTA is involved in the underground storage of natural gas, exploration, and geological works. To comply with the requirements of the Energy Act, the Company unbundled hydrocarbons production from natural gas storage into a separate company as at 31 December 2024. The underground storage of natural gas is the primary source of revenue. The storage services are offered under transparent and non-discriminatory principles. NAFTA provides storage services mainly in the form of seasonal flexibility (injecting natural gas into underground storage structures during the summer, which is consumed during the winter) and supports the security of supply. NAFTA stores gas for significant Slovak and international companies.

As at 31 December 2025, the Company's shares were held by SPP Infrastructure, a.s. (56.2%, EUR 60 217 thousand), Czech Gas Holding Investment B.V. (40.4%, EUR 43 375 thousand), other minority shareholders (1.9%, EUR 2 050 thousand) and NAFTA (treasury shares 1.5%, EUR 1 593 thousand). Because the Company holds its own shares the share of voting rights is as following: SPP Infrastructure, a.s. 57.0%, Czech Gas Holding Investment B.V. 41.1% and minority shareholders 1.9%. The ultimate shareholders of SPP Infrastructure, a.s. are Energetický a průmyslový holding, a.s. ("EPH") holding a 34% share and management control, Slovenský plynárenský priemysel, a.s. ("SPP") holding a 51% share and a consortium of global institutional investors represented by Macquarie Infrastructure and Real Assets holding a 15% share. Czech Gas Holding Investment B.V. is controlled by EPH (through its subsidiary EP Infrastructure, a.s.). An ultimate consolidating reporting entity of NAFTA a.s. is company EP Investment S.à r.l.

1.2. Legal Basis for Preparing the Financial Statements

These separate financial statements have been prepared as the ordinary separate financial statements of NAFTA for the accounting period from 1 January until 31 December 2025 pursuant to Article 17a Paragraph 2 of Act No. 431/2002 Coll. on Accounting, as amended.

The accounting policies described in Note 3 were applied in preparing these financial statements and the comparatives stated in these separate financial statements.

1.3. Approval of the 2024 Financial Statements

The financial statements of NAFTA a.s. for 2024 in accordance with International Financial Reporting Standards were approved by the Annual General Meeting held on 26 June 2025.

1.4. Comparative Information for Previous Reporting Periods

Some comparatives for the previous reporting period were reclassified to be in line with the current year's presentation, including revenues from natural gas storage and hydrocarbon sales in the amount of EUR 9 249 thousand to other revenues.

2. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS

Amended IFRS Accounting Standard effective for the current year

In the current year, the Company has applied amendments to IAS 21 "Lack of Exchangeability" issued by the International Accounting Standards Board (IASB) that are mandatorily effective for reporting periods beginning on or after 1 January 2025. The adoption of these amendments has not had any material impact on the disclosures or the amounts reported in these financial statements.

- **Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability** issued by the IASB on 15 August 2023. The amendments provide guidance on specifying when a currency is exchangeable and how to determine the exchange rate when it is not.

New and revised IFRS accounting standards adopted by the EU but not yet effective

As at the date of authorisation of these financial statements, the Company has not applied the following amendments to IFRS accounting standards that have been issued by the IASB and adopted by the EU but are not yet effective:

- **Amendments to IFRS 9 and IFRS 7: Amendments to the Classification and Measurement of Financial Instruments** issued by the IASB on 30 May 2024. The amendments clarify the classification of financial assets with environmental, social and corporate governance (ESG) and similar features. The amendments also clarify the date on which a financial asset or financial liability is derecognised and introduce additional disclosure requirements for investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features.
- **Amendments to IFRS 9 and IFRS 7: Contracts Referencing Nature-dependent Electricity** issued by the IASB on 18 December 2024. The own-use requirements in IFRS 9 have been amended to include the factors an entity is required to consider when applying IFRS 9:2.4 to contracts to buy and take delivery of renewable electricity for which the production source is nature-dependent. The hedge accounting requirements in IFRS 9 have been amended to permit an entity using a contract for nature-dependent renewable electricity with specified characteristics as a hedging instrument to designate a variable volume of forecast electricity transactions as the hedged item if specified criteria are met and to measure the hedged item using the same volume assumptions as those used for the hedging instrument. The amendments to IFRS 7 and IFRS 19 also introduce disclosure requirements about contracts for nature-dependent electricity with specified characteristics.
- **Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7: Annual Improvements to IFRS Accounting Standards – Volume 11** issued by the IASB on 18 July 2024. These amendments include clarifications, simplifications, corrections and changes in the following areas: (a) hedge accounting by a first-time adopter (IFRS 1); (b) gain or loss on derecognition (IFRS 7); (c) disclosure of a deferred difference between fair value and transaction price (IFRS 7); (d) introduction and credit risk disclosures (IFRS 7); (e) lessee derecognition of lease liabilities (IFRS 9); (f) transaction price (IFRS 9); (g) determination of a 'de facto agent' (IFRS 10); (h) cost method (IAS 7).

New and revised IFRS accounting standards in issue but not adopted by the EU

At present, IFRS accounting standards as adopted by the EU do not significantly differ from IFRS Accounting Standards issued by the International Accounting Standards Board (IASB), except for the following new accounting standards and amendments to existing accounting standards, which were not adopted by the EU as at the date of authorisation of these financial statements:

- **IFRS 18 Presentation and Disclosures in Financial Statements** issued by the IASB on 9 April 2024 will replace IAS 1 Presentation of Financial Statements. The standard introduces three sets of new requirements to improve companies' reporting of financial performance and provide investors with a better basis for analysing and comparing companies. The main changes in the new standard compared to IAS 1 include: (a) The introduction of categories (operating, investing, financing, income tax and discontinued operations) and defined subtotals in the statement of profit or loss; (b) The introduction of requirements to improve aggregation and disaggregation; (c) The introduction of disclosures on Management-defined Performance Measures (MPMs) in the notes to the financial statements.

- **IFRS 19 Subsidiaries without Public Accountability: Disclosures** issued by the IASB on 9 May 2024 and amended by the IASB on 21 August 2025. The standard permits a subsidiary to provide reduced disclosures when applying IFRS Accounting Standards in its financial statements. IFRS 19 is optional for subsidiaries that are eligible and sets out the disclosure requirements for subsidiaries that elect to apply it.
- **Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Translation to a Hyperinflationary Presentation Currency** issued by the IASB on 13 November 2025. The amendments clarify how companies should translate financial statements from a non-hyperinflationary currency into a hyperinflationary one.
- **IFRS 14 Regulatory Deferral Accounts** issued by the IASB on 30 January 2014. This standard is designed to allow entities that are first-time adopters of IFRS Accounting Standards and currently recognise regulatory deferral accounts in accordance with their previous GAAP to continue to do so upon transition to IFRS Accounting Standards.
- **Amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture** issued by the IASB on 11 September 2014. The amendments address a conflict between the requirements of IAS 28 and IFRS 10 and clarify that in a transaction involving an associate or joint venture the extent of gain or loss recognition depends on whether the assets sold or contributed constitute a business.

The Company does not expect that the adoption of the accounting standards listed above will have a material impact on the financial statements of the Company in future periods.

Hedge accounting for a portfolio of financial assets and liabilities whose principles have not been adopted by the EU remains unregulated. According to the Company's estimates, the application of hedge accounting to a portfolio of financial assets or liabilities pursuant to **IAS 39: Financial Instruments: Recognition and Measurement** would not significantly impact the financial statements if applied as at the balance sheet date.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Basis of Accounting

These separate financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union (EU). For the purpose of preparation of the separate financial statements the Company has applied exception from consolidation under IAS 27 "Consolidated and Separate Financial Statements" and the Company has not consolidated significant subsidiaries, joint ventures and associates. Accordingly, the significant subsidiaries, joint ventures, and associates are recognised at their cost less any impairment losses in these separate financial statements. The list of subsidiaries, joint ventures, and associates is described in the Note 5.

NAFTA has prepared and issued consolidated financial statements for the year ended 31 December 2025 that comply with IFRS. Such consolidated financial statements do not accompany these separate financial statements. For a better understanding of the Company's consolidated financial position and results of operations, reference should be made to the consolidated financial statements for the year ended 31 December 2025. These IFRS consolidated financial statements are obtainable at the registered corporate address of NAFTA.

The financial statements were prepared under the historical cost convention, except for the revaluation of property, plant and equipment to fair value. The principal accounting policies adopted are set out below. The reporting and functional currency of NAFTA is the euro (EUR). These separate financial statements were prepared under the going-concern assumption.

IFRS as adopted for use in the EU do not currently differ from IFRS as issued by the International Accounting Standards Board (IASB), except for portfolio hedge accounting under IAS 39, which has not been approved by the EU. The Company has identified that portfolio hedge accounting under IAS 39 will have no material impact on separate financial statements if approved by the EU.

The principal accounting policies adopted are set out below.

b. Critical Accounting Judgements and Key Sources of Estimation Uncertainty

In the process of applying the Company's accounting policies, which are described in this note, the Company has made the following judgements and key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year or that have the significant effect on the amounts recognised in the financial statements.

(i) Energy Legislation Related to Natural Gas Storage and Price Regulation

Energy legislation in gas industry is primarily represented by Act No. 251/2012 Coll. on Energy and Act No. 250/2012 Coll. on Regulation in Network Industries. The purpose of these laws is among other things to ensure common rules for the internal market on natural gas. In accordance with the current energy legislation, the Company is required, amongst other obligations, to provide non-discriminatory access to underground gas storage facilities and the use of natural gas storage services.

Natural gas storage was not subject to price regulation in 2024, but legislative changes were adopted during 2024 that introduced price regulation. From 2025, natural gas storage has been subject to price regulation to the extent set by the relevant decree of the Regulatory Office for Network Industries. Only access to the storage facility and gas storage, which is carried out on the basis of a contract under which the storage facility operator provides storage capacity as a combination of working volume, maximum injection capacity and maximum withdrawal capacity on a firm basis for a minimum period of one year and solely with an outlet to the distribution network in a defined area, were subject to price regulation. Price regulation for access to storage facilities and for gas storage was made by directly setting the maximum price for access to storage facilities and for gas storage based on comparing prices for access to storage facilities and for gas storage in the Slovak Republic with those in the EU Member States.

Pursuant to Article 67a (1) of Act No. 251/2012 Coll. on Energy and on Amendments to Certain Acts, as amended (hereinafter the "Energy Act"), the storage system operator, which is part of a vertically integrated enterprise, must be independent as regards legal personality, organisation and decision-making from other activities which are unrelated to gas transmission, distribution or storage. Given the fact that an exemption from the unbundling obligation for the storage system operator expired as at 31 December 2024, NAFTA a.s. unbundled the production and supply of gas. The part of the business related to these activities was transferred to NAFTA Production s.r.o. under the Contract for the Sale of a Part of Business. Refer to Note 23 for additional information. NAFTA Production s.r.o. is a 100% subsidiary of NAFTA E&P Holding Company a.s., which is a 100% subsidiary of NAFTA a.s.

(ii) Revaluation of Property, Plant and Equipment

As at 31 December 2025, property, plant and equipment are stated at fair value in accordance with the revaluation accounting model under IAS 16, representing their fair value as at the remeasurement date.

The Company opted to use this model as it believes that as a result, the financial statements will provide more reliable and relevant information about the Company's non-current assets used for natural gas storage.

The initial remeasurement was recognised as at 31 December 2022. The income approach was used to determine the fair value of cushion gas, while the cost approach was used to determine the fair value of other assets, taking into account the physical wear and tear of the assets and their technological and economic obsolescence.

As at 31 December 2024, the Company concluded that the remeasured values of property, plant and equipment must be updated and performed a new remeasurement, as stated in Notes 3c and 4.

IFRS 13 defines 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 (an exit price). When measuring fair value, an entity uses the assumptions that market participants would use when pricing the asset or the liability under current market conditions, including assumptions about risk. The reporting entity's intention to sell an asset or settle or otherwise fulfil a liability is not relevant when measuring fair value.

In accordance with the fair value estimate of property, plant and equipment under IFRS 13 as at 31 December 2024 and 31 December 2025, the Company determined two different values using:

- (i) Cost approach of the relevant assets; and
- (ii) Income approach for the measurement of the business unit as a whole (ie the method of economic performance of assets).

Given the specific nature of the Company's scope of business, ie the storage of gas in storage facility, there is no identical or sufficiently comparable market transaction for the purposes of the potential use of the market approach to determine the fair value of assets as at the above date.

Cost approach:

An independent expert performed the valuation of the Company's assets in line with the cost approach using the New Replacement Costs less Depreciation methodology, except for assets where the market approach could be applied (eg an administration building and land). The expert determined the fair value of cushion gas using the cost approach based on the gas forward price.

When determining the fair value of individual components of assets measured in 2022 using the cost approach, the expert used the indexation of values obtained from the initial remeasurement of assets as at 31 December 2022, where a detailed analysis was performed and the physical wear and tear of the assets and their technological and economic obsolescence were taken into account.

Income approach:

For comparison purposes, the Company also used the method of economic performance of assets to determine the fair value of assets. This method requires that the Company make significant judgements and choose appropriate calculation input estimates. The key assumptions affecting the fair value are determined based on a conservative approach.

As at 31 December 2024, the Company compared the fair value and the carrying amount and concluded that it would perform a revaluation of property, plant and equipment. To determine the fair value of property, plant, and equipment, representing a set of complementary assets, the Company used the cost approach, as it more faithfully and fairly reflects their fair value, despite the fact that the resulting value was approximately 17% lower than the value determined by the income approach.

As at 31 December 2025, the Company carried out a comparison between the updated estimate of the fair value of assets and their carrying amount, and determined that the updated fair value is 5% lower than the carrying amount of the assets. The Company considers this difference to be immaterial. Based on this, the Company concluded that there was no need to update the revalued amounts of property, plant and equipment as at 31 December 2025.

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There are uncertainties related to future economic conditions, changes to technology and the business environment in the industry, which may lead to future possible adjustments of the estimated remeasured values and useful lives of assets that may significantly change the reported financial position, equity and profit.

In compliance with IFRS 13 and due to the Level 3 application when using estimates to determine the fair value of assets, the Company analysed the effect of certain parameters on this value. The sensitivity analysis results are presented in the table below:

	Effect on fair value of assets (in %)
Cushion gas – change in the gas forward price per MWh by 5%	2.50%
Other remeasured assets – change in the price of other assets by 5%	2.46%

(iii) Estimated Useful Lives

The estimated useful lives of non-current asset items are subject to Company management's judgement, based on its experience with similar assets. When determining the useful lives of assets, management takes into account the expected usage based on estimates of use, estimated technical obsolescence, physical wear and tear and physical environment where the assets are operated. Changes to any of these conditions or estimates may result in adjustments to future depreciation rates.

(iv) Legal Disputes

With respect to legal disputes, management estimates a probable loss, which may result in certain financial expenses. In making this assessment, the Company relies on the advice of external legal counsel, the latest available information on the status of the court proceedings, and an internal evaluation of the likely outcome. Details of the individual legal cases are included in Note 21.2.

(v) Provision for Abandonment and Restoration

These financial statements include significant amounts as a provision for the abandonment and restoration of storage and other wells and sites. The provision is based on estimates of the future costs and is also significantly impacted by the estimate of the timing of cash flows and the Company's estimate of the discount rate used. The provision takes into account the costs estimated for the abandonment of wells and sites and for the restoration of sites to their original condition based on previous experience and estimates of costs. In 2021, the Company prepared a new detailed estimate of abandonment and restoration. Refer to Note 12 for further details.

c. Property, Plant and Equipment and Intangible Assets

As at 31 December 2025, property, plant and equipment were recognised in the statement of financial position at remeasured value representing their fair value as at the remeasurement date, less accumulated depreciation and subsequent accumulated impairment losses, in accordance with the revaluation accounting model under IAS 16.

When estimating fair values, the Company adheres to the IFRS 13 requirements. Fair values are determined with sufficient regularity to ensure the net book value of assets does not significantly differ from the value that would be recognised as at the reporting date using fair values.

The initial remeasurement was recognised as at 31 December 2022. The Company performed a subsequent remeasurement as at 31 December 2024. The procedure applied to determine estimated fair values and related uncertainties are described in Note 3b.

The remeasurement as at 31 December 2024 resulted in an increase in the value of remeasured assets by EUR 647 384 thousand, an increase in a deferred tax liability by EUR 153 089 thousand, an increase in the revaluation reserve in equity, as well as in a decrease in the value of property, plant and equipment by EUR 590 thousand recognised in the statement of profit or loss in Depreciation, amortisation and impairment losses, net, and a decrease in the deferred tax liability by EUR 138 thousand.

As at 31 December 2025, the Company concluded that due to their immateriality it is not necessary to update the remeasured values of property, plant and equipment, as stated in Note 3b.

Any revaluation increase arising on the revaluation of property, plant and equipment is credited to the assets revaluation reserve, except to the extent that it reverses a revaluation decrease for the same asset previously recognised in profit or loss in the previous period, in which case the increase is credited to profit or loss to the extent of the decrease previously expensed. A decrease in the net book value arising on the revaluation of such property, plant and equipment is charged as an expense in profit or loss to the extent that it exceeds the balance, if any, held in the assets revaluation reserve relating to a previous revaluation of that asset. Depreciation on revalued property, plant and equipment is recognised as an expense in profit or loss. Revaluation surplus corresponding to the difference between a depreciation charge calculated from the revalued carrying amount of assets and a depreciation charge based on the original cost is transferred to retained earnings. On the subsequent sale or disposal of a revalued asset, the attributable revaluation surplus remaining in the asset revaluation reserves is transferred directly to retained earnings.

Intangible assets are recognised at cost less accumulated amortisation and accumulated impairment losses.

For wells and sites, the estimated cost of dismantling and removing the asset and restoring the site ("dismantling asset") are stated at the initial recognition at the present value based on discounted future cash flows. Dismantling assets are depreciated in the same way as the assets to which they relate. Changes in the provision for abandonment and restoration as a result of changes in the estimated timing of cash flows and discount rates are credited or debited, with a counter-entry, to the dismantling asset.

In 2024, production wells, related sites and dismantling assets were depreciated over the life of the proved producible reserves on a unit-of-production basis. Refer also to Note 23. Other items of property, plant and equipment are depreciated on the straight-line basis over estimated useful lives.

The estimated useful lives for the major classifications of property, plant, and equipment and intangible non-current assets are as follows:

	Year ended	
	31 December 2025	31 December 2024
Buildings, halls and structures used in natural gas storage	40 – 80 years	40 – 80 years
Cushion gas	1 000 years	1 000 years
Other buildings, halls and structures	25 – 40 years	25 – 40 years
Machines and equipment used in natural gas storage	4 – 40 years	4 – 40 years
Other machines, equipment and vehicles	4 – 30 years	4 – 30 years
Intangible assets	4 – 30 years	4 – 30 years

Expenditures related to hydrocarbon reserves exploration are accounted for in accordance with the successful effort method. Under this method, exploration expenditures (exploration wells) are capitalised into assets under construction when incurred and certain expenditures, such as geological and geophysical exploration costs, are expensed. A review is carried out at least annually, on a field-by-field basis, to ascertain whether proven reserves have been confirmed. A 100% loss allowance is created for exploration wells unless the existence of commercially usable reserves is proven.

Gains and losses on the disposal of property, plant, and equipment are fully recognised in the statement of profit and loss.

Expenditures relating to the items of property, plant, and equipment after they are put into use are added to the carrying amount of the asset when they meet criteria for the recognition of property, plant and equipment and the Company may expect future economic benefits, in excess of the original performance. All other subsequent expenditures are treated as repairs and maintenance and are expensed in the period in which they are incurred.

Intangible assets primarily include a connection fee to the transmission system related to the project Gajary – Baden.

d. Cushion Gas

Cushion gas represents gas needed to run the underground reservoirs of natural gas. Its permanent production would affect the operability of underground reservoirs. The cushion gas is recognised at fair values as per Note 3 b. as part of land, buildings and structures.

e. Financial Assets

Financial assets are classified in the following categories: financial assets subsequently measured at amortised cost, financial assets subsequently measured at fair value through other comprehensive income (FVOCI) and financial assets subsequently measured at fair value through profit or loss (FVTPL). The Company presents in financial assets the following financial instruments: cash and cash equivalents, trade receivables, loan receivables with fixed or variable payments, investments in subsidiaries and joint ventures, and other financial investments.

The Company recognises the following categories of financial assets:

Financial assets subsequently measured at amortised cost

Financial assets are subsequently measured at amortised cost using the effective interest rate method less any impairment and include cash and cash equivalents, trade receivables, loan receivables with fixed or variable payments, investments in subsidiaries, joint ventures and associates.

Interest income is recognised by applying the effective interest rate, except for current receivables when the recognition of interest would be immaterial.

Financial assets subsequently measured at fair value through profit or loss (FVTPL)

Financial assets subsequently measured at fair value through profit or loss and revaluation gains and losses are included in Other finance income/(costs), net in the statement of profit or loss. The Company includes other financial investments in this category.

Dividends, when representing a return on such investments, are recognised in profit or loss as Other finance income/(costs), net when the Company's right to receive payments is established and the receipt of such funds is probable.

(1) Cash and Cash Equivalents

Cash and cash equivalents consist of cash in hand and balances with banks, and highly liquid investments with insignificant risk of changes in value and original maturities of three months or less at the date of acquisition.

(2) Investments in the Subsidiaries, Joint Venture and Associates

Investments are recognised and derecognised on the transaction date when the purchase or sale of an investment is under a contract the terms of which require delivery of the investment within the timeframe established by the market concerned. Investments in the subsidiaries, joint venture and associates that are not held for sale are recognised at cost less impairment losses in these separate financial statements.

Impairment of Financial Assets

For the impairment of loan receivables, the Company applies a three-stage model of expected credit losses (ECL). Under this model, an immediate impairment loss in an amount equal to a 12-month expected credit loss is recognised upon the initial recognition of the financial assets. If there is a significant increase in the credit risk, a loss allowance is estimated based on expected credit losses for the full lifetime of financial assets, not only based on the 12-month expected loss.

As at 31 December 2025 and 31 December 2024, the Company assessed the impairment of loan receivables from borrowings provided to the Group (refer to Note 10) and except for receivables in accordance with Note 3 c. concluded that the 12-month expected credit losses approximated zero given the low risk of default and expected loss, and given the method of settling the borrowing by offsetting against the payable from dividends paid.

For trade receivables and current receivables, the Company applies a simplified model for the assessment and recognition of impairment losses on financial assets under which a loss allowance is recognised in the amount of expected credit losses over the full lifetime of trade receivables at the moment of their initial recognition. Such estimates are revised as at the reporting date.

The carrying amount of a financial asset is reduced by the impairment loss directly for all financial assets except for trade receivables, where the carrying amount is reduced through a loss allowance account. When a trade receivable is considered uncollectible, it is written off against the loss allowance account. Subsequent recoveries of written-off receivables are credited against the loss allowance account. Changes in the carrying amount of the loss allowance account are recognised in profit or loss.

Derecognition of Financial Assets

The Company derecognises a financial asset only when the contractual rights to cash flows from the asset expire or when it transfers the financial asset and all substantial risks and rewards of ownership of the asset to another entity.

f. Fair Value Estimates

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between participants of the main (most favourable) market at the measurement date under standard market conditions (i.e. output price), regardless of whether that price is directly observable or estimated using another valuation technique.

Financial and non-financial instruments measured at fair value are classified into three levels:

Level 1 fair value measurements are those derived from quoted prices in active markets for similar assets or liabilities.

Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable on the market for assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 fair value measurements are those derived from valuation techniques that include subjective inputs for the asset or liability that are not based on observable market data.

The classification of financial and non-financial instruments into the levels above is based on the lowest-level input data that have a material impact on the fair value measurement of an item. Transfers of financial instruments between individual levels are recognised in the period when they occurred.

The carrying amounts of financial assets and liabilities with a maturity of less than one year are expected to approximate their fair values. For the presentation purposes, the fair value of financial liabilities is estimated by discounting future contractual cash flows using the current market interest rate applied by the Company for similar financial instruments.

As at 31 December 2025, the Company recognised the following items at fair value:

- Property, plant and equipment (Note 3b, 3c, 4) – Level 3
- Financial assets measured at fair value through profit or loss (Note 5) – Level 3

g. Inventories

Raw materials and supplies are stated at the lower of cost or net realisable value. Cost includes raw materials, other direct costs and related overheads. Net realisable value is an estimate of the selling price in the ordinary course of business, less selling expenses. For inventories used for own consumption, the cost is compared to the net realisable value. A loss allowance is created if finished goods or services, to which inventories are to be included, are sold for a price lower than their cost.

h. Accruals and Deferrals

Expenses and liabilities are recorded in the accounting records and reported in the financial statements of the periods to which they relate.

i. Financial Liabilities

Financial liabilities are classified as either financial liabilities at amortised costs or financial liabilities 'at fair value through profit or loss' (FVTPL).

The Company only recognises financial liabilities in category "Financial liabilities at amortised costs". Financial liabilities at amortised costs (including borrowings) are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

j. Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

The Company estimates costs relating to the abandonment of its wells (including related sites and pipelines) and any related restoration costs. Estimated abandonment and restoration costs are based on current legislation, technology, and price levels. The provision for abandonment and restoration is measured in an amount that includes all anticipated future costs related to abandonment and restoration discounted to their present value and reflecting the inflation. The discount rate used reflects current market assessments of the time value of money and the risks specific to the liability.

k. Revenue Recognition

NAFTA records revenues from the underground storage of natural gas, revenues from the sale of hydrocarbons and other activities on the accrual basis. Revenue is measured at the fair value of the consideration received or receivables and represents amounts receivable for goods and services provided in the normal course of business, net of discounts and value added tax. The Company recognises revenues from the underground gas storage and revenues from the sale of natural hydrocarbons (for the year 2024) in one segment due to the relatively low share of revenues from sales of natural hydrocarbons in this segment and total operating revenues.

Revenues from the underground storage of natural gas are recognised over an agreed period for which the storage capacity was reserved for a customer. Variable fees for additional storage-related services are recognised over the provision of the service to a customer.

Revenues from the sale of hydrocarbons are recognised when the commodity is transferred to the customer at the fair value of the consideration received or receivable (see also Note 23).

Revenues from other services include, in particular, revenues from operator services related to the storage of natural gas that are recognised in the course of providing the service to the customer and revenues related to drilling and workover that are recognised as revenue during the service delivery according to the level of completion.

l. Current and Deferred Income Taxes

Income taxes are provided on accounting profit as determined under the applicable legislation at a rate of 24%, after adjustments for certain items for taxation purposes. As required by the International Financial Reporting Standards, income tax also includes a special levy on business in regulated industries. Refer also to Note 18.

Under applicable legislation, the Company is required to pay a monthly special levy on business in regulated industries. The levy rate for 2025 is 0.00363 per month and the levy amount is calculated from the profit/loss determined in accordance with Slovak Accounting Standards.

Deferred income tax is provided, using the liability method, for all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes. Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled. Deferred tax is recognised in the statement of profit and loss, except when it relates to items credited or charged directly to equity, in which case the deferred tax is recorded with a counter entry in equity. The deferred tax balance as at 31 December 2025 is recalculated using the tax rate of 24% (31 December 2024: 24%). Refer also to Notes 18.1. and 18.2.

The most significant temporary differences arise as a result of differences between net tax value and the net book value of property, plant, and equipment and due to the provision for abandonment and restoration. Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilised.

A deferred special levy on business is recognised from temporary differences between the net book value of assets and liabilities and the amount of assets and liabilities recognised in accordance with Slovak Accounting Standards. The deferred special levy on business is calculated by applying the special levy rate that is expected to apply to the period when the relevant asset is expected to be realised or the liability settled. The deferred special levy is recognised in the income statement. The annual rate of the special levy on business used to recalculate the deferred special levy is 4.356%.

The most significant temporary differences arise as a result of differences between the net book value of property, plant and equipment determined under International Accounting Standards and their amount determined under Slovak Accounting Standards.

The Company is a member of a multinational group of companies (the Group) which has been, since 2024, subject to new rules on a minimum 15% rate of taxation for multinational groups implemented in line with Pillar II rules of the BEPS 2.0 initiative. The Pillar II rules stipulate that if the effective tax rate (calculated as the ratio of adjusted accounting profit/loss and adjusted corporate income tax in the respective jurisdiction) in the jurisdictions where the Group operates falls below 15%, the Group is required to pay a top-up tax to achieve the minimum 15% rate.

Pillar II legislation introduces the possibility of a transitional simplification, referred to as a Transitional safe harbour which may be applied for up to the first three years from the effective date of the respective Regulation.

Based on the assessment of the top-up tax impact derived from the Group's 2024 financial data, the Company qualifies for the Transitional Safe Harbour under the Pillar II rules.

Based on the preliminary results for 2025, it is anticipated that the Company will continue to meet the Transitional Safe Harbour requirements for 2025; however, this assessment will be subject to further evaluation after the Group's final financial data for 2025 have been finalised.

m. Transactions in Foreign Currencies

Transactions in foreign currencies are translated at the exchange rate in effect on the day of the transaction. Resulting exchange differences are recognised as an expense or as income in the statement of profit and loss. At the reporting date, assets and liabilities denominated in foreign currencies are converted to EUR using the exchange rates of the European Central Bank on the reporting date. Unrealised gains and losses due to fluctuations in exchange rates are fully recognised in the profit and loss statement.

n. Borrowing Costs

Borrowing costs are recognised as expenses in the period in which they are incurred, except for borrowing costs directly attributable to the acquisition, construction or production of qualifying non-current assets. Such costs are recognised in cost until the relevant assets are put into use.

o. Social Security and Pension Schemes

Contributions are made to the government's health, retirement benefit and unemployment schemes at the statutory rates in force during the year, based on gross salary payments. The cost of social security payments is charged to the statement of profit and loss in the same period as the related salary cost. The Company has no obligation to contribute to these schemes beyond the statutory rates in force. The Company also makes contributions to a supplementary pension fund for employees.

p. Retirement Payments and Other Long-term Employee Benefits

The Company operates un-funded long-term defined benefit programmes comprising lump-sum post-employment. According to IAS 19, employee benefits costs are assessed using the projected unit credit method. Under this method, the cost of providing pensions is charged to the statement of profit and loss so as to spread the regular cost over the service lives of employees. The benefit obligation is measured as the present value of the estimated future cash outflows discounted by the market yields on government bonds, the maturity term of which approximates the term of the related liability. Changes in the reserve due to changes in actuarial estimates are recognised in the statement of other comprehensive income.

q. Leases

The Company assesses whether a contract is or contains a lease, at inception of the contract. The Company recognises a right-of-use asset and a corresponding lease liability in accordance with IFRS 16 with respect to lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease or another systematic basis.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the lessee uses its incremental borrowing rate.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

Right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

r. Emission Rights

Emission quotas issued free of charge are accounted at zero book value. Transactions that have been made on the market are recorded at cost. The liabilities resulting from potential differences between available emission quotas and emission quotas to be delivered are accounted for as a liability, at fair market value.

s. Government and European Union Grants

Grants are not recognised until there is reasonable assurance that (i) the Company will comply with the conditions associated with receiving the grants, and (ii) the grants will be received.

Grants are recognised in the statement of profit and loss on a systematic basis over the periods in which the Company has recognised costs that are intended to be compensated by the grants. Specifically, government grants the primary condition of which is that the Company should purchase, construct, or otherwise acquire non-current assets are recognised as deferred revenue in the statement of financial position and accounted in the profit or loss on a systematic and rational basis over the economic useful lives of the related assets.

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4. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment comprise the following:

<i>Year ended 31 December 2025</i>	<i>Land, buildings & structures</i>	<i>Plant, machinery & equipment</i>	<i>Dismantling assets</i>	<i>Assets under construction</i>	<i>Total</i>
Carrying amount as at 1 January 2025	1 015 235	143 511	15 355	8 909	1 183 010
Additions	-	-	-	16 241	16 241
Transfers	619	4 653	-	(5 272)	-
Disposals	(18)	(258)	(585)	-	(861)
Depreciation	(34 337)	(19 894)	(1 502)	-	(55 733)
Changes to provisions recognised in assets	-	-	(2 511)	-	(2 511)
(Creation)/Reversal of loss allowance in profit or loss	(150)	(2 983)	(1 833)	(2 636)	(7 602)
(Creation)/Reversal of loss allowance in equity	(715)	(4 591)	-	-	(5 306)
Carrying amount as at 31 December 2025	980 634	120 438	8 924	17 242	1 127 238
Fair value of assets (gross) as per most recent revaluation	1 015 831	147 822	12 259	19 878	1 195 790
Accumulated depreciation and loss allowances since most recent revaluation	(35 197)	(27 384)	(3 335)	(2 636)	(68 552)
Carrying amount as at 31 December 2025	980 634	120 438	8 924	17 242	1 127 238
Net book value using historical cost as at 31 December 2025	99 778	53 031	8 924	19 299	181 032

The classification of fair value measurement levels of property, plant and equipment in the amount of EUR 1 127 238 thousand: Level 3 (31 December 2024: EUR 1 183 010 thousand: Level 3) (Note 3 f.).

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<i>Year ended 31 December 2024</i>	<i>Land, buildings & structures</i>	<i>Plant, machinery & equipment</i>	<i>Dismantling assets</i>	<i>Assets under construction</i>	<i>Total</i>
Carrying amount as at 1 January 2024	418 163	126 026	9 761	12 364	566 314
Additions	-	-	-	10 169	10 169
Transfers	3 123	7 414	-	(10 537)	-
Disposals	(787)	(56)	-	(1 159)	(2 002)
Depreciation	(23 173)	(17 490)	(1 042)	-	(41 705)
Changes to provisions recognised in assets	-	-	7 974	-	7 974
Sale of a part of business	(1 141)	(127)	-	-	(1 268)
Changes to measurement due to revaluation through revaluation reserves	619 080	28 304	-	-	647 384
Changes to measurement due to revaluation through profit or loss	(30)	(560)	(1 338)	(1 928)	(3 856)
Carrying amount as at 31 December 2024	1 015 235	143 511	15 355	8 909	1 183 010
Fair value of assets (gross) determined as at 31 Dec 2024	1 015 235	143 511	15 355	8 909	1 183 010
Accumulated depreciation and loss allowances as at 31 Dec 2024	-	-	-	-	-
Carrying amount as at 31 December 2024	1 015 235	143 511	15 355	8 909	1 183 010
Net book value using historical cost as at 31 December 2024	103 571	57 333	15 355	8 909	185 168

As at 31 December 2024, the Company performed a subsequent remeasurement of property, plant and equipment to fair value in line with IAS 16. Refer to Notes 3b and 3c for additional information.

As at 31 December 2025, the Company reviewed the impairment of property, plant and equipment in accordance with IAS 36 "Impairment of Assets" based on an assessment of their future use, disposal, or sale. The Company determined the amount of a loss allowance based on the present value of future cash flows, the physical disposal plan and the estimated selling price.

As at 31 December 2025, the revaluation model under IAS 16 was applied to assets under construction and the carrying amount of assets under construction is as follows:

	<i>Year ended</i>	
	31 December 2025	31 December 2024
Exploration wells	3 133	-
Other	14 109	8 909
Total	17 242	8 909

As at 31 December 2025, the Company created a loss allowance for exploration wells, whose success was uncertain, and for facilities whose construction was suspended. As at 31 December 2025, the exploration wells are recognised at fair value as stated in Note 3c. In 2025, the Company capitalised the costs of geological exploration for hydrocarbon reserves in the amount of EUR 4 488 thousand (31 December 2024: EUR 1 679 thousand).

The cost of fully depreciated items of property, plant and equipment that were still in use as at 31 December 2025 amounts to EUR 5 831 thousand (31 December 2024: EUR 0 thousand).

The net book value of property, plant and equipment that are temporarily unused amounts to EUR 5 202 thousand (31 December 2024: EUR 0 thousand), for which a loss allowance of EUR 5 202 thousand (31 December 2024: EUR 1 219 thousand) was created; thus, such items are stated at a zero net book value as at 31 December 2025 and 31 December 2024.

NAFTA's non-current tangible assets are insured against all significant risks under the "ALLRISK" insurance policy. The insured amount is EUR 942 763 thousand.

As at 31 December 2025 and 31 December 2024, NAFTA had no limited right to handle non-current tangible assets.

5. INVESTMENTS IN SUBSIDIARIES AND JOINT VENTURE, AND OTHER FINANCIAL INVESTMENTS

Investments in subsidiaries and a joint venture are recognised at cost adjusted for impairment, if any. Other financial investments are recognised at fair value.

Investments in subsidiaries and a joint venture, and other financial investments as at 31 December 2025 comprise the following:

	<i>Subsidiaries</i>	<i>Joint ventures</i>	<i>Other financial investments</i>	<i>Total</i>
Investments at cost				
Cost	15 459	38 893	-	54 352
Impairment	(7 572)	-	-	(7 572)
Net book value	7 887	38 893	-	46 780
Other financial investments at fair value	-	-	4 845	4 845
Total	7 887	38 893	4 845	51 625

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Information on subsidiaries can be summarised as follows:

Name of company	Seat	Effective ownership	Principal activity
Karotáž a cementace, s.r.o.	Velkomoravská 2606/83, Hodonín, Czech Republic	100%	Logging and cementing
NAFTA International B.V.	Schiphol Boulevard 477, Tower C-4, 1118 BK Schiphol, Netherlands	100%	Holding company
NAFTA RV	Starokyivska 10-G, 041 16 Kiev, Ukraine	1%	Exploration and production
Slovakian Horizon Energy, s.r.o.	Mlynské nivy 44/c, 821 09 Bratislava, Slovak Republic	100%	Exploration and production
NAFTA E&P Holding Company, a.s.	Mlynské nivy 44/c, Bratislava, Slovak Republic	100%	Holding company
NAFTA Well Services s.r.o.	Na Vinohrádok 900/7, Plavecký Štvrtok, Slovak Republic	100%	Drilling and wells maintenance

The Company owns a 1% share in NAFTA RV. In addition to a 1% direct share, NAFTA controls NAFTA RV via a 99% indirect share through NAFTA International B.V.

In 2025, the following changes were made:

- The Company established a subsidiary, NAFTA Well Services s.r.o., in which it holds a 100% share.

In 2024, the following changes were made:

- The Company established a subsidiary, NAFTA E&P Holding Company, a.s., in which it holds a 100% share;
- A subsidiary, NAFTA Services, s.r.o., was liquidated.

Information on a joint venture can be summarised as follows:

Name of company	Seat	Effective ownership	Principal activity
POZAGAS a.s.	Malé námestie 1, Malacky, Slovak Republic	65%	Natural gas storage

POZAGAS a.s. is controlled by SPP Infrastructure, a.s., and thus NAFTA recognises the investment as an investment in a joint venture.

Additional information on investments in the subsidiaries and the joint venture:

Name of company	Equity		Profit/(loss)	
	2025	2024	2025	2024
Karotáž a cementace, s.r.o.	2 982	2 997	210	334
POZAGAS a.s. ⁽¹⁾	326 764	374 917	1 210	44 124
NAFTA International B.V.	4 934	4 641	293	278
Slovakian Horizon Energy, s.r.o.	78	144	(66)	(459)
NAFTA RV	(2 409)	(2 012)	(637)	(413)
NAFTA E&P Holding Company, a.s.	4 606	5 359	(374)	382
NAFTA Well Services, s.r.o.	(49)	-	(99)	-

⁽¹⁾ As at 31 December 2022, Pozagas a.s. applied the revaluation accounting model under IAS 16. As at 31 December 2025 and 31 December 2024, equity of POZAGAS, a.s. also included the revaluation reserve.

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Information on other financial investments can be summarised as follows:

<i>Name of company</i>	<i>Seat</i>	<i>Effective ownership</i>	<i>Principal activity</i>
EP Ukraine B.V.	Schiphol Boulevard 477, Tower C-4, 1118 BK Schiphol, Netherlands	10%	Exploration and production
EP Lower Saxony GmbH	Triftstraße 25, 31249 Hohenhameln, Germany	10%	Exploration and production

In 2025, the following changes were made:

- The Company increased its contribution in EP Ukraine B.V. by EUR 20 thousand;
- The Company increased its contribution in EP Lower Saxony GmbH by EUR 2 341 thousand.

In 2024, the following changes were made:

- The Company acquired a 10% share in EP Lower Saxony GmbH;
- The Company sold a 10% share in EP Hungary s.r.o.

Other financial investments are recognised at fair value and classified as Level 3 (31 December 2024: Level 3) and their movements are as follows:

	<i>Year ended</i>	
	<i>31 December 2025</i>	<i>31 December 2024</i>
Other financial investments as at 1 January	-	3 456
Profit/(loss) recognised through profit or loss	2 484	562
Acquisition	2 361	903
Sale	-	(4 921)
Other financial investments as at 31 December	4 845	-

6. INVENTORIES

Net inventories comprise the following:

	<i>31 December 2025</i>	<i>31 December 2024</i>
Raw materials and supplies	10 460	5 672
Finished goods	8	9
Less: loss allowance for obsolete and redundant items	(3 742)	(2 083)
Total inventories, net	6 726	3 598

NAFTA's inventories are insured against all significant risks under the "ALLRISK" insurance policy.

7. TRADE AND OTHER RECEIVABLES

Net trade and other receivables comprise the following:

	31 December 2025	31 December 2024
Trade receivables		
Domestic customers	2 339	867
Foreign customers	1 275	1 364
Total trade receivables	<u>3 614</u>	<u>2 231</u>
Less: loss allowances for doubtful receivables	(50)	(39)
Total trade receivables, net	<u>3 564</u>	<u>2 192</u>
Other receivables	3 566	14 425
Less: loss allowances for doubtful receivables	(1 007)	(1 688)
Trade and other receivables, net	<u>6 123</u>	<u>14 929</u>

Trade receivables also comprise advance payments for the acquisition of non-current assets.

The average maturity period for receivables from the sale of finished goods and services is 16 days (2024: 17 days).

For trade and other receivables, the Company applies the so-called simplified model for accounting for impairment losses. Loss allowances for trade receivables with low credit risk are recognised on the basis of an estimate of total expected credit losses resulting from previous experience of defaults and future developments.

The Company has created 100% loss allowances for all receivables overdue by more than 365 days because previous experience suggests that receivables that are past due beyond 365 days are generally unrecoverable.

Movements in loss allowances for irrecoverable and doubtful receivables:

	Year ended	
	31 December 2025	31 December 2024
Balance at the beginning of the year	(1 727)	(1 636)
Creation, reversal	670	(91)
Use	-	-
Balance at the end of the year	<u>(1 057)</u>	<u>(1 727)</u>

8. EQUITY

The share capital includes certificate-form registered shares. As at 31 December 2025, the total number of issued and fully paid shares was 3 230 960, with nominal value of EUR 33.19 per share (31 December 2024: 3 230 960 shares with nominal value of EUR 33.19 per share).

As at 31 December 2025 and 31 December 2024, NAFTA held 48 013 own shares at cost of EUR 4 745 thousand. This amount of shares held is in no way limited by law.

Other capital funds comprise the legal reserve fund, which amounts to EUR 21 447 thousand as at 31 December 2025 (31 December 2024: EUR 21 447 thousand). Under the Company's Articles of Association, the legal reserve fund is not available for distribution and can be used to cover losses and to increase the share capital.

For profit distribution purposes, the separate financial statements of the Company prepared under IFRS accounting standards as at 31 December 2025 are relevant. The amount of retained earnings under the Company's separate financial statements prepared as at 31 December 2025 distributable to shareholders is EUR 104 873 thousand. In 2025, the dividend payment to shareholders from the 2024 profit was approved in the amount of EUR 41.25 per share.

The revaluation reserve is not immediately available for distribution to the Company's shareholders. Portions of the revaluation reserve are reclassified to retained earnings based on differences between the depreciation charges for remeasured values and the initial cost of assets. The revaluation reserve is also reclassified to retained earnings upon the sale, contribution of a part of a business, or upon the disposal of assets. Such transfers to retained earnings are distributable.

The hedging reserve represents hedging gains and losses recognised on the effective portion of cash flow hedges. The cumulative deferred gain or loss on the hedge is recognised in profit or loss when the hedged transaction impacts the profit or loss, or is included as a basis adjustment to the non-financial hedged item, consistent with the applicable accounting policy. Other reserves represent actuarial gains and losses related to a change in estimates used to calculate retirement payments and other long-term employee benefits.

Changes to the hedging reserve and other reserves can be summarised as follows:

	<i>Year ended</i>	
	31 December 2025	31 December 2024
Balance at beginning of the year	(532)	(614)
Actuarial losses	193	(64)
Transfer of an actuarial loss to retained earnings	-	142
Income tax related to profit/loss recognised in equity	(46)	34
Income tax related to the transfer of an actuarial loss to retained earnings	-	(30)
Balance at end of the year	(385)	(532)

9. LOANS RECEIVED

As at 31 December 2025, the Company has an open credit line of EUR 50 000 thousand bearing interest at Euribor + 1.35%. The final maturity of the loan is 23 February 2029. In addition, the Company has an open credit line of EUR 2 000 thousand, comprising a short-term loan of EUR 2 000 thousand bearing interest at 3M Euribor + 0.7% (the final maturity has not been set) and/or an overdraft facility of EUR 2 000 thousand bearing interest at 1M Euribor + 0.45% (the final maturity has not been set). Refer also to Note 22.2 (e).

As at 31 December 2025, the Company did not draw any credit line.

Under the loan agreements, the Company is obliged, *inter alia*, to comply with certain financial covenants as at the end of a calendar half-year (30 June and 31 December). The Company complied with the financial covenants as at 31 December 2025.

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10. FINANCIAL RECEIVABLES FROM AND FINANCIAL LIABILITIES TO RELATED PARTIES

Loan receivables as at 31 December 2025:

<i>Company</i>	<i>Currency</i>	<i>Interest method</i>	<i>Effective interest rate%</i>	<i>Final maturity</i>	<i>Receivable (gross)</i>	<i>Loss allowance</i>	<i>Receivable (net)</i>
NAFTA International B.V.	EUR	fixed	5.0	2023	10 380	(10 380)	-
NAFTA International B.V.	EUR	fixed	9.5	2025	2 315	(2 315)	-
Total					12 695	(12 695)	-

The purpose of providing the loan is to finance a hydrocarbon reserve exploration, for which a 100% loss allowance was created in accordance with Note 3 c.

Loan receivables as at 31 December 2024:

<i>Company</i>	<i>Currency</i>	<i>Interest method</i>	<i>Effective interest rate%</i>	<i>Final maturity</i>	<i>Receivable (gross)</i>	<i>Loss allowance</i>	<i>Receivable (net)</i>
NAFTA International B.V.	EUR	fixed	5.0	2023	9 879	(9 879)	-
NAFTA International B.V.	EUR	fixed	9.5	2025	2 111	(2 111)	-
Total					11 990	(11 990)	-

The Company has concluded a cash pooling contract with other Group companies. In accordance with the contract, the Company recorded a receivable of EUR 72 698 thousand as at 31 December 2025 (31 December 2024: EUR 27 800 thousand). The cash pooling receivable bears interest at € STR - 0.2%.

On 13 December 2024, NAFTA (the borrower) entered into a loan agreement with NAFTA Production (the lender) for a credit facility of EUR 45 000 thousand, which was undrawn as at 31 December 2024, refer to Note 23. In accordance with the loan agreement made between NAFTA (the borrower) and NAFTA Production (the lender), in January 2025 NAFTA requested a loan drawdown in the amount of EUR 35 500 thousand at an interest rate of 12M EURIBOR + 1.46%. The final maturity date of the loan is 28 January 2030.

11. LEASES

As at 31 December 2025, the Company recognises the right to use the leased assets with a residual value of EUR 1 639 thousand (31 December 2024: EUR 2 513 thousands). The Company leases office premises and cars. The average rental period is 3 years (2024: 3 years).

As at 31 December 2025 and 31 December 2024, the Company recognised the following lease liabilities:

	31 December 2025	31 December 2024
Non-current portion	939	1 677
Current portion	774	878
Total	1 713	2 555

The Company is not exposed to a significant liquidity risk with regard to its lease liabilities.

Short-term rental costs where the Company applied an exception to IFRS 16 Leases were immaterial as at 31 December 2025 and 31 December 2024.

12. PROVISION FOR ABANDONMENT AND RESTORATION

The Company estimates the costs of abandonment of storage and other wells (including the related sites and pipes) and other related costs of restoration.

Movements in the provision for abandonment and restoration are summarised as follows:

Balance as at 1 January 2024	95 281
Creation/(Reversal) of the provision to assets	7 974
Creation/(Reversal) of the provision through profit or loss	(284)
Unwinding of discount	2 421
Utilisation of the provision	(801)
Sale of a part of business	(37 567)
Balance as at 31 December 2024	67 024
Creation/(Reversal) of the provision to assets	(2 511)
Creation/(Reversal) of the provision through profit or loss	(2 454)
Unwinding of discount	1 545
Utilisation of the provision	(1 999)
Balance as at 31 December 2025	61 605

Currently, NAFTA has 234 storage wells and 31 other wells (31 December 2024: 234 storage wells and 32 other wells). As at 31 December 2024, the Company transferred 84 actively utilised production wells to NAFTA Production as part of the sale of a part of business. Storage wells are expected to be abandoned after the end of their useful lives. Other wells will be abandoned once the Company determines that they will not be used for other purposes. To the extent stipulated by the law, NAFTA is required to dismantle the wells, remediate contaminated soil, restore the surrounding area and return the site to its original condition.

The provision for abandonment and restoration has been estimated using existing technology and reflects expected future inflation (1.55% – 2.84%). The present value of these costs was calculated using a discount rate, which reflects the current market assessment of the time value of money and risks specific to the liability (2.08% – 3.31%). The provision takes into account the costs estimated for the abandonment of storage and other wells and sites, and for the restoration of the site to its original condition. These costs are expected to be incurred between 2026 and 2094 as follows:

Costs incurred	Within 1 year	1 – 5 years	5 – 20 years	More than 20 years	Total
Present value	4 364	18 372	11 492	27 377	61 605

13. RETIREMENT PAYMENTS AND OTHER LONG-TERM EMPLOYEE BENEFITS

The long-term employee benefits programme at the Company is a defined benefit programme, under which employees are entitled to a lump-sum payment upon old age or disability retirement as a multiple of the employee's average salary and, subject to vesting conditions. As at 31 December 2025, there were 465 employees at the Company covered by this programme (31 December 2024: 477 employees). Refer also to Note 23.

To date it has been an unfunded programme, with no separately allocated assets to cover the programme's liabilities.

A change in long-term employee benefits can be summarised as follows:

	<i>Year ended</i>	
	31 December 2025	31 December 2024
Liabilities as at 1 January, net	3 451	4 290
Net change in provisions (actuarial estimate), included in statement of profit and loss	122	349
Unwinding of discount	90	97
Actuarial losses included in other comprehensive income	(193)	64
Employee benefits paid	(217)	(649)
Sale of a part of business	-	(700)
Liabilities as at 31 December, net	3 253	3 451

Key assumptions used by the Company in estimating the actuarial assessment:

	31 December 2025	31 December 2024
Discount rate	3.4%	2.6%
Future expected annual rate of salary increases	2.3%	2.2%
Expected fluctuation	5.0%	5.0%
Retirement age in years	64	64

14. TRADE AND OTHER PAYABLES

Trade and other payables consist of the following:

	31 December 2025	31 December 2024
Trade payables	12 926	11 851
Payables to employees	3 704	4 986
Other tax liabilities	2 323	1 858
Social security liabilities	1 723	1 144
Other payables ¹	3 973	43 262
Total trade and other payables	24 649	63 101

¹ Other payables also comprise liabilities from the sale of a part of business. Refer to Note 23.

The average maturity period for liabilities is 38 days (2024: 36 days). The Company has financial risk management policies in place to ensure that all payables are paid when due.

The Company records no payables overdue as at 31 December 2025 (2024: 0 EUR).

The change on Social Fund liabilities recognised in the statement of financial position as at 31 December 2025 and 31 December 2024 is analysed as follows:

	<i>Year ended</i>	
	31 December 2025	31 December 2024
Payables as at 1 January	536	547
Total creation:	270	286
<i>From expenses</i>	270	286
<i>From profit</i>	-	-
Total drawing:	(159)	(196)
<i>Catering services</i>	(78)	(99)
<i>Other</i>	(81)	(97)
<i>Sale of a part of business</i>	-	(101)
Payables as at 31 December	647	536

15. CURRENT PROVISIONS

Current provisions comprise a provision for abandonment and restoration, refer to Note 12.

16. PERSONNEL EXPENSES

Personnel expenses comprise the following:

	<i>Year ended</i>	
	31 December 2025	31 December 2024
Wages and salaries	(19 061)	(19 214)
Social security costs and other social expenses	(8 220)	(8 957)
Total personnel expenses	(27 281)	(28 171)
<i>Of which: Total personnel expenses from discontinued operations</i>	-	(3 396)

Personnel expenses also comprise changes in the provision for retirement payments and other long-term employee benefits recognised in the statement of profit or loss. Also refer to Note 13. The average number of employees for the year ended 31 December 2025 was 470, of which 5 managers (year ended 31 December 2024: 568, of which 5 managers). As at 31 December 2024, 92 employees were transferred to NAFTA Production s.r.o. during the sale of a part of business. Refer also to Note 23.

17. OTHER OPERATING INCOME/(EXPENSES) AND FINANCE INCOME/(COSTS)

17.1. Other Operating Income/(Expenses), Net

Other operating income/(expenses), net comprise the following items:

	<i>Year ended</i>	
	31 December 2025	31 December 2024
Profit/(loss) from the sale of non-current assets and inventories	65	3 869
Provision for abandonment and restoration and other provisions	2 454	284
Write-off and loss allowances for receivables, net	670	(111)
Insurance charges	(776)	(763)
Taxes and charges	(1 144)	(1 601)
Profit/(loss) from the sale of a part of business	-	(104)
Other income/(expenses), net	323	(901)
Total other operating income/(expenses), net	1 592	673
<i>Of which: Total other operating income/(expenses), net from discontinued operations</i>	-	(671)

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17.2. Other Finance Income/(Costs), Net

Other finance income/(costs), net consist of the following items:

	<i>Year ended</i>	
	31 December 2025	31 December 2024
Income on investments in subsidiaries and joint venture	33 064	22 582
Loss allowance for borrowings	(704)	(810)
Exchange rate differences, net	(3)	36
Income/(costs) from revaluation of financial investments, net	2 484	562
Other finance income/(costs), net	(807)	(652)
Total other finance income/(costs), net	34 034	21 718
<i>Of which: Total other finance income/(costs), net from discontinued operations</i>	-	8

18. INCOME TAX

18.1. Income Tax Reconciliation

Reconciliation between the income tax calculated at the statutory tax rate of 24% (2024: 21%) and income tax expenses is as follows:

	<i>Year ended</i>	
	31 December 2025	31 December 2024
Profit before income taxes	84 114	134 441
Tax at a domestic income tax rate of 24% (2024: 21%)	(20 187)	(28 233)
Special levy on business in regulated industries	(3 177)	(5 299)
Tax effect of tax non-deductible expenses, non-taxable income and tax related to previous periods: 9.99% (2024: 4.37%)	8 406	5 881
Tax effect due to a tax rate change from 21% to 24%	-	(690)
Total income tax	(14 958)	(28 341)
<i>Of which: Total income tax from discontinued operations</i>	-	(2 707)

The overall effective tax rate differs from the statutory tax rate primarily due to differences in the classification of certain expense and revenue items for accounting and tax purposes.

18.2. Income Taxes

Income tax expenses comprise the following:

	<i>Year ended</i>	
	31 December 2025	31 December 2024
Current income tax	(23 004)	(18 964)
Deferred income tax	11 223	(4 078)
Related to the current year	11 223	(3 388)
Adjustment of deferred tax due to a tax rate change from 21% to 24%	-	(690)
Current special levy on business	(3 438)	(5 340)
Deferred special levy on business	261	41
Total income taxes	(14 958)	(28 341)
<i>Of which: Total income tax from discontinued operations</i>	-	(2 707)

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18.3. Deferred Income Tax

The following are the major deferred tax liabilities and assets including a special levy on business recognised by the Company, and the movements thereon, during the current and prior reporting periods:

	1 January 2024	Charge (credit) to equity	Charge (credit) to profit	31 December 2024
Property, plant and equipment	(103 985)	(182 001)	1 842	(284 144)
Provision for abandonment and restoration	20 009	-	(3 923)	16 086
Retirement payments and other long-term employee benefits	901	34	(107)	828
Inventories	448	-	52	500
Derivatives	-	-	-	-
Other	4 160	-	(1 900)	2 260
Total	(78 467)	(181 967)	(4 036)	(264 470)

	1 January 2025	Charge (credit) to equity	Charge (credit) to profit	31 December 2025
Property, plant and equipment	(284 144)	1 417	13 911	(268 816)
Provision for abandonment and restoration	16 086	-	(1 301)	14 785
Retirement payments and other long-term employee benefits	828	(46)	(1)	781
Inventories	500	-	398	898
Derivatives	-	-	-	-
Other	2 260	-	(1 523)	737
Total	(264 470)	1 371	11 484	(251 615)

As at 31 December 2025, the Company did not recognise a deferred tax asset as its future utilisation is uncertain. The unrecognised deferred tax asset is related to loss allowances for financial investments in the amount of EUR 1 817 thousand and to loss allowances for loan receivables in the amount of EUR 3 047 thousand.

19. COSTS OF SERVICES PROVIDED BY THE COMPANY'S AUDITORS

Costs of services provided by the audit firm comprise the audit of financial statements in the amount of EUR 124 thousand (2024: 155 thousand).

20. SIGNIFICANT TRANSACTIONS WITH THIRD PARTIES AND RELATED PARTIES

20.1. Significant Transactions

NAFTA provides the underground storage of natural gas for Slovenský plynárenský priemysel a.s. and other significant international companies. NAFTA performs operation services of underground storage facilities of natural gas at POZAGAS (joint venture).

NAFTA participates in joint projects for hydrocarbon reserves exploration with a company from the Vermillion Energy Inc. Group.

20.2. Related Parties

Related parties of the Company have been identified as unconsolidated subsidiaries and associates (refer to Note 5), companies under common ownership (SPP Infrastructure Group, Energetický a průmyslový holding, a.s.), shareholders, directors, and management of the Company.

Transactions between NAFTA and related parties are performed under the arm's length principle.

As at 31 December 2025, receivables and loans from related parties amounted to EUR 88 753 thousand (31 December 2024: EUR 51 880 thousand).

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As at 31 December 2025, payables to related parties amounted to EUR 39 943 thousand (31 December 2024: EUR 3 390 thousand).

Revenues and other considerations from transactions with related parties for the year ended 31 December 2025 amounted to EUR 159 903 thousand (year ended 31 December 2024: EUR 165 869 thousand).

Expenses and other deliveries from transactions with related parties for the year ended 31 December 2025 amounted to EUR 27 221 thousand (year ended 31 December 2024: EUR 14 771 thousand).

Transactions with related parties mainly represent activities related to the underground storage and purchase of natural gas especially with companies in the group of direct and indirect shareholders and POZAGAS a.s. (joint venture).

Amounts related to each separate entity have not been disclosed, as the management of the Company believes that this would breach confidentiality and/or trade secrets and/or may cause damage to the Company.

NAFTA is not involved in any transactions with the Company's management and members of its statutory bodies, except for employment relationship transactions.

20.3. Board Members' and Directors' Remuneration

Remuneration to board members and directors recorded during the year ended 31 December 2025 and 31 December 2024 was as follows:

	<i>Year ended</i>	
	<i>31 December 2025</i>	<i>31 December 2024</i>
Salaries	1 597	1 958
Discretionary bonuses	-	-
Total	1 597	1 958

Salaries and bonuses are included in personnel expenses.

21. COMMITMENTS AND CONTINGENCIES**21.1. Capital Expenditures**

As at 31 December 2025, capital expenditures in the amount of EUR 25 841 thousand (31 December 2024: EUR 4 932 thousand) have been committed under contractual arrangements that are not recognised in these financial statements and relate primarily to the construction and modernisation of non-current assets related to the underground storage facility of natural gas.

21.2. Litigation

The Company is involved in legal disputes arising in the normal course of business and it is not expected, either individually or in aggregate, that such legal disputes would have a significant adverse impact on the accompanying financial statements.

21.3. Taxes

The tax environment under which the NAFTA operates in the Slovak Republic is dependent on the prevailing tax legislation and practice with relatively little existing precedent. As the tax authorities are reluctant to provide official interpretations with respect to the tax legislation, there is an inherent risk that the tax authorities may require adjustments of the corporate income tax base. The Tax Authorities in the Slovak Republic have broad powers of interpretation of tax laws, which could result in unexpected results of tax examinations. The amount of any potential tax liabilities related to these risks cannot be estimated. The Company applies a multi-level control during the preparation of tax returns. Tax declarations remain open and subject to inspection for at least a five-year period. The fact that a year has been reviewed does not close that year, or any tax declaration applicable to that year, from further review during the next five-year period. Consequently, the Company's tax declarations for the years 2020 through 2024 are open and subject to review.

21.4. Bank Guarantees

As at 31 December 2025, the Company provided a bank guarantee in the amount of EUR 485 thousand (31 December 2024: the Company provided no bank guarantees).

22. FINANCIAL INSTRUMENTS**22.1. Capital Risk Management**

The Company manages its capital to ensure that it will be able to continue as a going concern with the aim to achieve an optimum debt and equity balance. The Company's overall strategy remains unchanged from 2024.

The gearing ratio at year-end was as follows:

	31 December 2025	31 December 2024
Debt (i)	35 500	-
Cash and cash equivalents	(26 228)	(77 953)
Net debt	9 272	(77 953)
Equity (ii)	923 393	989 122
Net debt to equity ratio	1.00%	(7.88%)

(i) Debt is defined as long-term and short-term borrowings.

(ii) Note 9.

22.2. Categories of Financial Instruments

	31 December 2025	31 December 2024
Cash and cash equivalents (at amortised costs)	26 228	77 953
Loan receivables (at amortised costs)	72 698	27 800
Trade and other receivables (at amortised costs)	3 851	11 765
Investments in subsidiaries and joint venture (at amortised costs)	46 780	46 730
Other financial investments (at fair value)	4 845	-
Financial assets	154 402	164 248
Loans (at amortised costs)	35 500	-
Lease liabilities (at amortised costs)	1 713	2 555
Interest free liabilities (at amortised costs)	14 958	50 595
Financial liabilities	52 171	53 150

Financial liabilities do not comprise provisions for unbilled supplies, payables to employees, social fund payables, payables to social security and health insurance authorities, and deferred income.

(1) Financial Risk Factors

The Company's activities expose it to a variety of financial risks, including the effects of changes in foreign currency exchange rates, fluctuations of commodity prices, and loan interest rates. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Company.

The use of derivative financial instruments is governed by the Company's policies approved by the Board of Directors, which provide principles of management of foreign exchange risk, commodity price fluctuation risk, interest rate risk, credit risk, the use of derivative financial instruments and non-derivative financial instruments, and the investment of excess liquidity. The Company does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

a. Foreign exchange risk

The Company operates internationally and is exposed to foreign exchange risk arising from various currency exposures. The Company uses derivative instruments to reduce this risk.

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Carrying amounts of monetary assets and monetary liabilities (in thousands of EUR) denominated in a foreign currency at the reporting date are as follows:

	Assets		Liabilities	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
CZK	777	1 499	48	57
USD	214	1 257	32	37

The following table shows the Company's sensitivity to a 4% increase or decrease of EUR against CZK (2024: 2%) and a 13% increase or decrease of EUR against USD (2024: 6%). The sensitivity analysis includes foreign currency denominated monetary items and adjusts their translation at the period end for the aforementioned change in foreign currency rates. A positive number below indicates an increase in profit in the case of a decrease in EUR against the relevant currency. Where EUR strengthens against the relevant currency, there would be an opposite impact on the profit, and the balances below would be negative.

	CZK		USD	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Profit or loss (i)	29	29	24	73
(i) <i>This is mainly attributable to the exposure outstanding on CZK and USD receivables, payables and cash at the year end.</i>				

As at 31 December 2025 and 31 December 2024, the Company has no open forward currency contracts designated and evaluated as effective hedging instruments.

b. Commodity Price Risk

The Company is a party to framework agreements for the purchase of services and raw materials related to underground natural gas storage facilities and also enters into contracts for underground storage of natural gas. The Company is not exposed to a significant commodity price risk.

As at 31 December 2025 and 31 December 2024, the Company had no open commodity swap contracts.

c. Interest Rate Risk

The Company's operating income and operating cash flows are independent of changes in market interest rates. In addition to cash and cash equivalents, the Company has other interest-bearing assets; refer to Note 11. The Company manages interest rate risk by maintaining an appropriate ratio and structure between the interest rates for provided and received loans.

As at 31 December 2025 and 31 December 2024, the Company had no open interest rate derivatives. Refer also to Note 22.2.e.

d. Credit Risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a financial loss to the Company. The Company has adopted a policy of only dealing with credit-worthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

Derivative counter-parties and cash transactions, if any, are limited to high credit quality financial institutions. The Company has policies that limit the amount of credit exposure to financial institutions.

A significant part of trade receivables and loan receivables are concentrated against the shareholders of the Company operating in the energy industry in the Slovak Republic and Czech Republic and companies within the group.

e. Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit lines, funds from cash pooling and the ability to close out market positions. The Company maintains sufficient cash and credit lines, and has no significant open market positions.

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

	<i>Weighted average effective interest rate</i>	<i>Less than 1 month</i>	<i>1 – 3 months</i>	<i>3 months to 1 year</i>	<i>1 – 5 years</i>	<i>More than 5 years</i>	<i>Total</i>
2025							
Variable interest rate instruments	3.71%	113	216	1 005	39 605	-	40 939
Fixed interest rate instruments	6.92%	77	156	640	1 053	-	1 926
Non-interest bearing		11 790	2 764	66	294	44	14 958
2024							
Variable interest rate instruments	-	-	-	-	-	-	-
Fixed interest rate instruments	1.82%	83	166	746	1 875	-	2 870
Non-interest bearing		48 007	2 369	66	153	-	50 595

The Company has access to credit facilities. The total unused amount of such facilities is EUR 52 000 thousand at the reporting date (2024: EUR 202 000 thousand). The Company expects to meet its other obligations from operating cash flows, maturing financial assets, funds from cash pooling and funds from an unused credit facility.

23. DISCONTINUED OPERATIONS

As at 31 December 2024, NAFTA sold a part of the business related to gas production and supply, electricity generation from produced gas, and oil production and sale to NAFTA Production, since pursuant to Article 67a of Act No. 251/2012 Coll. on Energy, as amended, NAFTA is required to ensure that a storage facility operator that is part of a vertically integrated undertaking, is independent as regards legal personality, organisation and decision-making from other activities not related to gas transmission, distribution or storage.

A part of business comprised assets and liabilities, including 84 utilised production wells, an obligation to dismantle these wells, remediate contaminated soil, restore the surrounding area and return the site to its original condition, and 92 employees to whom the provision for retirement payments and other long-term employee benefits applied.

The selling price was determined by an independent expert and is considered to be at fair value.

The profit/loss from discontinued operations is included in the statement of profit or loss as follows:

	<i>Year ended</i>	
	<i>31 December 2025</i>	<i>31 December 2024</i>
Revenues (external)	-	23 074
Expenses (external)	-	(11 840)
Profit/loss before tax from discontinued operations	-	11 234
Income tax on discontinued operations	-	(2 732)
Profit/loss after tax from discontinued operations	-	8 502

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The profit/loss from the sale of a part of business is included in the statement of profit or loss as follows:

	<i>Year ended</i>	
	31 December 2025	31 December 2024
Gain/(loss) on the sale of discontinued operations*	-	(104)
Income tax on the sale of discontinued operations	-	25
Profit/(loss) from the sale of discontinued operations after tax	-	(79)
* Refer to Note 18.1.		
Effect of the sale of a part of business and discontinued operations after tax	-	8 423

For a better understanding of the effect of discontinued operations, mutual supplies between the discontinued and continuing operations (internal revenues and expenses) must be taken into consideration. The profit/loss from discontinued operations, incl. internal revenues and expenses, is presented in the following table:

	<i>Year ended</i>	
	31 December 2025	31 December 2024
Revenues:	-	24 735
Internal revenues	-	1 660
External revenues	-	23 075
Expenses:	-	(16 650)
Internal expenses	-	(4 810)
External expenses	-	(11 840)
Profit/loss before tax from discontinued operations, incl. internal revenues and expenses	-	8 085
Income tax on discontinued operations	-	(1 966)
Profit/loss after tax from discontinued operations	-	6 119

Net cash flows from discontinued operations are as follows:

	<i>Year ended</i>	
	31 December 2025	31 December 2024
Net cash flows from operating activities	-	15 900
Net cash flows from investing activities	-	(186)
Net increase/(decrease) in cash and cash equivalents	-	15 714

As at 31 December 2024, the carrying amounts of assets and liabilities included in the sale of a part of business are as follows:

	31 December 2024
Property, plant and equipment	(1 268)
Intangible and other assets	(17)
Inventories	(183)
Receivables	(7 187)
Cash and cash equivalents	(39 588)
Provision for abandonment and restoration	37 567
Other liabilities	1 256
Net carrying amount of decommissioned assets	(9 420)
Revenue from the sale of a part of business	9 316
Profit/(loss) from the sale of a part of business	(104)

Under the Contract for the Sale of a Part of Business, cash and cash equivalents were not transferred as at the transaction date. NAFTA was obliged to transfer cash to NAFTA Production by 31 January 2025.

In line with the loan agreement concluded between NAFTA (debtor) and NAFTA Production (creditor), see Note 10, NAFTA requested to draw a loan in the amount of EUR 35 500 thousand in January 2025. At the same time, in January 2025 an offset was made of NAFTA's obligation to transfer cash included in the part of business being sold against cash from the loan drawdown. Based on the above, no cash flows upon the sale of the part of business were made as at 31 December 2024.

24. SUPPLEMENTARY INFORMATION TO THE SEPARATE FINANCIAL STATEMENTS ACCORDING TO THE STATUTORY REQUIREMENTS**24.1. Consolidated Financial Statements**

NAFTA prepares consolidated financial statements for the consolidated group which includes NAFTA as a parent company and other business companies, in which NAFTA holds at least a 20% share in their registered capital. The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as adopted for use in the European Union.

After the consolidated financial statements are approved by Company's bodies and the General Meeting, the financial statements will be available at the Company's registered office (Votrubova 1, Bratislava) and at the Commercial Registry of the District Court Bratislava I, administered by the Registration Court (Záhradnícka 10, Bratislava).

NAFTA is a direct subsidiary of SPP Infrastructure, a.s. with the registered office in Bratislava, Mlynské nivy 44/a, which holds a 56.2% share in the Company's share capital. SPP Infrastructure, a.s. prepares consolidated financial statements in accordance with International Financial Reporting Standards as adopted for use in the EU. The consolidated financial statements of SPP Infrastructure, a.s., after being approved by the Company's bodies and the General Meeting, will be available at SPP Infrastructure a.s. registered office (Mlynské nivy 44/a, Bratislava) and at the Commercial Registry of the District Court Bratislava I, administered by the Registration Court (Záhradnícka 10, Bratislava).

The consolidated financial statements of EP Investment S.à r.l., after being approved by the Company's bodies and General Meeting, will be available at its registered office (2 Place de Paris, L – 2314 Luxembourg, Luxembourg) and at the Luxembourg Business Registers G.I.E., Luxembourg.

24.2. Unlimited Guarantee

NAFTA is not a partner with unlimited guarantee in any business company.

24.3. Members of the Company's Bodies as at the Preparation Date of the Separate Financial Statements**Board of Directors:**

Chair	Ing. Martin Bartošovič
Vice-Chair	Ing. Jozef Pagáč
Member	Ing. Robert Bundil
Member	Ing. Peter Kamenický
Member	Ing. Eduard Veselovský

Supervisory Board:

Chair	Mgr. Lenka Balog Ferenčáková
Vice-Chair	Gary Wheatley Mazzotti
Member	PhDr. Pavol Kašpar
Member	Ing. Daniel Kujan
Member	Ing. Peter Šefara
Member	Ing. Marek Vanko , PhD. MBA

Top Management:

General Director	Ing. Ladislav Goryl
Director of Underground Gas Storage Division	Ing. Martin Jarábek
Director of Exploration and Operations Division	Ing. Jozef Levoča, MBA
Director of Economic Section	Mgr. Jana Cinová
Director of Sales Section	Ing. Mgr. Ladislav Barkoci

25. EVENTS AFTER THE END OF THE REPORTING PERIOD

From 31 December 2025 up to the issue date of these financial statements, no significant events occurred that would significantly impact the Company's financial statements.

With effect from 1 January 2026, NAFTA sold a part of the business related to comprehensive well services, specifically drilling, workovers, decommissioning, well research and perforation, and emergency/non-standard well intervention to its subsidiary, NAFTA Well Services. This part of the business comprises the assets, liabilities, rights, obligations, and employees associated with the said activities.

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The assets and liabilities of the carved-out part of the business represent less than 1% of the Company's total assets and liabilities. Since the carved-out part of the business represents only an insignificant portion of the Company's operations, the Company did not recognise the carved-out assets and liabilities as held for sale under IFRS 5 as at 31 December 2025.

In connection with the conflict in the Middle East and its current development, the Company is analysing the situation and assessing its direct impact on the Company and its subsidiaries. Management has assessed the potential impacts of this situation on its operations and business and concluded that it does not currently have a significant effect on the separate financial statements for the year ended 31 December 2025 or on the going concern assumption for 2026. However, further negative developments cannot be ruled out, which could subsequently have a significant impact on the Company, its business, financial position, performance, and cash flows.

26. PREPARATION OF THE SEPARATE FINANCIAL STATEMENTS

The separate financial statements on pages 4 to 40 were signed on 30 March 2026 on behalf of the Board of Directors by:



Ing. Martin Bartošovič
Chairman of Board of Directors



Ing. Robert Bundil
Member of Board of Directors



Signature of the person responsible for preparing the financial statements:
Ing. Jana Cinová - Director of Economic Section



Signature of the person responsible for bookkeeping:
Ing. Ivana Kocáková - Head of Financial Accounting Department